
STATE OF SOUTH CAROLINA
COUNTY COUNCIL OF KERSHAW COUNTY

ORDINANCE No. 268.2015

PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, TAX-EXEMPT OR TAXABLE, TO BE USED TO FUND ECONOMIC DEVELOPMENT INFRASTRUCTURE PROJECTS, OR TO FUND THE INSTALLMENT PURCHASE OF UNDIVIDED PORTIONS THEREOF; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS OF THE BONDS; PROVIDING FOR BORROWING IN ANTICIPATION OF THE ISSUANCE OF THE BONDS; PROVIDING FOR THE DISPOSITION OF PROPERTY RELATED TO THE BONDS; AND OTHER RELATED MATTERS.

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AN ORDINANCE

PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, TAX-EXEMPT OR TAXABLE, TO BE USED TO FUND ECONOMIC DEVELOPMENT INFRASTRUCTURE PROJECTS, OR TO FUND THE INSTALLMENT PURCHASE OF UNDIVIDED PORTIONS THEREOF; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS OF THE BONDS; PROVIDING FOR BORROWING IN ANTICIPATION OF THE ISSUANCE OF THE BONDS; PROVIDING FOR THE DISPOSITION OF PROPERTY RELATED TO THE BONDS; AND OTHER RELATED MATTERS.

THE KERSHAW COUNTY, SOUTH CAROLINA, COUNTY COUNCIL ORDAINS:

SECTION 1. Findings. The County Council ("Council") of Kershaw County, South Carolina ("County"), finds and determines:

(a) Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended ("Constitution"), provides that each county may incur general obligation bonded indebtedness upon such terms and conditions as the General Assembly may prescribe by general law subject to the following limitations: (i) such debt must be incurred only for a purpose which is a public purpose and a corporate purpose for a county, and (ii) unless excepted therefrom, such debt may be issued in an amount not exceeding eight percent of the assessed value of all taxable property of such county ("Bonded Debt Limit").

(b) Pursuant to Title 4, Chapter 15, Code of Laws of South Carolina, 1976, as amended (the same being and hereinafter referred to as the "County Bond Act"), the county council of any county of the State may issue general obligation bonds for any corporate purpose of such county to any amount not exceeding such county's Bonded Debt Limit.

(c) The County Bond Act provides that as a condition precedent to the issuance of bonds an election be held and result favorably thereto. Chapter 27, Title 11, Code of Laws of South Carolina, 1976, as amended ("Article X Enabling Act"), provides that if an election be prescribed by the provisions of the County Bond Act, but is not required by the provisions of Article X, then in every such instance, no election need be held (notwithstanding the requirement therefor) and the remaining provisions of the County Bond Act shall constitute a full and complete authorization to issue bonds in accordance with such remaining provisions.

(d) The County has determined to acquire real property in the county and to construct, install, renovate, furnish, equip and make various improvements to the real property for economic development infrastructure and other capital projects (collectively, "Projects"). The County has previously formed the Kershaw Public Facilities Corporation to accomplish the certain governmental purposes, including those set forth in this Ordinance ("Entity"), to include the issuance of bonds, the execution and delivery of various documents to effect the transfer of real property interests in the Projects and other related matters.

(e) The assessed valuation of all property in the County as of September 30, 2015 (unaudited), for purposes of computation of the Bonded Debt Limit, is not less than \$224,960,000. Eight percent of this assessed valuation is \$17,996,800 ("County's Bonded Debt Limit"). As of September 30, 2015 (unaudited), the County has outstanding no more than \$5,235,729.11 of general obligation indebtedness subject to the County's Bonded Debt Limit. As of the adoption of this Ordinance, the difference between the County's Bonded Debt Limit and the principal amount of the outstanding general obligation indebtedness subject to the County's Bonded Debt Limit is the amount of general obligation indebtedness which the County may

incur without a referendum, which amount is equal to \$12,761,080.89.

(f) The Council has found it is in the best interest of the County for the Council to provide for the issuance of one or more general obligation bonds of the County, pursuant to the provisions of the Constitution and laws of the State of South Carolina in the aggregate principal amount not to exceed the County's constitutional debt limit for the purpose of: (i) funding the Projects; (ii) funding the acquisition of an interest in the Projects, if held by the Entity; (iii) providing for capitalized interest, if any, on the Bonds or BANs; (iv) defraying additional costs of the Projects; and (v) paying the costs of issuance related to the Bonds or BANs (defined below).

SECTION 2. *Authorization and Details of Bonds and the Projects.* Pursuant to the aforesaid provisions of the Constitution and laws of the State of South Carolina, the County is authorized to issue not exceeding the County's constitutional debt limit in general obligation bonds of the County to be designated "General Obligation Bonds of Kershaw County, South Carolina" ("Bonds") for the purposes set forth in Section 1(f). The Bonds also may be issued in one or more series, taxable or tax-exempt, from time to time as may be determined in the manner provided below with such further designation of each series to identify the year in which such bonds are issued.

