

**ORDINANCE #03-02-15**

AN ORDINANCE

TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING ONE MILLION TWO HUNDRED THOUSAND DOLLARS (\$1,200,000) GENERAL OBLIGATION BONDS OF NEWBERRY COUNTY, SOUTH CAROLINA, FOR THE ISSUANCE OF NOTES IN ANTICIPATION OF SUCH BONDS, TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS OF SUCH OBLIGATIONS SHALL BE EXPENDED, TO PROVIDE FOR THE PAYMENT THEREOF, AND OTHER MATTERS RELATING THERETO.

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## ARTICLE I

### FINDINGS OF FACT

As an incident to the enactment of this Ordinance and the issuance of the bonds provided for herein, the County Council of Newberry County (the "Council"), the governing body of Newberry County, South Carolina (the "County") finds that the facts set forth in this Article exist, and the statements made with respect thereto are true and correct:

#### Section 1.01 Findings and Determinations.

(a) The County is a duly constituted body politic and political subdivision of the State of South Carolina (the "State").

(b) The Council has determined, after due investigation, that it is in the best interests of the County to provide for the design, construction and furnishing of fire substations at Highway 176 at Old Whitmire Road, Belfast Road at Brehmer Road, and Leitzsey Road at New Hope Road, (together, the "Project"), through the issuance of general obligation bonds of the County. The total amount required to defray the cost of the Project, including the cost of issuance of such bonds, is estimated to be \$1,200,000. The financing of the Project through the proceeds of a Capital Project Sales Tax imposed in the County pursuant to §4-10-300 *et seq.*, Code of Laws of South Carolina, 1976, as amended, has been approved pursuant to a referendum held in the County on November 2, 2010. Such financing was not, however, included in the bond authorization included within the referendum question, and, accordingly, must be undertaken within the County's constitutional indebtedness limitation.

#### Section 1.02 Recital of Statutory and Constitutional Authorization.

Section 14 of Article X of the Constitution of the State of South Carolina (the "Constitution") provides that the counties of the State may issue bonded indebtedness without approval by referendum in an amount not exceeding eight percent (8%) of the assessed value of all taxable property therein, and provides further that no bonded indebtedness incurred on or prior to November 30, 1977, shall be charged against such eight percent (8%) debt limitation. The assessed value of all taxable property located within the County, excluding property subject to a fee in lieu of taxes, as certified by the County Auditor for the year 2012, which is the last completed assessment thereof, is the sum of \$119,608,702.00, and thus the County's debt limit is not less than \$9,568,696.16. The County presently has \$3,814,413.59 aggregate principal amount of general obligation debt chargeable against the eight percent (8%) limit. Thus, the Council may issue the sum of \$1,200,000 of general obligation debt without a referendum.

By virtue of Title 4, Chapter 15, Code of Laws of South Carolina, 1976, as amended, and supplemented by Title 11, Chapter 27, Code of Laws of South Carolina, 1976, as amended (collectively, the "Enabling Act"), the County is empowered to issue general obligation bonds for any "authorized purpose" as therein defined. The Project constitutes an authorized purpose within the meaning of the Enabling Act.

#### Section 1.03 Bond Anticipation Notes.

The Council is advised that funds to defray the cost of the Project may be required from time to time prior to the date on which the bonds authorized hereby may be issued. Title 11, Chapter 17, Code of Laws of South Carolina, 1976, as amended, provides that a county that is authorized to issue bonds, may, pending the sale and issuance thereof, borrow in anticipation of the proceeds of the bonds and execute a note or notes therefor expressed to mature not later than one year from the date of issuance. The Council has

determined to authorize the issuance of bond anticipation notes in the aggregate amount of not exceeding \$930,000 to defray a portion of the costs of the Project pending the issuance of the bonds authorized hereby.

Section 1.04    Public Hearing.

Pursuant to the provisions of Section 4-9-130 of the Code of Laws of South Carolina, 1976, as amended, a public hearing, after giving reasonable notice, shall be conducted prior to the third and final reading of this Ordinance by Council. In accordance with this provision, a public hearing shall be conducted and due notice shall be provided all as required by said Section 4-9-130. The form of the notice to be published, with such changes as may be approved by the County Administrator, is attached hereto as **Exhibit "A"**.

[End of Article I]

## ARTICLE II

### DEFINITIONS AND CONSTRUCTION

#### Section 2.01    Definitions.

As used in this Ordinance unless the context otherwise requires, the following terms shall have the following respective meanings:

“Authorized Investments” means and includes such investments as are approved for political subdivisions of the State pursuant to the Code of Laws of South Carolina, 1976, as now or hereafter amended.

“Authorized Officer” means the Chairman, the Vice-Chairman, the County Administrator of the County, and any other officer or employee of the County designated from time to time as an Authorized Officer by resolution of the Council, and when used with reference to any act or document also means any other person authorized by resolution of the Council to perform such act or sign such document.

“BAN Act” means Title 11, Chapter 17, Code of Laws of South Carolina, 1976, as amended.

“BANs” means bond anticipation notes issued in accordance with this Ordinance.

“Bond” or “Bonds” means any of the Bonds of the County authorized by this Ordinance, and, where appropriate, Bonds of a Series issued hereunder.

“Bond Counsel” means Haynsworth Sinkler Boyd, P.A.

“Bondholder” or “Holder” or “Holders of Bonds” or “Owner” or similar term means, when used with respect to a Bond or Bonds, any person who shall be registered as the owner of any Bond Outstanding.

“Bond Payment Date” means each March 1 and September 1 (or other such semi-annual intervals as elected by the Chairman pursuant to **Section 3.02** of this Ordinance) on which interest on any of the Bonds shall be payable or on which both the Principal Installment and interest shall be payable on any of the Bonds, or such annual payment date established in accordance with **Section 3.22(b)** of this Ordinance.

“Capital Project Sales Tax” means that sales and use tax imposed in the County under the authority of §4-10-300 *et seq.*, Code of Laws of South Carolina, 1976, as amended, and the Referendum.

“Chairman” means the Chairman of the Council.

“Corporate Trust Office”, when used with respect to Paying Agent or Registrar, means the office at which its principal corporate trust business shall be administered.

“Council” means the County Council of Newberry County, the governing body of said County or any successor governing body of said County.

“County” means Newberry County, South Carolina.

“County Administrator” means the County Administrator of the County.

“County Request” means a written request of the County signed by an Authorized Officer.

“Disclosure Dissemination Agent Agreement” means that agreement, the form of which appears attached hereto as **Exhibit “E”**, which is to be executed by an Authorized Official and delivered at or prior to the closing of the Bonds as required by Securities and Exchange Commission Rule 15c2-12, as amended.

“Enabling Act” shall have the meaning assigned thereto in **Section 1.02** of this Ordinance.

“Escrow Agent” means a bank, trust company, or national banking association maintaining corporate trust powers appointed by the County Administrator to hold an escrow established pursuant to **Section 7.01** of this Ordinance in connection with defeasance of Bonds issued pursuant to **Section 3.22** of this Ordinance.

“Fiduciary” means the Paying Agent, the Registrar and their successors and assigns.

“Government Obligations” means and includes direct general obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which is fully and unconditionally guaranteed by the United States of America.

“Industrial Park Project” means the construction of roads, water and sewer , as approved as item 10 on the ballot for the Capital Project Sales Tax.

“Project” shall have the meaning given thereto in **Section 1.01(b)** of this Ordinance.

“Ordinance” means this Ordinance as the same may be amended or supplemented from time to time in accordance with the terms hereof.

“Outstanding”, when used in this Ordinance with respect to Bonds means as of any date, all Bonds theretofore authenticated and delivered pursuant to this Ordinance except:

- (i) any Bond cancelled or delivered to the Registrar for cancellation on or before such date;
- (ii) any Bond (or any portion thereof) deemed to have been paid in accordance with the provisions of **Section 7.01** hereof; and
- (iii) any Bond in lieu of or in exchange for which another Bond shall have been authenticated and delivered pursuant to **Section 3.11** of the Ordinance.

“Paying Agent” means as to the Bonds any bank, trust company, or national banking association which is authorized to pay the principal or Redemption Price of or interest on any Bonds and having the duties, responsibilities and rights provided for in this Ordinance, and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Ordinance. The institution named as Paying Agent may also act as Registrar. The County Treasurer of the County shall serve as Paying Agent under the conditions specified in **Section 3.22(e)** of this Ordinance.

“Person” means an individual, a partnership, a corporation, a trust, a trustee, an unincorporated organization, or a government or an agency or political subdivision thereof.

“Principal Installment” means, as of any date of calculation, the principal amount of all Bonds due on a specified date.



“Record Date” means the 15th day of the month immediately preceding each Bond Payment Date.

“Redemption Price” when used with respect to a Bond or portion thereof to be redeemed, means the principal amount of such Bond or such portion thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to this Ordinance.

“Referendum” means the referendum held in the County on November 2, 2010, by which the imposition of the Capital Project Sales Tax was imposed and the issuance of the Series 2011 Bonds authorized.

“Registrar” means as to the Bonds any bank, trust company, or national banking association which is authorized to maintain an accurate list of those who from time to time shall be the Holders of the Bonds and shall effect the exchange and transfer of Bonds in accordance with the provisions of this Ordinance and having the duties, responsibilities, and rights provided for in this Ordinance and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Ordinance. The institution named as Registrar may also act as Paying Agent. The Clerk to the Council shall serve as Registrar under the conditions specified in **Section 3.22(e)** of this Ordinance.

“Resolution” means this resolution.

“S.C. Code” means the Code of Laws of South Carolina, 1976, as amended.

“Series” or “Series of Bonds” shall mean Bonds issued hereunder as a single issue, i.e., sold and closed on the same dates under a common designation. In the event that proposals are received on the same day for the purchase of a Series of Bonds issued as tax-exempt obligations and for the purchase of a Series of Bonds issued as taxable obligations, such Bonds shall be deemed a single Series for purposes of Section 11-27-40(9)(a) of the S.C. Code.

“Series 2011 Bonds” means the \$15,675,000 original principal amount General Obligation Bonds, Series 2011, of the County.

“Vice-Chairman” means the Vice-Chairman of the Council.

Section 2.02 Construction.

In this Ordinance, unless the context otherwise requires:

(a) Articles and Sections referred to by number shall mean the corresponding Articles and Sections of this Ordinance.

(b) The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms refer to this Ordinance, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of adoption of this Ordinance.

(c) Words of the masculine gender shall mean and include correlative words of the female and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa.

(d) Any Fiduciary shall be deemed to hold an Authorized Investment in which money is invested pursuant to the provisions of this Ordinance, even though such Authorized Investment is evidenced only by a book entry or similar record of investment.

### **ARTICLE III**

#### **ISSUANCE OF BONDS**

##### Section 3.01    Ordering the Issuance of Bonds.

Pursuant to the provisions of the Enabling Act, and for the purpose of obtaining funds to defray the costs of the Project, there shall be issued not exceeding One Million Two Hundred Thousand Dollars (\$1,200,000) of general obligation bonds of the County. The Bonds may be issued as a single Series, or as separate Series of Bonds from time to time, as determined by the County Administrator, provided that no Bonds shall be delivered under the authorization of this Ordinance after March 1, 2016. At no time shall Bonds be issued hereunder in an amount which would cause the County, in the opinion of Bond Counsel, to exceed the County's eight percent (8%) constitutional debt limit. Each Series of Bonds issued hereunder shall be designated by the year of issuance thereof, together with such other identifiers as the County Administrator may deem appropriate upon advice of Bond Counsel.

