

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF NEWBERRY )

**ORDINANCE # 08-28-08**

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$1,100,000 AGGREGATE PRINCIPAL AMOUNT OF HOSPITAL REVENUE BONDS (NEWBERRY COUNTY MEMORIAL HOSPITAL) SERIES 2008; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND AN INDENTURE OF TRUST; AND OTHER MATTERS INCIDENTAL THERETO.**

**WHEREAS**, Newberry County, South Carolina (the “*County*”), acting by and through its County Council (the “*County Council*”), is authorized and empowered under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976, as amended (the “*Act*”), to promote the public health and welfare by providing for the financing, refinancing, acquiring, enlarging, improving, constructing and equipping of hospital facilities (as defined in the Act) to serve the people of the State of South Carolina (the “*State*”) and to make accessible to them modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities; and

**WHEREAS**, the County is further authorized to issue revenue bonds for the purpose of defraying the cost of providing hospital facilities and to refinance or refund outstanding bonds, obligations, mortgages or advances issued, made or given by a hospital or public agency for the cost of hospital facilities; and

**WHEREAS**, the County is further authorized to make the proceeds of any revenue bonds available by way of a loan to a hospital or public agency pursuant to a loan agreement; and

**WHEREAS**, Newberry County Memorial Hospital (the “*Hospital*”) is organized and existing under the laws of the State is empowered to operate and maintain hospital facilities, and is a “public agency” as defined in the Act and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended; and

**WHEREAS**, the Hospital has deemed it necessary and desirable to acquire, improve and equip an existing building in the County for general hospital use (the “*Project*”); and

**WHEREAS**, no Certificate of Need is required of the South Carolina Department of Health and Environmental Control in connection with the Project; and

**WHEREAS**, the Hospital and the County propose to enter into a Loan Agreement dated as of the first day of the month in which the Series 2008 Bonds (as hereinafter defined) are delivered, or such other date on or before December 31, 2008 (the “*Loan Agreement*”), with respect to the financing of the Project; and

**WHEREAS**, the County desires to authorize the issuance of a series of Bonds to be designated, “Newberry County, South Carolina, Hospital Revenue Bonds (Newberry County Memorial Hospital) Series 2008” (the “*Series 2008 Bonds*”), for the purpose of defraying the cost of the Project, including reimbursing the Hospital for certain related capital expenditures heretofore made by the Hospital which it expressed an intent to finance, and to pay costs of issuance of the Bonds; and

**WHEREAS**, the County and the Hospital now desire to proceed with the financing; and

**WHEREAS**, there have been prepared and submitted to the County the forms of (a) the Loan Agreement; and (b) the Indenture of Trust dated as of the first day of the month in which the Series 2008 Bonds are delivered (the “*Indenture*”), by and between the County and \_\_\_\_\_, as purchaser (the “*Purchaser*”);

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY COUNCIL OF NEWBERRY COUNTY, SOUTH CAROLINA, AS FOLLOWS:**

**Section 1.** To defray the cost of the Project, including permitting the Hospital to be reimbursed for certain capital expenditures heretofore made which the Hospital expressed an intent to finance, the issuance of hospital revenue bonds to be designated “not exceeding \$1,100,000 Newberry County, South Carolina, Hospital Revenue Bonds (Newberry County Memorial Hospital) Series 2008,” is hereby authorized subject to the provisions of this Ordinance and the Indenture. The Series 2008 Bonds shall be dated; shall be issued in such denominations; shall be payable as to principal, interest and redemption premium, if any; shall bear interest; shall mature; shall be in the form; and shall contain provisions for execution, authentication, payment, registration, redemption and numbering as shall be set forth in the Indenture.

**Section 2.** The Series 2008 Bonds shall be secured by a pledge effected by the Indenture and shall be limited obligations of the County payable solely from and secured by a pledge of the gross revenues and receipts derived by the County from or in connection with the Loan Agreement hereinafter authorized. The Series 2008 Bonds do not and shall never constitute an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing power.

**Section 3.** The form of the Indenture as submitted to this meeting is hereby approved. The Chairman of the County Council is hereby authorized and directed to execute and deliver the Indenture with such changes, insertions and omissions as may be approved by said Chairman upon advice of counsel, said execution being conclusive evidence of such approval; and the Clerk of the County Council is hereby authorized and directed to affix the corporate seal of the County to the Indenture and to attest the same.

**Section 4.** The form of the Loan Agreement, as submitted to this meeting is hereby approved. The Chairman of the County Council is hereby authorized and directed to execute and deliver the Loan Agreement with such changes, insertions and omissions as may be approved by the Chairman upon advice of counsel, the execution being conclusive evidence of such approval; and the Clerk of the County Council is hereby authorized and directed to affix the corporate seal of the County to the Loan Agreement and to attest the same.

**Section 5.** The Chairman of the County Council, the County Administrator, and the Clerk of the County Council, and any other proper officer of the County, be and each of them is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and to cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Ordinance.

**Section 6.** The County Council has made the determination that the principal amount of the Bonds, when added to the principal amount of the other tax-exempt Bonds issued or expected to be issued by the County, or any issuer subordinate to the County, in calendar year 2008 (excluding private activity bonds except “501(c)(3)” bonds), will not exceed \$10,000,000. Accordingly, the Series 2008 Bonds are hereby

designated a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended

**Section 7.** All orders, resolutions, ordinances and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

**Section 8.** This Ordinance shall become effective and be in full force immediately.

**NEWBERRY COUNTY COUNCIL**

(SEAL)

By: \_\_\_\_\_  
Henry B. Summer, Chairman

ATTEST:

\_\_\_\_\_  
Laurie N. Renwick, Clerk to Council

First Reading: September 3, 2008  
Second Reading: \_\_\_\_\_, 2008  
Third Reading: \_\_\_\_\_, 2008  
Public Hearing: \_\_\_\_\_, 2008