The Bonds may be issued as fully-registered bonds; dated the date of their delivery or such other date as may be selected by the County Administrator; may be in denominations of \$5,000 or any integral multiple thereof not exceeding the principal amount of the Bonds maturing in each year; shall be numbered from R-1 upward; shall bear interest, if any, from their date as may be accepted by the County Administrator; and shall mature as determined by the County Administrator.

SECTION 3. *Delegation of Certain Details of the Bonds to the County Administrator.* The Council expressly delegates to the County Administrator determinations regarding the Bonds as are necessary or appropriate, including the form of the Bonds (or BANs) and whether to issue bonds as provided by any state or federal economic recovery or "stimulus" laws. The County Administrator is further directed to consult with bond counsel in making any such decisions.

SECTION 4. *Registrar/Paying Agent.* Both the principal installments of and interest on the Bonds shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts. The County Treasurer's Office or a qualified financial institution shall serve as the Registrar/Paying Agent for the Bonds ("Registrar/Paying Agent") and shall fulfill all functions of the Registrar/Paying Agent enumerated herein.

SECTION 5. *Registration and Transfer.* The County shall cause books (herein referred to as the "registry books") to be kept at the offices of the Registrar/Paying Agent, for the registration and transfer of the Bonds. Upon presentation at its office for such purpose, the Registrar/Paying Agent shall register or transfer, or cause to be registered or transferred, on such registry books, the Bonds under such reasonable regulations as the Registrar/Paying Agent may prescribe.

The Bonds shall be transferable only upon the registry books of the County, which shall be kept for such purpose at the principal office of the Registrar/Paying Agent, by the registered owner thereof in person or by his duly authorized attorney upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar/Paying Agent, duly executed by the registered owner or his duly authorized attorney. Upon the transfer of the Bonds, the Registrar/Paying Agent on behalf of the County shall issue in the name of the transferee new fully registered Bonds, of the same aggregate principal amount, interest rate and maturity as the surrendered Bonds. Any Bond surrendered in exchange for a new registered Bond pursuant to this Section shall be canceled by the Registrar/Paying Agent.

The County and the Registrar/Paying Agent may deem or treat the person in whose name the fully registered Bonds shall be registered upon the registry books as the absolute owner of such Bonds, whether such Bonds shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bonds and for all other purposes, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bonds to the extent of the sum or sums so paid, and neither the County nor the Registrar/Paying Agent shall be affected by any notice to the contrary. In all cases in which the privilege of transferring the Bonds is exercised, the County shall execute and the Registrar/Paying Agent shall authenticate and deliver the Bonds in accordance with the provisions of this Ordinance. Neither the County nor the Registrar/Paying Agent shall be obliged to make any such transfer of the Bonds during the period beginning on the Record Date (as defined in Section 6 hereof) and ending on an interest payment date.

SECTION 6. *Record Date.* The County establishes a record date (“Record Date”) for the payment of interest or for the giving of notice of any proposed redemption of the Bonds, and such Record Date shall be the 15th day of the calendar month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of the Bonds, such Record Date shall not be more than 15 days prior to the mailing of notice of redemption of the Bonds.

SECTION 7. *Lost, Stolen, Destroyed or Defaced Bonds.* In case the Bonds shall at any time become mutilated in whole or in part, or be lost, stolen or destroyed, or be so defaced as to impair the value thereof to the owner, the County shall execute and the Registrar/Paying Agent shall authenticate and deliver at the principal office of the Registrar/Paying Agent, or send by registered mail to the owner thereof at his request, risk and expense, a new Bond of the same interest rate and maturity and of like tenor and effect in exchange or substitution for and upon the surrender for cancellation of such defaced, mutilated or partly destroyed Bond, or in lieu of or in substitution for such lost, stolen or destroyed Bond. In any such event the applicant for the issuance of a substitute Bond shall furnish the County and the Registrar/Paying Agent evidence or proof satisfactory to the County and the Registrar/Paying Agent of the loss, destruction, mutilation, defacement or theft of the original Bond, and of the ownership thereof, and also such security and indemnity in such amount as may be required by the laws of the State of South Carolina or such greater amount as may be required by the County and the Registrar/Paying Agent. Any duplicate Bond issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Bond or in substitution for any allegedly lost, stolen or wholly destroyed Bond shall be entitled to the identical benefits under this Ordinance as was the original Bond in lieu of which such duplicate Bond is issued.

All expenses necessary for the providing of any duplicate Bond shall be borne by the applicant therefor.