##### Section 3.02    Maturity Schedule of Bonds.

The Bonds shall mature on the dates and in the principal amounts as determined by the County Administrator, upon advice of Bond Counsel, provided that the aggregate principal amount of the Bonds issued hereunder does not exceed \$1,200,000, and further provided that all Bonds of a Series shall mature not later than ten (10) years from the date of issuance of such Series. The Bonds shall bear interest at rates determined in the manner prescribed by **Section 3.15** hereof. Interest on the Bonds shall be payable on March 1 and September 1 of each year until payment of the principal thereof, commencing on a date which is not more than ten (10) months after the issue date of such Bonds. The County Administrator is authorized to elect as to a Series of Bonds alternative Bond Payment Dates, provided that, except as provided in **Section 3.22(b)** of this Ordinance, all such Bond Payment Dates shall consist of two dates which are each the first day of their respective months and are separated by exactly six months. In such case, references herein to March 1 and September 1 shall be deemed appropriately adjusted as to such Series of Bonds.

Bonds may be made subject to optional redemption prior to their maturities as provided in Article IV hereof.

##### Section 3.03    Provision for Payment of Interest on the Bonds.

The Bonds shall be authenticated on such dates as they shall, in each case, be delivered. The original issue date of a Series of Bonds shall be the first or fifteenth day of the month in which the Bonds are initially delivered or of the preceding month, or the date of delivery of the Bonds of such Series, as may be designated by the County Administrator but in any case on or before the date of delivery of the Bonds. The Bonds shall bear interest from the March 1 or the September 1 to which interest has been paid next preceding the authentication date thereof, unless the authentication date thereof is a September 1 or a March 1, in which case, from such authentication date, or if dated prior to the initial Bond Payment Date, then from the original issue date of the Bonds. The interest to be paid on any March 1 or September 1 shall be paid to the Person in whose name such Bond is registered at the close of business on the Record Date next preceding such March 1 or September 1.

Section 3.04 Medium of Payment; Form and Denomination of Bonds; Place of Payment of Principal.

(a) The Bonds shall be payable as to Principal Installment and interest at the rates per annum determined in the manner prescribed by **Section 3.15** hereof (on the basis of a 360 day year of twelve 30-day months) in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(b) The Bonds shall be issued in the form of fully registered Bonds. The Bonds shall be issued in the denomination of \$5,000 or any whole multiple thereof, not exceeding the principal amount of the Bonds maturing in such year. The Bonds of a Series shall be numbered from 1 upwards in such fashion as to maintain a proper record thereof.

(c) The Principal Installment of all Bonds shall be payable at the Corporate Trust Office of the Paying Agent and payment of the interest on each Bond shall be made by the Paying Agent to the Person appearing on each Record Date on the registration books of the County, which books shall be held by the Registrar as provided in **Section 3.08** hereof, as the registered owner thereof, by check or draft mailed to such registered owner at his address as it appears on such registration books in sufficient time to reach such registered owner on the Bond Payment Date. Payment of the Principal Installment of all Bonds shall be made upon the presentation and surrender for cancellation of such Bonds as the same shall become due and payable.

Section 3.05 Agreement to Maintain Registrar and Paying Agent.

As long as any of the Bonds of a Series remain Outstanding there shall be a Registrar and a Paying Agent for such Series of Bonds, each of which shall, subject to **Section 3.22(e)** of this Ordinance, be a financial institution maintaining Corporate Trust Offices where (i) the Bonds may be presented for registration of transfers and exchanges, (ii) notices and demands to or upon the County in respect of the Bonds may be served, and (iii) the Bonds may be presented for payment, exchange and transfer.

Section 3.06 Execution and Authentication.

(a) The Bonds shall be executed in the name and on behalf of the County by the manual or facsimile signature of an Authorized Officer, with its corporate seal (or a facsimile thereof) impressed, imprinted or otherwise reproduced thereon, and attested by the manual or facsimile signature of its Clerk to Council or other Authorized Officer (other than the officer executing such Bonds). Bonds bearing the manual or facsimile signature of any Person who shall have been such an Authorized Officer at the time such Bonds were so executed shall bind the County notwithstanding the fact that he may have ceased to be such Authorized Officer prior to the authentication and delivery of such Bonds or was not such Authorized Officer at the date of the authentication and delivery of the Bonds.

(b) No Bond shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless there shall be endorsed on such Bond a certificate of authentication in the form set forth in the Ordinance, duly executed by the manual signature of the Registrar and such certificate of authentication upon any Bond executed on behalf of the County shall be conclusive evidence that the Bond so authenticated has been duly issued hereunder and that the Holder thereof is entitled to the benefit of the terms and provisions of the Ordinance.

Section 3.07 Exchange of Bonds.

Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered Holder or his duly authorized attorney, may, at the option of the registered Holder thereof, be exchanged for an equal aggregate principal amount of Bonds in authorized denominations of the same interest rate and maturity. So long as any of the Bonds remain Outstanding, the County shall make all necessary provisions to permit the exchange of Bonds at the Corporate Trust Office of the Registrar.

Section 3.08 Transferability and Registry.

All Bonds shall at all times, when the same are Outstanding, be payable, both as to Principal Installment and interest to a Person, and shall be transferable, only in accordance with the provisions for registration and transfer contained in the Ordinance and in the Bonds. So long as any of the Bonds remain Outstanding, the County shall maintain and keep, at the office of the Registrar, books for the registration and transfer of Bonds, and, upon presentation thereof for such purpose at the Corporate Trust Office of the Registrar, the County shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it or the Registrar may prescribe, any Bond, except that under no circumstances shall any Bond be registered or transferred to bearer. So long as any of the Bonds remain Outstanding, the County shall make all necessary provisions to permit the transfer of Bonds at the Corporate Trust Office of the Registrar.

Section 3.09 Transfer of Bonds.

Each Bond shall be transferable only upon the books of the County, which shall be kept for such purpose at the Corporate Trust Office of the Registrar which shall be maintained for such purpose by the Registrar, upon presentation and surrender thereof by the Holder of such Bond in person or by his attorney duly authorized in writing, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered Holder or his duly authorized attorney. Upon surrender for transfer of any such Bond, the County shall execute and the Registrar shall authenticate and deliver, in the name of the Person who is the transferee, one or more new Bonds of such Series, of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond. All action taken by the Registrar pursuant to this section shall be deemed to be the action of the County.

Section 3.10 Regulations with Respect to Exchanges and Transfers.

All Bonds surrendered in any exchanges or transfers shall forthwith be cancelled by the Registrar. For each such exchange or transfer of Bonds, the County or the Registrar may make a charge sufficient to reimburse it or them for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the Holder requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The County shall not be obligated to (i) issue, exchange or transfer any Bond during the 15 days next preceding any Bond Payment Date, (ii) issue, exchange or transfer any Bond during a period beginning at the opening of business 15 days next preceding any selection of Bonds to be redeemed and ending at the close of business on the date of the mailing of notice of such redemption, or (iii) transfer or exchange any Bonds called or being called for redemption in whole or in part.

Section 3.11 Mutilated, Destroyed, Lost and Stolen Bonds.

(a) If any mutilated Bond is surrendered to the Registrar and the Registrar or the County receives evidence to their satisfaction of the destruction, loss or theft of any Bond, and there is delivered

to the Registrar or the County such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice that such Bond has been acquired by a bona fide purchaser, the County shall execute, and upon County Request, the Registrar shall authenticate and deliver, in exchange for any such mutilated Bond or in lieu of any such destroyed, lost or stolen Bond, a new Bond of like Series, tenor, principal amount and redemption provisions, bearing a number unlike that of a Bond contemporaneously Outstanding. The Registrar shall thereupon cancel any such mutilated Bond so surrendered. In case any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the County in its discretion may, instead of issuing a new Bond, pay such Bond.

(b) Upon the issuance of any new Bond under this **Section 3.11**, the County may require the payment of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees or other fees, of the County or the Registrar connected therewith.

(c) Each new Bond issued pursuant to this Section in lieu of any destroyed, lost or stolen Bond, shall constitute an additional contractual obligation of the County, whether or not the destroyed, lost or stolen Bond shall at any time be enforceable by anyone, and shall be entitled to all the benefits hereof equally and proportionately with any and all other Bonds duly issued pursuant to the Ordinance. All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds and shall preclude (to the extent lawful) all other rights or remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds or securities.

#### Section 3.12    Holder As Owner of Bond.

The County, the Registrar and any Paying Agent may treat the Holder of any Bond as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the Principal Installment of, redemption premium, if any, and interest on such Bond and for all other purposes, and payment of the Principal Installment, redemption premium, if any, and interest shall be made only to, or upon the order of, such Holder. All payments to such Holder shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the County nor any Paying Agent shall be affected by any notice to the contrary.

#### Section 3.13    Cancellation of Bonds.

The Registrar shall destroy all Bonds surrendered to it for cancellation and shall deliver a certificate to that effect to the County. No such Bonds shall be deemed Outstanding under the Ordinance and no Bonds shall be issued in lieu thereof.

#### Section 3.14    Payments Due on Saturdays, Sundays and Holidays.

In any case where the Bond Payment Date or Redemption Date shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions are authorized by law to close, then payment of Redemption Price, interest on or Principal Installment of the Bonds need not be made on such date but may be made on the next succeeding business day not a Saturday, Sunday or a legal holiday or a day upon which banking institutions are authorized by law to close, with the same force and effect as if made on the Bond Payment Date and no interest shall accrue for the period after such date.

Section 3.15    Conditions Relating to Naming of Interest Rates.

The Bonds shall bear such rate or rates of interest as shall at the sale of such Bonds reflect the lowest net interest cost (NIC) to the County, at a price of not less than par, but:

- (a) all Bonds of the same maturity shall bear the same rate of interest;
- (b) the County Administrator, upon advice of Bond Counsel, shall establish the maximum permissible difference between the lowest and highest rates of interest which may be named by a bidder for Series of Bonds;
- (c) each interest rate named shall be a multiple of one eighth (1/8th) or one twentieth (1/20th) of one per centum (1%);
- (d) any premium offered must be paid in cash as a part of the purchase price; and
- (e) in the case of a Series of Bonds issued pursuant to **Section 3.22** of this Ordinance, any fees proposed by a bidder to be borne by the County shall be treated as additional interest for the purpose of calculating net interest cost.

The County Administrator is authorized to impose additional conditions upon the naming of interest rates, but in any event not inconsistent with **Section 3.15(a)** and **Section 3.15(d)**.

Section 3.16    Tax Exemption in South Carolina.

Both the Principal Installment and interest on said Bonds shall be exempt from all State, county, municipal, school district, and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer or certain franchise taxes.

Section 3.17    Order of Tax Levy to Pay Principal and Interest of Bonds.

For the payment of the Principal Installment and interest on the Bonds as the same respectively mature and for the creation of such sinking fund as may be necessary therefor, the full faith, credit and taxing power of the County are hereby irrevocably pledged, and there shall be levied annually by the Auditor of Newberry County, South Carolina, and collected by the Treasurer of Newberry County, South Carolina, in the same manner as county taxes are levied and collected, a tax on all taxable property in said County, sufficient to pay the Principal Installment and interest on such Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

Notwithstanding the foregoing, the Treasurer of Newberry County shall be notified that the principal of the Bonds authorized hereby is to be paid from the proceeds of the Capital Project Sales Tax imposed pursuant to the Referendum which are collected after the Series 2011 Bonds have been paid or defeased and the Industrial Park Project has been funded from such proceeds.