SECTION 8. *Book-Entry-Only System.*

(a) Notwithstanding anything to the contrary herein, so long as the Bonds are being held under a book-entry system of a securities depository, transfers of beneficial ownership of the Bonds will be effected pursuant to rules and procedures established by such securities depository. The initial securities depository for the Bonds will be The Depository Trust Company (“DTC”), New York, New York. DTC and any successor securities depositories are hereinafter referred to as the “Securities Depository.” The Bonds shall be registered in the name of Cede & Co., as the initial securities depository nominee for the Bonds. Cede & Co. and successor securities depository nominees are hereinafter referred to as the “Securities Depository Nominee.”

(b) As long as a book-entry system is in effect for the Bonds, the Securities Depository Nominee will be recognized as the holder of the Bonds for the purposes of (i) paying the principal, interest and premium, if any, on such Bond, (ii) if the Bonds are to be redeemed in part, selecting the portions of such Bond to be redeemed, (iii) giving any notice permitted or required to be given to Bondholders under this ordinance,

(iv) registering the transfer of the Bonds, and (v) requesting any consent or other action to be taken by the holder of such Bonds, and for all other purposes whatsoever, and the County shall not be affected by any notice to the contrary.

(c) The County shall not have any responsibility or obligation to any participant, any beneficial owner or any other person claiming a beneficial ownership in the Bonds which is registered to a Securities Depository Nominee under or through the Securities Depository with respect to any action taken by the Securities Depository as holder of the Bonds.

(d) The County shall pay all principal, interest and premium, if any, on the Bonds issued under a book-entry system, only to the Securities Depository or the Securities Depository Nominee, as the case may be, for such Bond, and all such payments shall be valid and effectual to fully satisfy and discharge the obligations with respect to the principal of and premium, if any, and interest on such Bond.

(e) In the event that the County determines that it is in the best interest of the County to discontinue the book-entry system of transfer for the Bond, or that the interests of the beneficial owners of the Bonds may be adversely affected if the book-entry system is continued, then the County shall notify the Securities Depository of such determination. In such event, the County shall appoint a Registrar/Paying Agent which shall authenticate, register and deliver physical certificates for the Bonds in exchange for the Bonds registered in the name of the Securities Depository Nominee.

(f) In the event that the Securities Depository for the Bonds discontinues providing its services, the County shall either engage the services of another Securities Depository or arrange with a Registrar/Paying Agent for the delivery of physical certificates in the manner described in (e) above.

(g) In connection with any notice or other communication to be provided to the holder of the Bonds by the County or by the Registrar/Paying Agent with respect to any consent or other action to be taken by the holder of the Bonds, the County or the Registrar/Paying Agent, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository Nominee notice of such record date not less than 15 days in advance of such record date to the extent possible.

SECTION 9. Execution of Bonds. The Bonds shall be executed in the name of the County with the manual or facsimile signature of the Chairman of Council and attested by the manual or facsimile signature of the County Administrator under a facsimile of the seal of the County which shall be impressed, imprinted or reproduced thereon. The Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. The Bonds shall bear a certificate of authentication manually executed by the Registrar/Paying Agent in substantially the form set forth herein.

SECTION 10. Form of Bond. The Bonds shall be in the form as determined by the County Administrator under Section 3.

SECTION 11. Security for Bonds. The full faith, credit and taxing power of the County are irrevocably pledged for the payment of the principal and interest of the Bonds as they mature and to create a sinking fund to aid in the retirement and payment thereof. There shall be levied and collected annually upon all taxable property in the County an *ad valorem* tax, without limitation as to rate or amount, sufficient for such purposes.

SECTION 12. Exemption from Taxation. Both the principal of and interest on the Bonds shall be exempt, in accordance with the provisions of Section 12-2-50 of the Code of Laws of South Carolina, 1976, as amended, from all State, county, municipal, school district and all other taxes or assessments, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except

inheritance, estate and transfer taxes, but the interest thereon may be includable in certain franchise fees or taxes.

SECTION 13. *Sale of Bonds, Form of Notice of Sale.* The Bonds may be sold at a public or private sale, as authorized by Section 11-27-40(4) of the Code of Laws of South Carolina, 1976, as amended, as the County Administrator may determine, using a Notice of Sale or other similar Notice, as the County Administrator may determine.

SECTION 14. *Deposit and Application of Proceeds.* It is expected that proceeds of the Bonds will be fully drawn at Closing. The proceeds of the Bonds or of BANs (authorized under Section 16 of this Ordinance), when drawn, will be deposited in a bond account fund for the County and shall be expended and made use of as follows:

(a) accrued interest, if any, shall be applied to the payment of the first installment of interest to become due on the Bonds or BANs; and

(b) the remaining proceeds shall be expended and made use of to defray the cost of issuing the Bonds or BANs and to defray the costs of the Projects. Pending the use of such proceeds, the same shall be invested and reinvested in such investments as are permitted under State law. Earnings on such investments shall be applied either to defray costs of the Projects or, if not so required, to pay principal on the Bonds.