Section 3.18    Notice to Auditor and Treasurer to Levy Tax.

The Auditor and Treasurer of Newberry County, South Carolina shall each be notified of the issuance of each Series of Bonds and directed to levy and collect, upon all taxable property in said County an annual tax sufficient to meet the payment of the Principal Installment and interest on said Bonds, as the same respectively mature, and to create such sinking fund as may be necessary therefor.

Section 3.19 Bonds Issued in Book-Entry-Only Form.

(a) The Bonds, unless issued pursuant to the provisions of **Section 3.22** of this Ordinance, will initially be issued under the DTC Book-Entry-Only System in fully registered form, registered in the name of Cede & Co. as the registered owner and securities depository nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as initial securities depository for the Bonds. 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. DTC and any successor securities depositories are hereinafter referred to as the “Securities Depository.” Cede & Co. and successor securities depository nominees are hereinafter referred to as the “Securities Depository Nominee.”

(b) Notwithstanding any other provision of this Ordinance, 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 redemption premium, if any, on such Bonds, (ii) if Bonds are to be redeemed in part, selecting the portions of such Bonds to be redeemed, (iii) giving any notice permitted or required to be given to Bondholders under this ordinance, (iv) registering the transfer of Bonds, and (v) requesting any consent or other action to be taken by the Holders 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 any Bonds which are 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 such Bonds.

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

(e) 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 the Registrar and Paying Agent for the delivery of physical certificates.

(f) In connection with any notice or other communication to be provided to the Holders of Bonds by the County or by the Registrar and Paying Agent with respect to any consent or other action to be taken by the Holders of Bonds, the County or the Registrar and 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.

(g) At the closing of the Bonds and the delivery of the same to the purchaser thereof through the facilities of DTC, the Paying Agent and Registrar may maintain custody of Bond certificates on behalf of DTC in accordance with DTC’s “FAST Closing” procedures.

(h) For as long as the Bonds are being held under a book-entry system of a securities depository, the County shall remit to the Paying Agent and Registrar by 1:00 p.m. New York time on each Bond Payment Date funds for all principal and interest payments due thereupon, or at such earlier time as required by the Paying Agent and Registrar to guarantee that DTC or successor Securities Depository will receive payment in same-day funds by 2:30 p.m. New York time on such Bond Payment Date. In addition, automated payment details receipt shall be provided by the Paying Agent by 12:00

noon New York time of each Bond Payment Date for interest payments and by 2:30 p.m. New York time for redemption and corporate action payments.

Section 3.20    Form of Bonds.

The form of the Bonds and registration provisions to be endorsed thereon shall, subject to **Section 3.22(d)** of this Ordinance, be substantially as set forth in **Exhibit “B”** attached hereto and made a part of this Ordinance.

Section 3.21    Bond Anticipation Notes.

The County Administrator may determine to issue one or more series of notes in anticipation of the issuance of the Bonds (“BANs”) in accordance with this **Section 3.21**. The aggregate principal amount of BANs issued hereunder shall not exceed \$1,200,000. The County Treasurer of the County shall serve as the Registrar/Paying Agent for the BANs (the “BAN Registrar/Paying Agent”) and shall fulfill all functions of the BAN Registrar/Paying Agent enumerated herein. The form of the BANs, and registration provisions to be endorsed thereon shall be substantially as set forth in **Exhibit “C”** attached hereto and made a part of this Ordinance.

(a) The BANs shall be dated and bear interest from the date of delivery thereof, payable upon the stated maturity thereof and shall mature on such date as selected by the County Administrator, with such privilege of prepayment, if any, as determined by the County Administrator. Except as provided in **Section 3.21(m)** herein, the BANs may be issued in denominations of \$5,000 and integral multiples thereof.

(b) The BANs shall be initially issued under the DTC Book-Entry-Only System in the form of a single fully registered bond anticipation note, registered in the name of Cede & Co. as the registered owner and nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the BANs.

(i) Transfers of beneficial ownership of the BANs will be effected pursuant to rules and procedures established by such securities depository. The initial securities depository for the BANs will be DTC. DTC and any successor securities depositories are hereinafter referred to as the “Securities Depository.” The BANs shall be registered in the name of Cede & Co., as the initial securities depository nominee for the BANs. Cede & Co. and successor securities depository nominees are hereinafter referred to as the “Securities Depository Nominee.”

(ii) As long as a book-entry system is in effect for the BANs, the Securities Depository Nominee will be recognized as the Holder of the BANs for the purposes of (a) paying the principal and interest on the BANs at the maturity thereof, (b) giving any notice permitted or required to be given to beneficial owners of the BANs under this Ordinance, (c) registering the transfer of beneficial ownership of the BANs, and (d) requesting any consent or other action to be taken by the Holders of the BANs, and for all other purposes whatsoever, and the County shall not be affected by any notice to the contrary.

(iii) 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 BANs when 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 BANs.



(iv) Both the principal of and interest on the BANs 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.

(c) Bids for the purchase of the BANs shall be solicited pursuant to a preliminary offering memorandum with an accompanying notice of sale in form satisfactory to the County Administrator. Bids may be submitted in person and by electronic bidding system and facsimile transmission, or any of such methods as determined by the County Administrator. The County Administrator is authorized to award the BANs to the bidder offering to purchase the BANs at the lowest net interest cost to the County at a price of not less than par. Net interest cost will be determined by deducting premium, if any, from the interest on the BANs, until maturity.

(d) No good faith check shall be required as a condition of submitting a proposal for the purchase of BANs.

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

(f) Each BAN shall be transferable only upon the registry books of the County, which shall be kept for such purpose at the principal office of the BAN 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 BAN Registrar/Paying Agent duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any such BAN the BAN Registrar/Paying Agent on behalf of the County shall issue in the name of the transferee a new fully registered BAN or BANs, of the same aggregate principal amount, interest rate and maturity as the surrendered BAN. Any BAN surrendered in exchange for a new registered BAN pursuant to this Section shall be cancelled by the BAN Registrar/Paying Agent.

(g) The County and the BAN Registrar/Paying Agent may deem or treat the person in whose name any fully registered BAN shall be registered upon the registry books as the absolute owner of such BAN, whether such BAN shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such BAN 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 BAN to the extent of the sum or sums so paid, and neither the County nor the BAN Registrar/Paying Agent shall be affected by any notice to the contrary. In all cases in which the privilege of transferring BANs is exercised, the County shall execute and the BAN Registrar/Paying Agent shall authenticate and deliver BANs in accordance with the provisions of this Ordinance. The BAN Registrar/Paying Agent shall not be obliged to make any such transfer of BANs during the period beginning on the day after the fifteenth calendar day preceding (a) the maturity date thereof or (b) date upon which such BAN shall be redeemed.

(h) 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.

(i) For the payment of the principal of and interest on the BANs as the same shall fall due, the full faith, credit and taxing power of the County shall be pledged. In addition thereto, so much of the principal proceeds of the Bonds when issued shall and is hereby directed to be applied, to the extent necessary, to the payment of the BANs; and, further, the County covenants and irrevocably pledges to effect the issuance of the Bonds or, in the alternative, to refund or renew outstanding BANs in order that the proceeds thereof will be sufficient to provide for the retirement of any BANs issued pursuant hereto.

(j) The Council hereby authorizes the County Administrator to prepare, or cause to be prepared, a Preliminary Offering Memorandum to be distributed physically or electronically to prospective purchasers of the BANs together with the Notice of Sale. The Council authorizes the County Administrator to designate the Preliminary Offering Memorandum as “near final” for purposes of Rule 15c2-12 of the Securities Exchange Commission. The County Administrator is further authorized to complete or cause the completion of the final form of the Offering Memorandum upon the sale of the BANs and to provide the same to the purchaser of the BANs. Upon advice of counsel, the foregoing offering memoranda need not be prepared and circulated in connection with the issuance of BANs.

(k) The proceeds derived from the sale of the BANs issued pursuant to this Ordinance shall be paid to the Treasurer of Newberry County, South Carolina. Pending the use of proceeds of the BANs, the same shall be invested and reinvested by the Treasurer of Newberry County, South Carolina, in Authorized Investments. The proceeds of the BANs and all earnings from the investment thereof shall be applied to defray the cost of the Project or to pay costs of issuance associated with the BANs.

(l) The Council hereby authorizes the Chairman, the Clerk to Council, and the County Administrator to execute any and all such documents and instruments as may be necessary to provide for the issuance of the BANs.

(m) In lieu of the issuance of BANs in book-entry-only form, the County Administrator may provide for the issuance of one or more BANs, each in the form of a single note payable to a single financial institution. In such event, requests for proposals for the purchase of the BANs shall be solicited from at least three (3) institutions selected by the County Administrator. A BAN issued pursuant to this paragraph (m) may be awarded to the institution offering the lowest single fixed rate of interest therefor, at a price of not less than par, adjusted for any cash premium, running from the date of delivery of the Note to the maturity date thereof, unless all bids are rejected. A BAN sold pursuant to this **Section 3.21(m)** shall not be subject to paragraphs (b), (c), and (j) of this **Section 3.21**.

#### Section 3.22 Bond Sold as Single Instrument.

Notwithstanding any provision of this Ordinance to the contrary, a Series of Bonds authorized hereby, if so determined by the County Administrator, upon advice of Bond Counsel, may be issued in the form of a single Bond. In the event a Series of Bonds is issued as a single Bond, the following shall apply:

(a) The dated date of such Bond shall be the date of its delivery, and such Bond shall bear interest from such date.

(b) Such Bond shall bear a single, fixed rate of interest and the Bond shall be payable by way of annual installments of principal and interest due on the anniversary of the issuance of the Bond, or such other date as determined by the County Administrator. The principal amount, if any, of the Bond to

mature each year shall be determined by the County Administrator, provided, however, that the final maturity of the Bond, as determined by the County Administrator, shall occur not more than 10 years from the dated date thereof.

(c) No bidder shall be required to submit a good faith check with its bid.

(d) The form of the Bonds as set forth in **Exhibit “B”** shall be appropriately modified to reflect its issuance as a single instrument.

(e) The County Treasurer of Newberry County shall serve as Paying Agent for the Bond and the County, acting through the Clerk to Council, shall serve as Registrar for the Bond, provided that neither the County Treasurer of Newberry County nor the Clerk to Council shall be deemed to be a Fiduciary within the meaning of Article VIII herein.

(f) If so determined by the County Administrator, the Bond shall not be issued in book-entry-only form, and, in lieu thereof, shall be registered in the name of the Holder as directed by the purchaser thereof.

(g) An official statement need not be prepared in connection with the sale of the Bond pursuant to this **Section 3.22**, and, in which case, the delivery of the Bond shall be conditioned upon the delivery by the purchaser thereof at closing of a certificate in form satisfactory to Bond Counsel regarding the suitability of the purchaser and restrictions on transfer of the Bond. The County shall not in such case be obligated to deliver a Disclosure Dissemination Agent Agreement as otherwise provided in **Exhibit “E”** hereto.

(h) The County Administrator may negotiate with the Holder of any Bond issued under this **Section 3.22** to provide for alternative notice provisions relating to the redemption of Bonds other than those set forth in Article IV of this Resolution.

[End of Article III]

## ARTICLE IV

### REDEMPTION OR PURCHASE OF BONDS

#### Section 4.01 Authorization of Redemption.

Bonds of a Series may be made subject to redemption at the option of the County on such dates and at such Redemption Price, not exceeding 102% of the par amount to be redeemed, as determined by the County Administrator. In the event a Series of Bonds is sold as a single instrument in accordance with **Section 3.22**, the terms and conditions governing the call for redemption of such Series, the timing and content of the notice thereof, the selection of Bonds to be redeemed, the requirements for the deposit of funds and all other details pertaining thereto shall be as agreed to by the initial purchaser of such Series and the County Administrator, and the remaining provisions of this Article IV shall be inapplicable in such case.

#### Section 4.02 County's Election to Redeem.

In the event that the County shall, in accordance with the provisions of **Section 4.01**, elect to redeem Bonds, it shall give notice by County Request to the Registrar and Paying Agent, of each optional redemption. Each County Request shall specify the date fixed for redemption and the Bonds which are to be redeemed. Such notice shall be given at least 60 days prior to the date fixed for redemption or such lesser number of days as shall be acceptable to the Registrar.

#### Section 4.03 Notice of Redemption.

(a) When any Bonds are to be redeemed, the Registrar shall give notice of the redemption of the Bonds in the name of the County specifying (i) the Bonds and maturities to be redeemed; (ii) the redemption date; (iii) the Redemption Price; (iv) the numbers and other distinguishing marks of the Bonds to be redeemed unless all of the Bonds Outstanding are to be redeemed; (v) the place or places where amounts due upon such redemption will be payable; and (vi) in the case of Bonds to be redeemed in part only, the respective portions of the principal thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date, and that, from and after such date, interest thereon shall cease to accrue. The Registrar shall mail by registered mail a copy of such notice, postage prepaid, not less than 30 days before the redemption date to the registered Holders of all Bonds or portions of Bonds which are to be redeemed at their addresses which appear upon the registration books, but failure to so mail any such notice to any of such Holders shall not affect the validity of the proceedings for the redemption of Bonds held by Holders to whom written notice has been mailed, and provided that for so long as the Bonds to be redeemed are held in book-entry-only form, notice of such redemption may be given by electronic communication acceptable to DTC or the successor Securities Depository. The obligation of the Registrar to give the notice required by this Section shall not be conditioned upon the prior payment to the Paying Agent of money or the delivery to the Paying Agent of Authorized Investments or Government Obligations sufficient to pay the Redemption Price of the Bonds to which such notice relates or the interest thereon to the redemption date. Interest on the Bonds to be redeemed shall cease to accrue from and after the redemption date specified in such notice, unless the County defaults in making due provision for the payment of the redemption price thereof.

(b) Notice of redemption having been given as provided in **subsection (a)** hereof, the Bonds or portions thereof so to be redeemed shall, on the date fixed for redemption, become due and payable at the Redemption Price specified therein plus accrued interest to the redemption date, and upon presentation and surrender thereof at the place specified in such notice, such Bonds or portions thereof

shall be paid at the Redemption Price, plus accrued interest to the redemption date. On and after the redemption date (unless the County shall default in the payment of the Redemption Price and accrued interest), such Bonds shall cease to bear interest, and such Bonds shall no longer be considered as Outstanding hereunder. If money sufficient to pay the Redemption Price and accrued interest has not been made available by the County to the Paying Agent on the redemption date, such Bonds shall continue to bear interest until paid at the same rate as they would have borne, had they not been called for redemption, until the same shall have been paid.

Section 4.04 Selection by Registrar of Bonds to Be Redeemed.

(a) If less than all of the Bonds of like maturity are to be redeemed, the particular Bonds or portions of Bonds to be redeemed shall be selected, not less than 45 days prior to the date fixed for redemption, by the Registrar by lot or in such other manner as the Registrar may deem to be appropriate, provided, however, that for so long as the Bonds are held in book-entry-only form, the selection of Bonds to be redeemed hereunder shall be in accordance with the rules of the Securities Depository.

(b) In making such selection, the Registrar shall treat each Bond to be redeemed as representing that number of Bonds of the lowest authorized denomination as is obtained by dividing the principal amount of such Bond by such denomination. If any Bond is to be redeemed in part, the portion to be so redeemed shall be in a principal amount of an authorized denomination.

(c) The Registrar shall promptly notify the County in writing of the Bonds so selected for redemption.

Section 4.05 Deposit of Redemption Price.

On or before any date fixed for redemption of any Bonds, cash and/or a principal amount of non-callable Government Obligations maturing or redeemable at the option of the Holder thereof not later than the date fixed for redemption which, together with income to be earned on such Government Obligations prior to such date fixed for redemption, will be sufficient to provide cash to pay the Redemption Price of and accrued interest on all Bonds or portions thereof which are to be redeemed on such date, shall be deposited with the Paying Agent unless such amount shall have been previously deposited with the Paying Agent.

Section 4.06 Partial Redemption of Bonds.

In the event part but not all of a Bond Outstanding shall be selected for redemption, upon presentation and surrender of such Bond by the Holder thereof or his attorney duly authorized in writing (with, if the County or the Registrar so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the County and the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) to the Registrar, the County shall execute and the Registrar shall authenticate and deliver to or upon the order of such Holder, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of any authorized denomination of like tenor. Bonds so presented and surrendered shall be cancelled in accordance with **Section 3.13** hereof.

Section 4.07 Purchases of Bonds Outstanding.

Purchases of Bonds Outstanding may also be made by the County at any time with money available to it from any source. Upon any such purchase the County shall deliver such Bonds to the Registrar for cancellation.

## ARTICLE V

### SALE OF BONDS

#### Section 5.01 Determination of Time to Receive Bids - Form of Notice of Sale.

(a) Each Series of Bonds shall be sold at a price not less than par and accrued interest to the date of delivery. Bids shall be received at such time and date selected by the County Administrator. Subject to **Section 3.22(d)** herein, the form of the Notice of Sale, and the conditions of sale, shall be substantially those set forth in **Exhibit "D"** attached hereto and made a part hereof. As to a Series of Bonds, such Notice of Sale shall be published in *The State* or *The Bond Buyer* at least seven (7) days prior to the receipt of bids for the purchase of such Series, or, in lieu thereof, the County Administrator may direct that a brief summary of such Notice be so published.

(b) Notwithstanding the preceding paragraph, in the case of a Series of Bonds sold in accordance with **Section 3.22**, the County Administrator shall solicit proposals for the purchase of such Series, in such form as he shall determine, from at least three (3) financial institutions. In lieu of publication of a notice of sale in the form of **Exhibit "D"**, a notice conforming with Section 11-27-40(4), Code of Laws of South Carolina, 1976, as amended, and in such form as determined by the County Administrator shall appear in a newspaper of general circulation in the County at least seven (7) days prior to the delivery of such Series to the Purchaser thereof.

#### Section 5.02 Award of Bonds; Naming of Registrar and Paying Agent.

Upon receipt of bids for a Series of Bonds offered for sale pursuant to **Section 5.01(a)**, the County Administrator is authorized to award the Bonds to the bidder offering the lowest net interest cost, provided, however, that no award of such Series with a net interest cost in excess of 6.00% shall be made without the prior approval of the same by resolution of the Council duly adopted. The County Administrator is further authorized to name a financial institution to serve as Registrar and Paying Agent for such Series.

Upon receipt of bids for a Series of Bonds offered for sale pursuant to **Section 5.01(b)**, the County Administrator is authorized to award such Series to such bidder offering the most advantageous proposal to the County, as he shall determine in his sole discretion provided, however, that no award of such Series with a net interest cost in excess of 6.00% shall be made without the prior approval of the same by resolution of the Council duly adopted.

#### Section 5.03 Official Statement.

The County Administrator is hereby authorized to prepare, review and "deem final" within the meaning of Rule 15c2-12 of the Securities and Exchange Commission a preliminary official statement relating to the Bonds and to prepare a final official statement following the sale of Bonds. The preliminary official statement and final official statement may be disseminated in electronic format.

[End of Article V]

## ARTICLE VI

### DISPOSITION OF PROCEEDS OF SALE OF BONDS

#### Section 6.01    Disposition of Bond Proceeds Including Temporary Investments.

The proceeds derived from the sale of a Series of Bonds issued pursuant to this Ordinance shall be paid to the Treasurer of Newberry County, South Carolina, and shall be expended and made use of by the Council as follows:

(a) any accrued interest shall be deposited in a sinking fund established for payment of the principal of and interest on such Series, and applied to the payment of the first installment of interest to become due on such Series. Any premium paid by the purchaser of such Series shall be deposited in such sinking fund and applied to the first maturing Principal Installments of such Series;

(b) the principal of such Series of Bonds shall be deposited into a special account and expended and made use of by the Council to defray the cost of the Project as described in **Section 1.01** hereof and the costs of issuance of the Bonds. Pending the use of Bond proceeds, the same shall be invested and reinvested by the Treasurer of Newberry County, South Carolina, in Authorized Investments. All earnings from such investments determined by the Council to be not necessary to defray the cost of the Project or costs of issuance of the Bonds shall be applied to the first maturing installments of interest due on such Series; and

(c) if any balance remains, it shall be held by the Treasurer of Newberry County, South Carolina, the Council may direct by resolution supplemental hereto that such balance be applied to the acquisition of specific equipment or other specified capital improvements to the facilities of the County. Any balance thereafter remaining shall be held in a special fund and used to effect the retirement of the Bonds of the applicable Series.

Provided, that neither the purchaser nor any Holder of the Bonds shall be liable for the proper application of the proceeds thereof.

#### Section 6.02    Disposition of Proceeds of BANs.

(a) The proceeds derived from the sale of BANs issued pursuant to this Ordinance shall be paid to the Treasurer of Newberry County, South Carolina, to be deposited in a Bond Account Fund for the County, and shall be expended and made use of by the Council to defray the cost of the Project as described in **Section 1.01** hereof and the costs of issuance of the BANs. Pending the use of BAN proceeds, the same shall be invested and reinvested by the Treasurer of Newberry County, South Carolina, in Authorized Investments. All earnings from such investments determined by the Council to be not necessary to defray the cost of the Project or costs of issuance of the BANs shall be applied to the interest due on the BANs; and

(b) if any balance remains at the maturity of the BANs, such amounts shall, at the option of the County Administrator, be applied to the discharge of the BAN or shall be deemed to be proceeds of the Bonds issued to discharge such BAN, in which case the provisions of **Section 6.01** herein shall apply thereto. Neither the purchaser nor any Holder of the BANs shall be liable for the proper application of the proceeds thereof.