SECTION 15. *Defeasance.*

(a) If a series of bonds issued pursuant to this Ordinance shall have been paid and discharged, then the obligations of the Ordinance hereunder, and all other rights granted thereby shall cease and determine with respect to such series of bonds. A series of bonds shall be deemed to have been paid and discharged within the meaning of this Section under any of the following circumstances:

(i) If the Registrar/Paying Agent (or, if the County is the Registrar/Paying Agent, a bank or other institution serving in a fiduciary capacity) ("Escrow Agent") shall hold, at the stated maturities of the bonds, in trust and irrevocably appropriated thereto, moneys for the full payment thereof; or

(ii) If default in the payment of the principal of such series of bonds or the interest thereon shall have occurred, and thereafter tender of payment shall have been made, and the Escrow Agent shall hold, in trust and irrevocably appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of payment; or

(iii) If the County shall have deposited with the Escrow Agent, in an irrevocable trust, either moneys in an amount which shall be sufficient, or direct general obligations of the United States of America, which are not subject to redemption by the issuer prior to the date of maturity thereof, as the case may be, the principal of and interest on which, when due, and without reinvestment thereof, will provide moneys, which, together with the moneys, if any, deposited with the Escrow Agent at the same time, shall be sufficient to pay, when due, the principal, interest, and redemption premium or premiums, if any, due and to become due on such series of bonds and prior to the maturity date or dates of such series of bonds, or, if the County shall elect to redeem such series of bonds prior to their stated maturities, and shall have irrevocably bound and obligated itself to give notice of redemption thereof in the manner provided in the form of the bonds, on and prior to the redemption date or dates of such series of bonds, as the case may be; or

(iv) If there shall have been deposited with the Escrow Agent either moneys in an amount which shall be sufficient, or direct general obligations of the United States of America the principal of and interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Escrow Agent at the same time, shall be sufficient to pay, when due, the principal and interest due and to become due on such series of bonds on the maturity thereof.

(b) In addition to the above requirements of paragraphs (a) (i), (ii), (iii), and (iv), in order for this Ordinance to be discharged with respect to a series of bonds, all other fees, expenses and charges of the Escrow Agent have been paid in full at that time.

(c) Notwithstanding the satisfaction and discharge of this Ordinance with respect to a series of bonds, the Escrow Agent shall continue to be obligated to hold in trust any moneys or investments then held by the Escrow Agent for the payment of the principal of, premium, if any, and interest on, such series of bonds, to pay to the owners of such series of bonds the funds so held by the Escrow Agent as and when payment becomes due.

(d) Any release under this Section shall be without prejudice to the rights of the Escrow Agent to be paid reasonable compensation for all services rendered under this Ordinance and all reasonable expenses, charges, and other disbursements and those of their respective attorneys, agents, and employees, incurred on and about the performance of the powers and duties under this Ordinance.

(e) Any moneys which at any time shall be deposited with the Escrow Agent by or on behalf of the County for the purpose of paying and discharging any bonds shall be and are assigned, transferred, and set over to the Escrow Agent in trust for the respective holders of such bonds, and the moneys shall be and are irrevocably appropriated to the payment and discharge thereof. If, through lapse of time or otherwise, the holders of such bonds shall no longer be entitled to enforce payment of their obligations, then, in that event, it shall be the duty of the Escrow Agent to transfer the funds to the County.

(f) In the event any bonds are not to be redeemed within the 60 days next succeeding the date the deposit required by Section 15(a)(iii) or (iv) is made, the County shall give the Escrow Agent irrevocable instructions to mail, as soon as practicable by registered or certified mail, a notice to the owners of the bonds at the addresses shown on the registry books that (i) the deposit required by subparagraph (a)(iii) or (a)(iv) of this Section 15 has been made with the Escrow Agent, (ii) the bonds are deemed to have been paid in accordance with this Section and stating the maturity or redemption dates upon which moneys are to be available for the payment of the principal of, and premium, if any, and interest on, the bonds, and (iii) stating whether the County has irrevocably waived any rights to redeem the bonds, or any of them, prior to the maturity or redemption dates set forth in the preceding clause (ii).

(g) The County covenants and agrees that any moneys which it shall deposit with the Escrow Agent shall be deemed to be deposited in accordance with, and subject to, the applicable provisions of this Section, and whenever it shall have elected to redeem bonds, it will irrevocably bind and obligate itself to give notice of redemption thereof, and will further authorize and empower the Escrow Agent to cause notice of redemption to be given in its name and on its behalf.