[End of Article VI]

## ARTICLE VII

### DEFEASANCE OF BONDS

#### Section 7.01 Discharge of Ordinance - Where and How Bonds Are Deemed to Have Been Paid and Defeased.

If all of the said Bonds issued pursuant to this Ordinance, and all interest thereon, shall have been paid and discharged, then the obligations of the County under this Ordinance and all other rights granted hereby shall cease and determine. The Bonds shall be deemed to have been paid and discharged within the meaning of this Article under each of the following circumstances, viz.:

(1) The Paying Agent shall hold, at the stated maturities of the Bonds, in trust and irrevocably appropriated thereto, sufficient moneys for the payment of the Principal Installment and interest thereof; or

(2) If default in the payment of the principal of the Bonds or the interest thereon shall have occurred on any Bond Payment Date, and thereafter tender of such payment shall have been made, and at such time as the Paying Agent shall hold in trust and irrevocably appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of such payment; or

(3) If the County shall elect to provide for the payment of the Bonds prior to their stated maturities and shall have deposited with the Paying Agent or Escrow Agent, as the case may be, in an irrevocable trust moneys which shall be sufficient, or Government Obligations, the principal of and interest on which when due will provide moneys, which together with moneys, if any, deposited with said Paying Agent or Escrow Agent at the same time, shall be sufficient to pay when due the Principal Installment or Redemption Price and interest due and to become due on the Bonds on and prior to their maturity dates or redemption dates, as the case may be. In the event that the County shall elect to redeem Bonds prior to their stated maturities, the County shall proceed in the manner prescribed by Article IV hereof, subject to the provisions of **Section 3.20** in the event that at the time of such election the Bonds Outstanding are issued in book-entry-only form.

Neither the Government Obligations nor moneys deposited with the Paying Agent or Escrow Agent pursuant to this Section nor the principal or interest payments thereon shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Principal Installment or Redemption Price, and interest on said Bonds; provided that any cash received from such principal or interest payments on Government Obligations deposited with the Paying Agent or Escrow Agent, if not then needed for such purpose, shall, to the extent practicable, be invested and reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the Principal Installment or Redemption Price, and interest to become due on said Bonds on and prior to the maturity date or redemption date thereof, as the case may be, and interest earned from such reinvestments not required for the payment of the Principal Installment or Redemption Price, and interest may be paid over to the County, as received by the Paying Agent or Escrow Agent, free and clear of any trust, lien or pledge.

[End of Article VII]



## ARTICLE VIII

### CONCERNING THE FIDUCIARIES

#### Section 8.01    Fiduciary; Appointment and Acceptance of Duties.

The Paying Agent and Registrar hereunder shall accept the duties and trusts imposed upon it by the Ordinance and shall agree in writing to perform such trusts but only upon the terms and conditions set forth in this Article VIII. Similarly, each financial institution appointed as a successor Registrar or as a successor Paying Agent shall signify its acceptance of the duties and trusts imposed by the Ordinance by a written acceptance.

#### Section 8.02    Responsibilities of Fiduciaries.

The recitals of fact herein and in the Bonds contained shall be taken as the statements of the County and no Fiduciary assumes any responsibility for the correctness of the same except in respect of the authentication certificate of the Registrar endorsed on the Bonds. No Fiduciary makes any representations as to the validity or sufficiency of the Ordinance or of any Bonds or as to the security afforded by the Ordinance, and no Fiduciary shall incur any liability in respect thereof. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof or to advance any of its own moneys, unless indemnified to its reasonable satisfaction. No Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

#### Section 8.03    Evidence on Which Fiduciaries May Act.

(a) Each Fiduciary, upon receipt of any notice, resolution, request, consent order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of the Ordinance, shall examine such instrument to determine whether it conforms to the requirements of the Ordinance and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be of counsel to the County, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under the Ordinance in good faith and in accordance therewith.

(b) Whenever any Fiduciary shall deem it necessary or desirable that a matter to be proved or established prior to taking or suffering any action under the Ordinance, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of the Ordinance upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable.

(c) Except as otherwise expressly provided in the Ordinance any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the County to any Fiduciary shall be sufficiently executed if executed in the name of the County by an Authorized Officer.

Section 8.04 Compensation.

The County shall pay to each Fiduciary from time to time reasonable compensation based on the then standard fee schedule of the Fiduciary for all services rendered under the Ordinance, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under the Ordinance. Subject to the provisions of **Section 8.02** hereof, the County further agrees to indemnify and save each fiduciary harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder and which are not due to its negligence or willful misconduct; provided, however, that any specific agreement between the County and a Fiduciary with respect to the compensation of such Fiduciary shall control the compensation to be paid to such Fiduciary.

Section 8.05 Certain Permitted Acts.

Any Fiduciary may become the owner or underwriter of any Bonds, notes or other obligations of the County or conduct any banking activities with respect to the County, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depositary for, and permit any of its officers or directors to effect or aid in any reorganization growing out of the enforcement of the Bonds or the Ordinance.

Section 8.06 Resignation of Any Fiduciary.

Any Fiduciary may at any time resign and be discharged of the duties and obligations created by the Ordinance by giving not less than 60 days written notice to the County and not less than 30 days written notice to the Holders of the Bonds as established by the books of registration prior to the next succeeding Bond Payment Date and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the County pursuant to **Section 8.08** hereof in which event such resignation shall take effect immediately on the appointment of such successor. In no event, however, shall such a resignation take effect until a successor has been appointed.

Section 8.07 Removal of Fiduciary.

Any Fiduciary may be removed at any time by an instrument or concurrent instruments in writing, filed with the County and such Fiduciary, and signed by the Bondholders representing a majority in principal amount of the Bonds then Outstanding or their attorneys in fact duly authorized, excluding any Bonds held by or for the account of the County.

Section 8.08 Appointment of Successor Fiduciaries.

In case any Fiduciary hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the County. Every such Fiduciary appointed pursuant to the provisions of this Section shall be a trust company or bank organized under the laws of the United States of America or any state thereof and which is in good standing, within or outside the State of South Carolina, having a stockholders' equity of not less than \$50,000,000 if there be such an institution willing, qualified and able to accept the trust upon reasonable and customary terms.

If in a proper case no appointment of a successor Fiduciary shall be made by the County pursuant to the foregoing provisions of this Section within 45 days after any Fiduciary shall have given to the County written notice as provided in **Section 8.06** hereof or after a vacancy in the office of such Fiduciary

shall have occurred by reason of its removal or inability to act, the former Fiduciary or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor.

Section 8.09    Transfer of Rights and Property to Successor.

Any successor Fiduciary appointed under the Ordinance shall execute, acknowledge and deliver to its predecessor, and also to the County, an instrument accepting such appointment, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Fiduciary, with like effect as if originally named in such capacity; but the Fiduciary ceasing to act shall nevertheless, on the written request of the County, or of the successor, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the right, title and interest of the predecessor Fiduciary in and to any property held by it under the Ordinance, and shall pay over, assign and deliver to the successor Fiduciary any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the County be required by such successor Fiduciary for more fully and certainly vesting in and confirming to such successor any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the County. Any such successor Fiduciary shall promptly notify the Paying Agent and Depositaries, if any, of its appointment as Fiduciary.

Section 8.10    Merger or Consolidation.

Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it may be party or any company to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, and shall be authorized by law to perform all the duties imposed upon it by the Ordinance, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

Section 8.11    Adoption of Authentication.

In case any of the Bonds contemplated to be issued under the Ordinance shall have been authenticated but not delivered, any successor Registrar may adopt the certificate of authentication of any predecessor Registrar so authenticating such Bonds and deliver such Bonds so authenticated. In case any such Bonds shall not have been authenticated, any successor Registrar may authenticate such Bonds in the name of the predecessor Registrar or in the name of the successor Registrar, and in all such cases such certificate shall be of full force and effect.

[End of Article VIII]

## ARTICLE IX

### FEDERAL TAX CONSIDERATIONS

#### Section 9.01    Compliance with the Code.

The County will comply with all requirements of the Code in order to preserve the tax-exempt status of the Bonds and BANs, including without limitation, (i) the requirement to file the applicable information report with the Internal Revenue Service, and (ii) the requirement to rebate certain arbitrage earnings to the United States Government pursuant to Section 148(f) of the Code. In this connection, the County covenants to execute any and all agreements, certificates and other documentation as it may be advised by Bond Counsel will enable it to comply with this Section, and such agreements, certificates and other documentation may be executed by an Authorized Officer and by the County Administrator of the County or either of them. Notwithstanding any provision of this Ordinance to the contrary, the County Administrator may elect, in his sole discretion, that the Bonds or a portion thereof be issued in taxable form, subject nonetheless to the provisions of **Section 5.02** hereof.

The County hereby represents and covenants that it will not take any action which will, or fail to take any action which failure will, cause interest on the Bonds and BANs to become includable in the gross income of the Holder thereof for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder in effect on the dates of original issuance of the Bonds and BANs. Without limiting the generality of the foregoing, the County represents and covenants that:

(a) All property provided by the net proceeds of the Bonds and BANs will be owned by the County in accordance with the rules governing the ownership of property for federal income tax purposes.

(b) The County shall not permit the proceeds of the Bonds and BANs or any facility financed with the proceeds thereof to be used in any manner that would result in (a) ten percent (10%) or more of such proceeds being considered as having been used directly or indirectly in any trade or business carried on by any natural person or in any activity carried on by a person other than a natural person other than a governmental unit as provided in Section 141(b) of the Code, or (b) five percent (5%) or more of such proceeds being considered as having been used directly or indirectly to make or finance loans to any person other than a governmental unit as provided in Section 141(c) of the Code.

(c) The County is not a party to nor will it enter into any contracts with any person for the use or management of any facility provided with the proceeds of the Bonds or BANs that do not conform to the guidelines set forth in Revenue Procedure 97-13, as may be subsequently modified by applicable pronouncements of the United States Treasury Department.

(d) The County will not sell or lease any property provided by the Bonds and BANs to any person unless it obtains the opinion of nationally recognized bond counsel that such lease or sale will not affect the tax exemption of the Bonds or BANs.

(e) The Bonds and BANs will not be federally guaranteed within the meaning of Section 149(b) of the Code. The County has not entered into any leases or sales or service contract with any federal government agency and will not enter into any such leases or contracts unless it obtains the opinion of nationally recognized bond counsel that such action will not affect the tax exemption of the Bonds or BANs.

Section 9.02 Ability to Meet Arbitrage Requirements; Bank Qualification.

Careful consideration has been given to the time in which the expenditures will be made. It has been ascertained that all of the money received from the proceeds of the Bonds and BANs will be expended within the limitations imposed by Section 148 of the Code and the Treasury regulations promulgated pursuant thereto. Accordingly, the Council will be able to certify upon reasonable grounds that the Bonds and BANs herein provided for are not “arbitrage bonds” within the meaning of Section 148 of the Code.

Upon the issuance of a Series of Bonds hereunder, the County Administrator may elect to designate such Series as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3)(B) of the Code if he reasonably expects, upon advice of Bond Counsel, that the aggregate principal amount of all tax-exempt obligations to be issued in the calendar year in which such Series will be issued by the County and entities subordinate thereto, except certain private activity bonds, will not exceed \$10 million, or such other maximum limit as shall, in the opinion of Bond Counsel, at the time be applicable under Section 265(b)(3) of the Code.

[End of Article IX]

## ARTICLE X

### MISCELLANEOUS

#### Section 10.01 Failure to Present Bonds.

Anything in this Ordinance to the contrary notwithstanding, any money held by the Paying Agent in trust for the payment and discharge of any of the Bonds, or the interest thereon, which remains unclaimed for such period of time, after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, that the Holder thereof shall no longer be able to enforce the payment thereof, the Paying Agent shall at the written request of the County pay such money to the County as its absolute property and free from trust, and the Paying Agent shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the County for the payment of such Bonds; provided, however, the Paying Agent shall forward to the County all moneys which remain unclaimed during a period five (5) years from a Bond Payment Date, provided, however, that before being required to make any such payment to the County, the Paying Agent, at the expense of the County, may conduct such investigations as may in the opinion of the Paying Agent be necessary to locate the Holders of those who would take if the Holder shall have died.

#### Section 10.02 Severability of Invalid Provisions.

If any one or more of the covenants or agreements provided in this Ordinance should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Ordinance.

#### Section 10.03 Successors.

Whenever in this Ordinance the County is named or referred to, it shall be deemed to include any entity which may succeed to the principal functions and powers of the County, and all the covenants and agreements contained in this Ordinance or by or on behalf of the County shall bind and inure to the benefit of said successor whether so expressed or not.

#### Section 10.04 Ordinance to Constitute Contract.

In consideration of the purchase and acceptance of the Bonds by those who shall purchase and hold the same from time to time, the provisions of this Ordinance shall be deemed to be and shall constitute a contract between the County and the Holder from time to time of the Bonds, and such provisions are covenants and agreements with such Holders which the County hereby determined to be necessary and desirable for the security and payment thereof. The pledge hereof and the provisions, covenants, and agreements herein set forth to be performed on behalf of the County shall be for the equal benefit, protection, and security of the Holders of any and all of the Bonds, all of which shall be of equal rank without preference, priority or distinction of any Bonds over any other Bonds.

#### Section 10.05 Continuing Disclosure.

(a) In accordance with Act No. 442 of the Acts and Joint Ordinances of the General Assembly of the State of South Carolina for the year 1994, the County hereby covenants to file with a central repository for availability in the secondary bond market when requested (1) an annual independent audit, within thirty days of the County's receipt of the audit; and (2) event specific information, within thirty days of an event adversely affecting more than five percent of the County's revenue or tax base.

The only remedy for failure by the County to comply with the covenant in this **Section 10.05** shall be an action for specific performance of this covenant. The Council specifically reserves the right to amend this covenant to reflect any change in Act 442 without the consent of any Bondholder.

(b) The County hereby covenants and agrees that it will comply with and carry out all of the provisions of the Disclosure Dissemination Agent Agreement. Notwithstanding any other provision of this Ordinance, failure of the County to comply with the Disclosure Dissemination Agent Agreement shall not be considered an event of default hereunder; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County to comply with its obligations under this **Section 10.05(b)**. The Disclosure Dissemination Agent Agreement shall be executed by an Authorized Officer prior to the delivery of the Bonds and shall be in such form as is set forth in **Exhibit "E"** hereto, together with such modifications and amendments thereto as shall be deemed necessary by such Authorized Officer, upon advice of counsel. The execution of the Disclosure Dissemination Agent Agreement shall constitute conclusive evidence of the approval by the person executing the same of any and all modifications and amendments thereto.

Section 10.06 Filing of Copies of Ordinance.

Copies of this Ordinance shall be filed in the offices of the Council, the office of the Clerk of Court for Newberry County, South Carolina (as a part of the Transcript of Proceedings) and at the offices of each of the Paying Agent and Registrar.

Section 10.07 Officials Authorized.

The Chairman and Vice-Chairman of the Council, the County Administrator, and the Clerk to Council are authorized hereby to take all such actions, not inconsistent with this Ordinance, as may be necessary to accomplish the purposes set forth in this Ordinance.

Section 10.08 Effective Date.

This Ordinance shall take effect upon its third reading and shall be forthwith codified in the Code of County Ordinances and indexed under the general heading "Bond Issue -- Not Exceeding \$1,200,000 General Obligation Bonds of Newberry County, South Carolina."

ENACTED this 15th day of April, 2015.

**NEWBERRY COUNTY, SOUTH CAROLINA**

(SEAL)

\_\_\_\_\_  
Chairman, Newberry County Council

Attest:

\_\_\_\_\_  
Clerk, Newberry County Council

STATE OF SOUTH CAROLINA

COUNTY OF NEWBERRY

I, the undersigned, Clerk to the County Council of Newberry County, South Carolina (“County Council”), DO HEREBY CERTIFY:

That the foregoing constitutes a true, correct and verbatim copy of an Ordinance which was given three (3) readings on three (3) separate days, with an interval of not less than seven (7) days between the second and third readings. That each of said meetings was duly called, and all members of the County Council were notified of the same; that all/a majority of the membership were notified of each meeting and remained throughout the proceedings incident to the adoption of this Ordinance. Such Ordinance has not been amended, modified or rescinded as of the date hereof. The original of this Ordinance is duly entered in the permanent records of minutes of meetings of the County Council, in my custody as such Clerk.

The agenda for each meeting of County Council at which this Ordinance was read included consideration of this Ordinance and as such was, at least 24 hours prior to the commencement of such meeting, posted in a prominent place in the administrative offices of the County and provided to news media.

IN WITNESS WHEREOF, I have hereunto set my Hand and the Seal of the County, this 15 day of April, 2015.

(SEAL)

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Clerk, County Council of Newberry County,  
South Carolina

First reading: March 4, 2015

Second reading: March 18, 2015

Public hearing: April 15, 2015

Third reading: April 15, 2015



**NOTICE OF PUBLIC HEARING**

**NOTICE IS HEREBY GIVEN** that the Newberry County Council, State of South Carolina, at its meeting on the 15th day of April, 2015, to be held in the Newberry County Council Chambers, 1309 College Street, Newberry, South Carolina, at 7:00 p.m. will conduct a public hearing on "AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING ONE MILLION TWO HUNDRED THOUSAND DOLLARS (\$1,200,000) GENERAL OBLIGATION BONDS OF NEWBERRY COUNTY, SOUTH CAROLINA, FOR THE ISSUANCE OF NOTES IN ANTICIPATION OF SUCH BONDS, TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS OF SUCH OBLIGATIONS SHALL BE EXPENDED, TO PROVIDE FOR THE PAYMENT THEREOF, AND OTHER MATTERS RELATING THERETO."

At the time and place fixed for said public hearing all taxpayers, residents or other interested persons who appear will be given an opportunity to express their views for or against the adoption of the Ordinance. A copy of the proposed Ordinance is available for inspection in the Clerk to Council's office located in the Courthouse Annex at 1309 College Street, Newberry, South Carolina, during its regular business hours. Assistance is available for those who are visually or hearing-impaired. For assistance, call Laurie Renwick, Clerk to Council, (803) 321-2100.

(FORM OF BOND)  
(FACE OF BOND)

UNITED STATES OF AMERICA  
STATE OF SOUTH CAROLINA  
NEWBERRY COUNTY  
GENERAL OBLIGATION BOND  
SERIES 2015\_

No. \_\_\_ \$ \_\_\_\_\_

INTEREST RATE                      MATURITY DATE                      ORIGINAL ISSUE DATE                      CUSIP  
\_\_\_\_\_ %

Registered Holder: \_\_\_\_\_

Principal Amount: \_\_\_\_\_ DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Newberry County, South Carolina (the "County"), is justly indebted and, for value received, hereby promises to pay to the registered owner named above, or registered assigns, the principal amount shown above on the maturity date shown above, upon presentation and surrender of this bond at the office of \_\_\_\_\_ (the "Registrar/Paying Agent"), and to pay interest on such principal sum from the date hereof at the interest rate per annum shown above until the County's obligation with respect to the payment of such principal sum shall be discharged. Interest on this bond is payable semiannually on March 1 and September 1 of each year commencing \_\_\_\_\_, until this bond matures, and shall be payable by check or draft mailed to the person in whose name this bond is registered on the registration books of the County maintained by the Registrar/Paying Agent at the close of business on the 15th day next preceding each semiannual interest payment date. The principal and interest on this bond are 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, provided, however, that interest on this fully registered bond shall be paid by check or draft as set forth above.

This bond shall not be valid or obligatory for any purpose, until the Certificate of Authentication hereon shall have been duly executed by the Registrar/Paying Agent.

This bond is one of a series of bonds (the "Bonds") of like date of original issue, tenor and effect, except as to number, date of maturity, denomination and rate of interest, issued in an original aggregate principal amount of \$ \_\_\_\_\_, pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended; Sections 4-15-10 to 4-15-180, inclusive, Code of Laws of South Carolina, 1976, as amended, as amended and supplemented by Act No. 113 of the Acts and Joint Ordinances of the General Assembly of the State of South Carolina for the year 1999, as amended, and an ordinance duly adopted by the County Council of the County, its governing body, on \_\_\_\_ day of \_\_\_\_\_, 2014 (the

“Ordinance”). Capitalized terms used but not defined herein shall have the meanings ascribed to them by the Ordinance.

For the payment of the principal of and interest on the Bonds as they respectively mature and for the creation of such sinking fund as may be necessary therefore the full faith, credit and taxing power of the County are hereby irrevocably pledged, and there shall be levied and collected annually a tax, without limit, on all taxable property in the County sufficient to pay the principal and interest of the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

The Bonds are being issued by means of a book-entry system with no physical distribution of Bond certificates to be made except as provided in the Ordinance. One bond certificate with respect to each date on which the Bonds are stated to mature, registered in the name of the Securities Depository Nominee, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the Securities Depository’s Participants, beneficial ownership of the Bonds in the principal amount of \$5,000 or any whole multiple thereof being evidenced in the records of such Participants. Transfers of ownership shall be effected on the records of the Securities Depository and its Participants pursuant to rules and procedures established by the Securities Depository and its Participants. The County and the Registrar/Paying Agent will recognize the Securities Depository Nominee, while the registered owner of this bond, as the owner of this bond for all purposes, including payments of principal of and redemption premium, if any, and interest on this bond, notices and voting. Transfer of principal and interest payments to Participants of the Securities Depository will be the responsibility of the Securities Depository, and transfer of principal, redemption premium, if any, and interest payments to beneficial owners of the Bonds by Participants of the Securities Depository will be the responsibility of such Participants and other nominees of such beneficial owners. The County will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository Nominee, its Participants or persons acting through such Participants. While the Securities Depository Nominee is the owner of this bond, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this bond shall be made in accordance with existing arrangements between the Registrar/Paying Agent or its successors under the Ordinance and the Securities Depository.

[All Bonds maturing subsequent to \_\_\_\_\_, shall be subject to redemption at the option of the County in whole or in part at any time on and after \_\_\_\_\_ at \_\_\_\_\_.]

If less than all the Bonds of any maturity are called for redemption, the Bonds of such maturity to be redeemed shall be selected in accordance with the procedures of DTC or a successor securities depository or, if the Bonds are no longer in book-entry-only form, then by lot by the Registrar/Paying Agent. In the event this bond is redeemable as aforesaid, and shall be called for redemption, notice of the redemption hereof, describing this bond and specifying the redemption date and the redemption price payable upon such redemption, shall be mailed by the Registrar/Paying Agent by first class mail, postage prepaid, to the registered owner hereof not less than 30 days and not more than 60 days prior to the redemption date at such registered owner’s address as it appears upon the registration books of the County, provided, as long as this bond is held in book-entry-only form, then notice of redemption may be electronically transmitted in form acceptable to DTC or successor securities depository, if any. If this bond is redeemable and shall have been duly called for redemption and notice of the redemption hereof mailed as aforesaid, and if on or before the date fixed for such redemption, payment hereof shall be duly made or provided for, interest hereon shall cease to accrue from and after the redemption date hereof.