SECTION 16. Authority to Issue Bond Anticipation Notes. If the County Administrator should determine that issuance of BANs pursuant to Chapter 17 of Title 11 of the Code ("BAN Act") rather than the Bonds would result in a substantial savings in interest under prevailing market conditions or for other reasons would be in the best interest of the County, the County Administrator is further requested and authorized to effect the issuance of one or more series of BANs pursuant to the BAN Act. If BANs are issued and if, upon the maturity thereof, the County Administrator should determine that further issuance of BANs rather than the Bonds would result in a substantial savings in interest under then prevailing market

conditions or for other reasons would be in the best interest of the County, the County Administrator is requested to continue the issuance of BANs until the County Administrator determines to issue the Bonds on the basis as aforesaid, and the Bond is issued.

SECTION 17. *Details of Bond Anticipation Notes.* Subject to changes in terms required for any particular issue of BANs, the BANs shall be subject to the following particulars:

(a) The BANs shall be dated and bear interest from the date of delivery thereof or, if the BAN is issued on a draw-down basis, from the date of each such advance, payable upon the stated maturity thereof, at the rate negotiated by the County Administrator and shall mature on such date, not to exceed one year from the issue date thereof, as shall be determined by the County Administrator.

(b) The BANs shall be numbered from one upwards for each issue and shall be in the denomination of \$5,000 or any integral multiple thereof requested by the purchaser thereof. The BANs shall be payable, both as to principal and interest, in legal tender upon maturity, at the principal office of a bank designated by the County or, at the option of the County, by the purchaser thereof.

The BANs also may be issued as one or more fully registered "draw-down" style instruments in an aggregate face amount not exceeding the maximum amount permitted hereunder, to a lending institution under terms which permit the balance due under such note or notes to vary according to the actual cash needs of the County, as shall be determined by the County Administrator. In such event, the County may draw upon such note or notes as it needs funds so long as the maximum outstanding balance due under such note or notes does not exceed the aggregate face amount thereof.

(c) The County Administrator is authorized to negotiate or to arrange for a sale of the BANs and to determine the rate of interest to be borne thereby.

(d) The BANs shall be in the form as determined by the County Administrator under Section 3.

(e) The BANs shall be issued in fully registered or bearer certificated form or a book-entry-only form as specified by the County, or at the option of the County, by the purchaser thereof; provided that once issued, the BANs of any particular issue shall not be reissued in any other form and no exchange shall be made from one form to the other.

(f) In the event any BAN is mutilated, lost, stolen or destroyed, the County may execute a new BAN of like date and denomination as that mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated BAN, such mutilated BAN shall first be surrendered to the County, and in the case of any lost, stolen or destroyed BAN, there shall be first furnished to the County evidence of such loss, theft or destruction satisfactory to the County, together with indemnity satisfactory to it; provided that, in the case of a holder which is a bank or insurance company, the agreement of such bank or insurance company to indemnify shall be sufficient. In the event any such BAN shall have matured, instead of issuing a duplicate BAN, the County may pay the same without surrender thereof. The County may charge the holder of such BAN with its reasonable fees and expenses in this connection.

(g) Any BAN issued in fully-registered form shall be transferable only upon the books of registry of the County, which shall be kept for that purpose at the office of the County as note registrar (or its duly authorized designee), by the registered owner thereof or by his attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the County as note registrar, duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any BAN, the County shall issue, subject to the provisions of paragraph (h) below, in the name of the transferee, a new BAN or BANs of the same aggregate principal amount as the unpaid principal amount of the surrendered

BAN. Any holder of a BAN in fully-registered form requesting any transfer shall pay any tax or other governmental charge required to be paid with respect thereto. As to any BAN in fully-registered form, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal and interest of any BAN in fully-registered form shall be made only to or upon the order of the registered holder thereof, or his duly authorized attorney, and the County shall not be affected by any notice to the contrary, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such BAN to the extent of the sum or sums so paid.

(h) BANs issued in fully-registered form, upon surrender thereof at the office of the County (or at such office as may be designated by its designee) as note registrar, with a written instrument of transfer satisfactory to the County, duly executed by the holder of the BAN or his duly authorized attorney, may, at the option of the holder of the BAN, and upon payment by such holder of any charges which the County may make as provided in paragraph (i), be exchanged for a principal amount of BANs in fully registered form of any other authorized denomination equal to the unpaid principal amount of surrendered BANs.

(i) In all cases in which the privilege of exchanging or transferring BANs in fully-registered form is exercised, the County shall execute and deliver BANs in accordance with the provisions of such Ordinance. All BANs in fully-registered form surrendered in any such exchanges or transfers shall forthwith be canceled by the County. There shall be no charge to the holder of such BAN for such exchange or transfer of BANs in fully-registered form except that the County may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer.

SECTION 18. *Security for Bond Anticipation Notes.* For the payment of the principal of and interest on the BANs as the same shall fall due, so much of the principal proceeds of the bonds when issued shall and is directed to be applied, to the extent necessary, to the payment of the BANs; and, further, the County covenants and agrees to effect the issuance of sufficient BANs or bonds in order that the proceeds thereof will be sufficient to provide for the retirement of any BANs issued pursuant hereto.

SECTION 19. *Tax and Securities Laws Covenants.*

(a) The County covenants that no use of the proceeds of the sale of the Bonds or BANs authorized hereunder shall be made which, if such use had been reasonably expected on the date of issue of such Bonds or BANs would have caused the Bonds or BANs to be "arbitrage bonds," as defined in the Code, and to that end the County shall comply with all applicable regulations of the Treasury Department previously promulgated under Section 103 of the Internal Revenue Code of 1954, as amended, and any regulations promulgated under the Code so long as the Bonds or BANs are outstanding.

(b) The County further covenants to take all action necessary, including the payment of any rebate amount, to comply with Section 148(f) of the Code and any regulations promulgated thereunder.

(c) The County covenants to file IRS form 8038, if the Code so requires, at the time and in the place required therefore under the Code.

(d) The County reasonably anticipates that it and the Entity not issue more than \$30,000,000 of obligations, the interest on which is excludable from the gross income of the holders thereof under the Code (excluding private activity bonds (within the meaning of Section 141(a) of the Code) other than qualified 501(c)(3) bonds (within the meaning of Section 145 of the Code)) during calendar year 2015. If issued as tax-exempt bonds, the County accordingly designates the Bonds as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code.

SECTION 20. *Appropriation of Capital Project Funds.* The Council authorizes the Chairman, County Administrator, Clerk to Council and other County Officials to negotiate in good faith to purchase, sell and develop the real property on which the Projects are to be located; to appropriate funds from the capital projects, or other similar funds for the purchase, sale and development of the Projects; take all steps reasonably necessary and proper to purchase, sell and develop the Projects. Further, the County Administrator (and his designated appointees) is authorized and directed, in the name of and on behalf of the County, to take whatever further actions and execute whatever further documents, including purchase-sale agreements, option contracts, deeds or other similar agreements, as the County Administrator (and his designated appointees) deems to be reasonably necessary and prudent to effect the intent of this Ordinance, and assist in purchasing, selling and developing the Projects.

SECTION 21. *Authorization for County Officials to Execute Documents.* The Council authorizes the Chairman, County Administrator, Clerk to Council and other County Officials to execute and consent to such documents and instruments, including, *e.g.*, purchase-sale agreements, option contracts, or other similar agreements, as may be necessary to effect the intent of this Ordinance, the issuance of the Bonds, and any documents related to the transfer to, or acquisition from (or both), the Projects, the Entity, and the issuance of bonds by the Entity.

SECTION 22. *Consent to Action by Third Parties.* The Council authorizes the creation of the Entity and the undertakings by the Entity regarding the Projects and the issuance by the Entity of installment purchase revenue bonds, including the form of those bonds. Further, the Council acknowledges that the initial board of directors of the Entity is anticipated to have no more than five members. The Council consents to and approves the issuance, sale, execution and delivery of bonds by the Entity, in one or more series of taxable or tax-exempt obligations, in an amount or amounts to be set pursuant to a resolution to be adopted by the board of directors of the Entity to provide for the payment of the costs of the Projects and the costs of issuance and all expenses in connection therewith. The Council also agrees to accept the Projects at such time as the bonds issued by the Entity are retired.

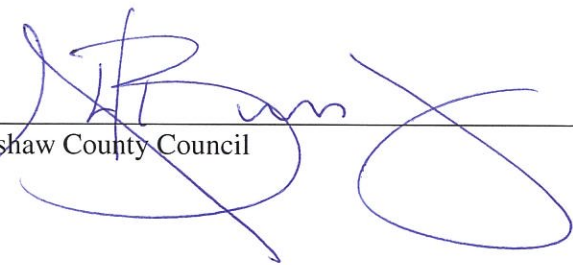
SECTION 23. *Publication of Notice of Adoption of Ordinance pursuant to Section 11-27-40, paragraph 8, of the Code of Laws of South Carolina, 1976, as amended.* Pursuant to the provisions of Section 11-27-40 of the Code of Laws of South Carolina, 1976, as amended, the County Administrator, at his option, is authorized to arrange to publish a notice of adoption of this Ordinance.

SECTION 24. *Retention of Suppliers.* The Council authorizes the County Administrator to enter into such contractual arrangements with printers and the suppliers of other goods and services necessary to the sale, execution and delivery of the Bonds as is necessary and desirable. To the extent feasible, such arrangements shall be made with persons of sound reputation after obtaining two or more bids for such services; however, the County Administrator is authorized to make such arrangements without obtaining bids or quotes where (i) the services to be provided are unique or (ii) it is impractical to obtain bids in order to comply with any time requirements with respect to the issuance and sale of the Bonds or (iii) the County has had previous experience with a supplier who has performed reliably and satisfactorily.