This bond is transferable only upon the books of the County kept for that purpose at the principal office of the Registrar/Paying Agent by the registered owner hereof in person or by his duly authorized

attorney upon surrender of this bond together with a written instrument of transfer satisfactory to the Registrar/Paying Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Bond or Bonds of the same aggregate principal amount, interest rate, and maturity shall be issued to the transferee in exchange herefor as provided in the Ordinance. The County and the Registrar/Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

Under the laws of the State of South Carolina, this bond and the interest hereon are exempt from all State, county, municipal, school district, and other taxes or assessments, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate or transfer taxes, but the interest hereon may be included in certain franchise fees or taxes.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of South Carolina to exist, to happen and to be performed precedent to or in the issuance of this bond exist, have happened and have been performed in regular and due time, form and manner as required by law; that the amount of this bond, together with all other general obligation and bonded indebtedness of the County does not exceed the applicable limitation of indebtedness under the laws of the State of South Carolina; and that provision has been made for the levy and collection of a tax, without limit, on all taxable property in the County sufficient to pay the principal and interest of the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

NEWBERRY COUNTY, SOUTH CAROLINA

(SEAL)

By: \_\_\_\_\_  
Chairman, County Council

Attest:

\_\_\_\_\_  
Clerk, Newberry County Council

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within mentioned Ordinance.

REGISTRAR

By: \_\_\_\_\_  
Authorized Officer

Authentication Date: \_\_\_\_\_, 20\_\_

The following abbreviations, when used in the inscription on the face of this bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common

UNIF GIFT MIN ACT -

TEN ENT - as tenants by the entireties

\_\_\_\_\_ Custodian \_\_\_\_\_  
(Cust) (Minor)

JT TEN - as joint tenants with right of survivorship and not as tenants in common

under Uniform Gifts to Minors Act \_\_\_\_\_  
(state)

Additional abbreviations may also be used though not in above list.

**(FORM OF ASSIGNMENT)**

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
(Name and Address of Transferee)

the within bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature Guaranteed

\_\_\_\_\_  
(Authorized Officer)

\_\_\_\_\_  
(Signature must be guaranteed by a participant in the Securities Transfer Agent Medallions Program (STAMP))

\_\_\_\_\_  
Notice: The signature to the assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

UNITED STATES OF AMERICA  
STATE OF SOUTH CAROLINA  
NEWBERRY COUNTY  
BOND ANTICIPATION NOTE OF 2015

No. \_\_\_ \$ \_\_\_\_\_

INTEREST RATE                      MATURITY DATE                      ORIGINAL ISSUE DATE                      CUSIP  
\_\_\_\_\_ %

Registered Holder: \_\_\_\_\_

Principal Amount: \_\_\_\_\_ DOLLARS

KNOW ALL MEN BY THESE PRESENTS that Newberry County, South Carolina (the "County") hereby acknowledges itself indebted, and for value received promises to pay to the registered owner hereof (named above) or registered assigns, the principal sum of \_\_\_\_\_ DOLLARS at the Administrative Office of the County in the City of Newberry, State of South Carolina on the \_\_\_ day of \_\_\_\_\_, 20\_\_, and to pay interest, calculated on the basis of a 360-day year consisting of twelve 30-day months, on said principal sum from the date hereof, at the rate of \_\_\_ per centum (\_\_\_%) per annum, payable upon the maturity of this note. This note is (not) subject to prepayment prior to its maturity (as follows:).

Both the principal of and interest on this note are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts.

This note is the single Bond Anticipation Note (the "Note"), issued by the County, pursuant to the authorization of Title 11, Chapter 17, Code of Laws of South Carolina, 1976, as amended, in anticipation of the receipt of the proceeds to be derived from the general obligation bonds of the County (the "Bonds") to be issued pursuant to and in accordance with the provisions of the Constitution and Laws of the State of South Carolina including Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended; Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended; Title 59, Chapter 71 of the Code of Laws of South Carolina 1976, as amended, and an ordinance duly enacted by the County Council of the County on \_\_\_ day of \_\_\_\_\_, 2014 (the "Ordinance"). The full faith, credit and taxing power of the County and the proceeds to be derived from the sale of Bonds are pledged for the payment of the principal of and interest on the Note.

This Note and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate or transfer taxes, but the interest hereon may be included as franchise fees or taxes.

(This Note is being issued by means of a book-entry system with no physical distribution of certificates to be made. This Note, registered in the name of the Securities Depository Nominee, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Note by the Securities Depository's Participants,

beneficial ownership of the Note in the principal amount of \$5,000 or any multiple thereof being evidenced in the records of such Participants. Transfers of ownership shall be effected on the records of the Securities Depository and its Participants pursuant to rules and procedures established by the Securities Depository and its Participants. The County and the Registrar/Paying Agent will recognize the Securities Depository Nominee, while the registered owner of this Note, as the owner of this Note for all purposes, including payments of principal of and interest on this Note, notices and voting. Transfer of principal and interest payments to Participants of the Securities Depository will be the responsibility of the Securities Depository, and transfer of principal and interest payments to beneficial owners of this Note by Participants of the Securities Depository will be the responsibility of such Participants and other nominees of such beneficial owners. The County will not be responsible or liable for such transfers of payments or for maintaining, supervision or reviewing the records maintained by the Securities Depository, the Securities Depository Nominee, its Participants or persons acting through such Participants. While the Securities Depository Nominee is the owner of this Note, notwithstanding the provision hereinabove contained, payments of principal of and interest on this Note shall be made in accordance with existing arrangements between the Registrar/Paying Agent or its successors under the Ordinance and the Securities Depository.)

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and Statutes of the State of South Carolina to exist, to happen, or to be performed precedent to or in the issuance of this Note do exist, have happened, and have been performed in regular and due time, form and manner, and the amount of this Note does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, Newberry County, South Carolina, has caused this Note to be manually signed by the Chairman of the County Council, attested by the manual signature of the Clerk to Council of the County Council, the seal of the County impressed hereon and this Note to be dated the \_\_\_\_ day of \_\_\_\_\_, 201\_.

NEWBERRY COUNTY, SOUTH CAROLINA

(SEAL)

\_\_\_\_\_  
Chairman, County Council

Attest:

\_\_\_\_\_  
Clerk, Newberry County Council

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within mentioned Ordinance.

NEWBERRY COUNTY, SOUTH CAROLINA  
as Registrar/Paying Agent

By: \_\_\_\_\_  
County Treasurer, Newberry County

Date of Authentication: \_\_\_\_\_, 20\_\_\_\_

The following abbreviations, when used in the inscription on the face of this bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common

UNIF GIFT MIN ACT -

TEN ENT - as tenants by the entireties

\_\_\_\_\_ Custodian \_\_\_\_\_  
(Cust) (Minor)

JT TEN - as joint tenants with right of survivorship and not as tenants in common

under Uniform Gifts to Minors Act \_\_\_\_\_  
(state)

Additional abbreviations may also be used though not in above list.

**(FORM OF ASSIGNMENT)**

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
(Name and Address of Transferee)

the within bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature Guaranteed

\_\_\_\_\_  
(Authorized Officer)

(Signature must be guaranteed by a participant in the Securities Transfer Agents Medallion Program (STAMP))

Notice: The signature to the assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.



OFFICIAL NOTICE OF SALE  
\$ \_\_\_\_\_ GENERAL OBLIGATION BONDS, SERIES 2015,  
OF NEWBERRY COUNTY

SEALED PROPOSALS, addressed to the undersigned, will be received by the County Council of Newberry County, until \_\_\_\_\_ (local time) on \_\_\_\_\_, at which time said proposals will be publicly opened in the offices of Haynsworth Sinkler Boyd, P.A., 1201 Main Street, 22nd Floor, Columbia, South Carolina, 29201, for the purchase of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) of General Obligation Bonds, Series 201\_\_ (the "Bonds"). The Bonds shall be payable as to principal as follows:

**[Supplied at time of Publication]**

The Bonds will be dated \_\_\_\_\_, 201\_\_, and will bear interest from the date thereof, payable on each March 1 and September 1, beginning on \_\_\_\_\_, until they mature. Both principal and interest will be payable in any coin or currency of the United States of America, which at the time of payment, is legal tender for the payment of public and private debts at the Corporate Trust Office of the Registrar and Paying Agent of the Bonds. The County will select the Paying Agent and Registrar by a competitive bidding process.

*Optional Redemption:* All Bonds maturing subsequent to March 1, 201\_\_ shall be subject to redemption at the option of the County in whole or in part at any time on and after March 1, 201\_\_ at par, together with accrued interest to the date fixed for redemption. Partial redemptions of Bonds shall be made of such maturities of Bonds as determined by the County.

*Bid Requirements:* Bidders shall specify the rate or rates of interest per annum which the Bonds are to bear, to be expressed in multiples of 1/20th or 1/8th of 1% with no greater difference than 2% between the highest and lowest rates of interest named by a bidder. Bidders are not limited as to the number of rates of interest named, but the rate of interest on each separate maturity must be the same single rate for the Bonds of that maturity from their date to such maturity date. A bid for less than all the Bonds or a bid at a price less than par will not be considered. In addition to the bid price, the successful bidder must pay accrued interest from the date of the Bonds to the date of full payment of the purchase price. Any premium offered must be paid in cash as a part of the purchase price for the Bonds.

*Award of Bonds:* The Bonds will be awarded to the bidder or bidders offering to purchase the Bonds at the lowest net interest cost (NIC) to the County from the date of delivery of the Bonds, excluding accrued interest. The Council reserves the right to reject any and all bids or to waive irregularities in any bid. Bids will be accepted or rejected no later than 4:00 p.m., South Carolina time, on the date of the sale.

*Adjustment of Par Amount of Bonds:* If, after final computation of the proposals, the County determines in its sole discretion that the funds necessary to accomplish the purposes for which the Bonds are being issued are either more or less than the proceeds of the sale of the amount of the Bonds as shown in this Notice of Sale, or, if the County determines that it is necessary to adjust debt service requirements of the Bonds in one or more years, it reserves the right to decrease or increase the principal amount of the Bonds of any maturity (all calculations to be rounded to the nearest \$5,000) by not exceeding 15%. In any event, the principal amount of the Bonds shall not exceed [\$\_\_\_\_\_]. Such adjustment(s), if any, shall

be made within twenty-four (24) hours of the award of the Bonds. In order to calculate the yield on the Bonds for federal tax law purposes and as a condition precedent to the award of the Bonds, bidders must disclose to the County in connection with their respective bids the price (or yield to maturity) at which each maturity of the Bonds will be reoffered to the public.

In the event of any adjustment of the maturity schedule for the Bonds as described herein, no rebidding or recalculation of the proposals submitted will be required or permitted. The total purchase price of the Bonds will be increased or decreased in the direct proportion that the adjustment bears to the aggregate principal amount of the Bonds specified herein; and the Bonds of each maturity, as adjusted, will bear interest at the same rate and must have the same reoffering yield as are specified by the successful bidder for the Bonds of that maturity. Nevertheless, the award of the Bonds will be made to the bidder whose proposal produces the lowest net interest cost solely on the basis of the Bonds offered, without taking into account any adjustment in the amount of the Bonds pursuant to this paragraph.

*Bid Submission:* Except as provided in the following paragraph, bids for the purchase of the Bonds must be submitted to the County through the BiDCOMP/Parity Electronic Bid Submission System (“PARITY”). No other provider of electronic bidding services will be accepted. Such bids are to be publicly opened and read at such time and place on said day. The time as maintained by PARITY shall constitute the official time with respect to all bids submitted.

The County will accept bids submitted by facsimile machine to 803.540.7721. Bidders are requested to use the Official Bid Form accompanying the Preliminary Official Statement for the Bonds in order to submit a bid by facsimile machine.