SECTION 25. *General Repealer.* All rules, regulations, resolutions and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Bonds are, to the extent of such conflict, repealed and this Ordinance shall take effect and be in full force from and after its adoption.

[Signature page follows]

KERSHAW COUNTY, SOUTH CAROLINA



Kershaw County Council

(SEAL)

ATTEST:



Merri M. Seigler, Clerk to Council
Kershaw County Council

First Reading: August 11, 2015
Second Reading: October 13, 2015
Public Hearing: October 27, 2015
Third Reading: October 27, 2015

STATE OF SOUTH CAROLINA) RESOLUTION No. 093.2015
)
COUNTY OF KERSHAW) KERSHAW COUNTY, SOUTH CAROLINA

**AUTHORIZING AN INSTALLMENT PURCHASE PLAN OF
FINANCE RELATING TO CERTAIN CAPITAL PROJECTS TO
PROMOTE ECONOMIC DEVELOPMENT IN THE COUNTY;
AND OTHER RELATED MATTERS.**

WHEREAS, Kershaw Public Facilities Corporation, a South Carolina nonprofit corporation (“Corporation”), was previously formed solely for the purpose of supporting the governmental mission and certain activities of Kershaw County, South Carolina (“County”);

WHEREAS, the Corporation previously issued its Installment Purchase Revenue Bonds (2014 County Projects), Series 2014, in the aggregate principal amount of \$8,500,000 (“2014 Bonds”). The 2014 Bonds were issued pursuant to a Bond Agreement dated July 2, 2014 (“Bond Agreement”), between the Corporation and Regions Bank, as trustee (“Trustee”), a Base Lease Agreement dated July 2, 2014 (“Base Lease”) between the County and the Corporation, an Installment Purchase Agreement dated July 2, 2014 (“Installment Agreement”), between the County and the Corporation, and an Assignment Agreement dated July 2, 2014 (“Assignment Agreement”), given by the Corporation in favor of the Trustee (Bond Agreement, Base Lease, Installment Agreement and Assignment Agreement are collectively referred to as “Transaction Documents”);

WHEREAS, the County has determined to pursue a program of capital projects designed to promote economic development and job growth (“2015 Projects”). A list of the capital projects expected to comprise the 2015 Projects along with an initial estimate of project costs is set forth on the attached **Exhibit A**;

WHEREAS, the County is seeking the assistance of the Corporation in financing the 2015 Projects through the issuance of one or more series of the Corporation’s installment purchase revenue bonds (“2015 Bonds”) in an amount not to exceed \$17,200,000; and

WHEREAS, to effect the issuance of the 2015 Bonds (“Financing”), the Corporation has requested the County (i) enter into amendments or supplements to the Transaction Documents; (ii) specifically consent to the Corporation entering into a supplemental or restated Bond Agreement with the Trustee by which the Corporation will issue its installment purchase revenue bonds, in one or more taxable or tax-exempt series; and (iii) authorize such other actions as may be necessary to effect the Financing.

NOW, THEREFORE, BE IT RESOLVED by the County Council of the County (“Council”), as the governing body of the County, in meeting duly assembled:

**ARTICLE I
AUTHORIZATION AND CONSENT TO
MODIFY TRANSACTION DOCUMENTS**

SECTION 1.01. *Transaction Documents.* The County is authorized to enter into amendments or supplements to or restated Transaction Documents with the Corporation to effect the Financing. The Chairman of Council (“Chairman”) and the County Administrator, or their designees, are authorized to negotiate and approve the form, terms and provisions of the amendments or restatements of the Transaction Documents on behalf of the County and the Chairman and Clerk to Council (“Clerk”) are authorized to execute the amendments or restatements on behalf of the County and deliver the same to the Corporation.

SECTION 1.02. *Consent to Supplemental Bond Agreement.* Council consents to the Corporation’s execution of a supplemental or restated Bond Agreement pursuant to which the Corporation will issue the 2015 Bonds to effect the Financing.

ARTICLE II
CONSENT TO SALE OF THE BONDS; USE OF PROCEEDS

SECTION 2.01. *Official Statement.* The County acknowledges and consents to the Corporation's use, preparation and distribution of a Preliminary Official Statement, which may include certain information and financial data relating to the County, in connection with the offer and sale of the 2015 Bonds. After the acceptance of an offer to purchase the 2015 Bonds, the County acknowledges and consents to the Corporation's preparation and distribution of a final Official Statement. The Chairman is authorized to deem "final" the Preliminary Official Statement, and any amendments or supplements thereto, for purposes of S.E.C. Rule 15c2-12. Council approves and consents to the execution and delivery by the Corporation and the Chairman, or either of them acting alone, of a final Official Statement.