All bids must be received by the County before the time stated above, and the County shall not be responsible for any delay, failure, misdirection or error in the means of transmission selected by any bidder. The County is not liable for any costs incurred in the preparation, delivery, acceptance or rejection of any bid.

If a bidder for the Bonds desires to have the Bonds insured, the bidder shall specify in its bid whether bond insurance will be purchased and the premium of such bond insurance must be paid at or prior to closing by the successful bidder.

The successful bidder for the Bonds agrees by submitting an offer for the purchase thereof that it will by 12 o'clock noon on the day following the date of award of the Bonds pay a good faith deposit for the Bonds to the County in the amount of \$50,000 pursuant to wire instructions to be provided by the County on the date of sale. The County reserves the right to cancel the award of the Bonds upon a failure of the successful bidder to comply with this paragraph. The deposit will be applied to the purchase price of the Bonds or returned to the bidder in the event the Bonds are not issued. No credit for interest or any costs of the bidder will be allowed in either case.

If any provisions of this Official Notice of Sale conflict with information provided by PARITY as the approved provider of electronic bidding services, this Official Notice of Sale shall control. Further information about PARITY may be obtained from IPREO, Municipal Services, telephone (212) 849-5023, or [munis@ipreo.com](mailto:munis@ipreo.com).

*Purpose:* The Bonds are being issued for the purpose of defraying the costs of capital improvements of the County, and paying certain costs of issuance of the Bonds.

*Security:* The Bonds shall constitute binding general obligations of the County and the full faith, credit and taxing power of the County are irrevocably pledged for the payment of the Bonds. There shall

be levied and collected annually in the same manner as county taxes are levied and collected, a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

*Official Statement:* The Preliminary Official Statement dated \_\_\_\_\_, 20\_\_ has been deemed final by the County for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") but is subject to revision, amendment and completion in a final Official Statement as provided in the Rule. The County will furnish the successful bidder with a sufficient number of copies of the final Official Statement in order to allow the bidder to comply with the Rule, without charge, within seven working days of the acceptance of a bid for the Bonds. Copies of the Preliminary Official Statement in electronic format are available via [www.i-dealprospectus.com](http://www.i-dealprospectus.com).

*Continuing Disclosure:* In order to assist bidders in complying with SEC Rule 15c2-12, the County will undertake, pursuant to the ordinance authorizing the issuance of the Bonds and a Disclosure Dissemination Agent Agreement, to annually file a report containing its audited financial statements and certain financial information and operating data, and, in addition, to provide notice of certain material events. A description of this undertaking is set forth in the preliminary Official Statement and will also be set forth in the final Official Statement.

*Closing Certificates:* The County shall furnish upon delivery of the Bonds the final approving opinion of Haynsworth Sinkler Boyd, P.A., Bond Counsel, Columbia, South Carolina, together with closing proofs including (a) a certificate that there is no litigation threatened or pending to restrain the issuance or sale of said Bonds, (b) a certificate establishing that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations as in effect on the occasion of the delivery of the Bonds, and (c) certification by an appropriate official to the effect that the Official Statement, as of its date and as of the date of delivery of the Bonds does not contain an untrue statement of a material fact and does not omit to state a material fact which should be included therein for the purpose for which the Official Statement is intended to be used, or which is necessary to make the statements contained therein, in the light of the circumstances in which they were made, not misleading.

*Certificates as to Issue Price:* The successful bidder for the Bonds must provide a certificate to the County not later than two business days following the sale date, and confirmed by a certificate delivered at closing, stating the initial reoffering price of the Bonds to the public (excluding bond houses and brokers) and the price at which a substantial amount of the Bonds were sold to the public, in form satisfactory to Bond Counsel.

*Delivery:* The Bonds will be delivered on or about \_\_\_\_\_, 201\_\_ through the facilities of DTC at the expense of the County, or at such other place as may be agreed upon with the purchasers at the expense of the purchaser. The balance of the purchase price then due (including the amount of accrued interest) must be paid in Federal funds or other immediately available funds. The cost of preparing the Bonds will be borne by the County.

*CUSIP Numbers:* It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of its proposal. All expenses in relation to the printing of CUSIP identification numbers on the Bonds shall be paid for by the County; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the successful bidder.

*Additional Information:* Persons seeking further fiscal information relative to the County should communicate with Mr. Wayne Adams, County Administrator, Post Office Box 156, Newberry, South Carolina, 29108, telephone: (803) 321-2100. Persons seeking additional information regarding the Bonds should communicate with Bond Counsel, Haynsworth Sinkler Boyd, P.A., Post Office Box 11889, Columbia, South Carolina 29211, Attn: Theodore B. DuBose, telephone (803) 540-7830.

*This Notice is given to evidence the County's intent to receive bids for and award the Bond on the date stated above. Such sale may be postponed prior to the time bids are to be received and as published on Thomson Municipal Market Monitor, Bloomberg, or other electronic information service. If canceled, the sale may be thereafter rescheduled within 60 days of the date of the publication of this Official Notice of Sale, and notice of such rescheduled date of sale will be posted at least 48 hours prior to the time for receipt of bids on Thomson Municipal Market Monitor, Bloomberg, i-dealprospectus.com or other electronic information service.*

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Chairman, County Council  
Newberry County

**DISCLOSURE DISSEMINATION AGREEMENT**

This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as of \_\_\_\_\_, is executed and delivered by Newberry County, South Carolina (the “Issuer”) and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”) for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

**SECTION 1. Definitions.** Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

“Annual Report” means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

“Annual Filing Date” means the date, set in Section 2(a) and Section 2(f), by which the Annual Report is to be filed with the MSRB.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Audited Financial Statements” means the financial statements (if any) of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

“Bonds” means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

“Certification” means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

“Disclosure Representative” means the Newberry County Administrator, the senior member of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the

Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

“Failure to File Event” means the Issuer’s failure to file an Annual Report on or before the Annual Filing Date.

“Force Majeure Event” means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

“Holder” means any person (i) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (ii) treated as the owner of any Bonds for federal income tax purposes.

“Information” means, collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Notice Event” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

“Obligated Person” means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

“Official Statement” means that Official Statement prepared by the Issuer in connection with the Bonds, as listed on Exhibit A.

“Voluntary Event Disclosure” means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

“Voluntary Financial Disclosure” means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied

by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports and Other Disclosures.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than 210 days after the end of each fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2011. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Failure to File Event has occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 12:00 noon on the first business day following the Annual Filing Date for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, without reference to the anticipated filing date for the Annual Report.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

- (i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;
- (ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;
- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;
- (iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by

the Issuer pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

1. “Principal and interest payment delinquencies;”
  2. “Non-Payment related defaults, if material;”
  3. “Unscheduled draws on debt service reserves reflecting financial difficulties;”
  4. “Unscheduled draws on credit enhancements reflecting financial difficulties;”
  5. “Substitution of credit or liquidity providers, or their failure to perform;”
  6. “Adverse tax opinions, IRS notices or events affecting the tax status of the security;”
  7. “Modifications to rights of securities holders, if material;”
  8. “Bond calls, if material;”
  9. “Defeasances;”
  10. “Release, substitution, or sale of property securing repayment of the securities, if material;”
  11. “Rating changes;”
  12. “Tender offers;”
  13. “Bankruptcy, insolvency, receivership or similar event of the obligated person;”
  14. “Merger, consolidation, or acquisition of the obligated person, if material;” and
  15. “Appointment of a successor or additional trustee, or the change of name of a trustee, if material;”
- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as “Failure to provide annual financial information as required” when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;
- (vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories



set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. “amendment to continuing disclosure undertaking;”
2. “change in obligated person;”
3. “notice to investors pursuant to bond documents;”
4. “certain communications from the Internal Revenue Service;”
5. “secondary market purchases;”
6. “bid for auction rate or other securities;”
7. “capital or other financing plan;”
8. “litigation/enforcement action;”
9. “change of tender agent, remarketing agent, or other on-going party;”
10. “derivative or other similar transaction;” and
11. “other event-based disclosures;”

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. “quarterly/monthly financial information;”
2. “change in fiscal year/timing of annual disclosure;”
3. “change in accounting standard;”
4. “interim/additional financial information/operating data;”
5. “budget;”
6. “investment/debt/financial policy;”
7. “information provided to rating agency, credit/liquidity provider or other third party;”
8. “consultant reports;” and
9. “other financial/operating data.”

- (viii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

### SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including the information provided in the Official Statement under the headings: “THE COUNTY-Five Year Summary of General Fund Operations”; “THE BONDS-Additional Security for the Bonds”; “THE COUNTY-Market Value/Assessment Summary of the County”; “THE COUNTY-Exempt Manufacturing Property”; “THE COUNTY-Tax Collections for the County”; “THE COUNTY-Ten Largest Taxpayers”; “THE COUNTY-Millage History”; and “THE COUNTY-General Fund Budget”.

(b) Audited Financial Statements prepared in accordance with generally accepted accounting principles (“GAAP”) as described in the Official Statement will be included in the Annual Report. If audited financial statements are not available, then, unaudited financial statements, prepared in accordance with GAAP as described in the Official Statement will be included in the Annual Report. Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an Obligated Person, which have been previously filed with the Securities and Exchange Commission or available to the public on the MSRB Internet website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

### SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of Bond holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

**Note to subsection (a)(12) of this Section 4:** For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Issuer shall, in a timely manner not in excess of ten business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the

Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with the MSRB in accordance with Section 2(e)(iv) hereof.

**SECTION 5. CUSIP Numbers.** Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, Notice Event notices, Failure to File Event notices, Voluntary Event Disclosures and Voluntary Financial Disclosures, the Issuer shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

**SECTION 6. Additional Disclosure Obligations.** The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the failure of the Disclosure Dissemination Agent to so advise the Issuer shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

**SECTION 7. Voluntary Filings.**

(a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof.

(c) The parties hereto acknowledge that the Issuer is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds when the Issuer is no longer an Obligated Person, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty days written notice to the Disclosure Dissemination Agent, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable, until payment in full, for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Disclosure Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement

shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer nor the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days prior written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of New York (other than with respect to conflicts of laws).

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The Disclosure Dissemination Agent and the Issuer have caused this Disclosure Dissemination Agent Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,  
as Disclosure Dissemination Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

NEWBERRY COUNTY, SOUTH CAROLINA  
as Issuer

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Chairman, County Council

**EXHIBIT A**  
**NAME AND CUSIP NUMBERS OF BONDS**

Name of Issuer: Newberry County, South Carolina  
Name of Bond Issue: \_\_\_\_\_  
Date of Issuance: \_\_\_\_\_  
Date of Official Statement: \_\_\_\_\_

CUSIP Number: \_\_\_\_\_  
CUSIP Number: \_\_\_\_\_  
CUSIP Number: \_\_\_\_\_  
CUSIP Number: \_\_\_\_\_  
CUSIP Number: \_\_\_\_\_  
CUSIP Number: \_\_\_\_\_  
CUSIP Number: \_\_\_\_\_



**EXHIBIT B**  
**NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT**

Issuer: Newberry County, South Carolina  
Name of Bond Issue: \_\_\_\_\_  
Date of Issuance: \_\_\_\_\_

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Dissemination Agent Agreement between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by \_\_\_\_\_.

Digital Assurance Certification, L.L.C., as Disclosure  
Dissemination Agent, on behalf of the Issuer

\_\_\_\_\_

Dated: \_\_\_\_\_