SECTION 2.02. *Bond Purchase.* The County acknowledges and approves that the Corporation may engage appropriate professionals to assist the Corporation in arranging for the placement, distribution and sale of the 2015 Bonds and consents to the Corporation's engagement of those professionals and the execution of such documents as may be necessary to effect the placement, distribution and sale of the 2015 Bonds.

SECTION 2.03. *Use of Proceeds of the Bonds; Details of Bonds.* The County acknowledges and approves that the proceeds of the 2015 Bonds will be used to (i) defray the costs of acquisition and construction of the 2015 Projects; (ii) pay the premium due in connection with a debt service reserve fund surety policy provided by an insurer (if any); (iii) pay the premium due in connection with a municipal bond insurance policy issued an insurer (if any); and (iv) pay the costs of issuing the 2015 Bonds. The County authorizes the Chairman and the County Administrator, or their designees, to work with the Corporation to determine and fix any details of the 2015 Bonds as may be necessary or desirable to effect the Financing.

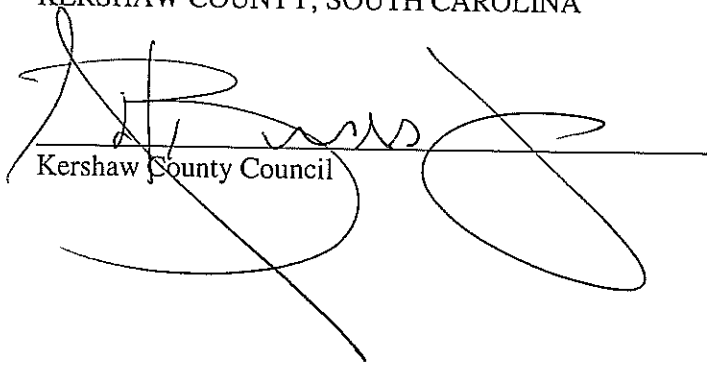
ARTICLE III
GENERAL AUTHORIZATION

SECTION 3.01. *General Authorization.* The Chairman, the County Administrator and the Clerk, or their designees, are hereby authorized to execute and deliver whatever documents and take whatever actions as are necessary or desirable to effect the Financing, and the transactions contemplated by this Resolution. Such authorization shall include the reprioritizing, modification, substitution and reallocation of the bond proceeds with respect to the 2015 Projects, depending on the actual costs of the 2015 Projects and the ongoing economic development needs of the County.

SECTION 3.02. *Effective Date.* This Resolution shall take effect immediately and no further authorization is required to execute and deliver all documents and certificates required to effect the sale, issuance and delivery of the 2015 Bonds. This Resolution shall be construed liberally to effect the intent of the Council.

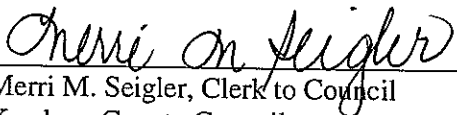
Adopted October 27, 2015.

KERSHAW COUNTY, SOUTH CAROLINA



Kershaw County Council

(SEAL)
ATTEST:



Merri M. Seigler, Clerk to Council
Kershaw County Council

EXHIBIT A

2015 PROJECTS

The 2015 Projects are subject to modification, reallocation and substitution based on actual costs and ongoing economic development priorities of the County.

| Park/Site | Description | Estimated Cost | Phase |
|----------------------|--|-----------------------|--------------|
| Steeplechase IP | Road Extension within park | \$845,000 | 1 |
| Steeplechase IP | Signage at Hwy 521 and Black River Road | \$130,000 | 1 |
| Heritage Pointe IP | Clearing and Grading of area south of entrance | \$325,000 | 1 |
| Heritage Pointe IP | 50,000 sq ft Spec Building | \$2,585,000 | 1 |
| Governor's Hill | Signage at Mt. Olivet Entrance | \$120,000 | 1 |
| Governor's Hill | Development of pad ready site in SW corner | \$160,000 | 1 |
| Phase 1 Total | | \$4,165,000 | |

| Park/Site | Description | Estimated Cost | Phase |
|---------------------------|--|-----------------------|--------------|
| Governor's Hill | 75,000 sq ft Spec Building | \$3,320,000 | 2 |
| Steeplechase IP - CCTC | Clearing and Grading of 11 acre tract | \$655,000 | 2 |
| Governor's Hill | Improve Interior Road | \$765,000 | 2 |
| Steeplechase IP | 75,000 sq ft Spec Building | \$3,870,000 | 2 |
| Heritage Pointe IP | Clearing and Grading of area between Yutaka and Target | \$825,000 | 2 |
| Steeplechase IP | Phase II Road Improvements | \$705,000 | 2 |
| Steeplechase IP | Phase III Road Improvements | \$860,000 | 2 |
| Phase 2 Total | | \$11,000,000 | |

| | | |
|---------------------|------------------|---------------------|
| General Development | Land acquisition | \$ 2,000,000 |
| Total all Phases | | \$17,165,000 |