



ORDINANCE No. 2020 - 1

AN ORDINANCE

MAKING PROVISION FOR THE TERMS AND CONDITIONS OF A COMBINED PUBLIC UTILITY SYSTEM REVENUE BOND OF THE CITY OF ORANGEBURG, SOUTH CAROLINA, AUTHORIZED BY A BOND ORDINANCE OF THE CITY OF ORANGEBURG ADOPTED JANUARY 20, 2004 AND AMENDING SAID BOND ORDINANCE AS TO CERTAIN DEFINITIONS CONTAINED THEREIN, THE DETERMINATION OF CERTAIN DETAILS OF A SERIES OF BONDS, THE CONDITIONS REQUIRED FOR THE ISSUANCE OF A SERIES OF BONDS THEREUNDER, THE MATTERS CONSTITUTING EVENTS OF DEFAULT THEREUNDER, AND THE REMEDIES APPLICABLE THERETO, AND OTHER MATTERS RELATED THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ORANGEBURG, SOUTH CAROLINA, IN MEETING DULY ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

SECTION 1.1. Findings of Fact. As an incident to the adoption of this Series Ordinance, the City Council ("**City Council**") of the City of Orangeburg, South Carolina (the "**City**") has made the following findings:

(a) By ordinance entitled "AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF COMBINED PUBLIC UTILITY SYSTEM REVENUE BONDS OF THE CITY OF ORANGEBURG, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO," adopted on January 20, 2004 (the "**Bond Ordinance**"), City Council made provision for the issuance from time to time of Combined Public Utility System Revenue Bonds of the City payable from revenues derived from the operation of the City's Combined Public Utility System (the "**System**"). Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Bond Ordinance.

(b) The revenues derived from the System are now hypothecated and pledged to the payment of (i) the outstanding installments of an original issue of \$4,280,163 South Carolina Water Pollution Control Revolving Fund Loan of the City dated August 5, 2009 (the "**2009A Bond**"); (ii) the outstanding installments of an original issue of \$982,514 South Carolina Drinking Water Revolving Fund Loan of the City dated August 5, 2009 (the "**2009B Bond**") and (iii) the outstanding installments of an original issue of not exceeding \$27,454,700 South Carolina Water Pollution Control Revolving Fund Loan of the City dated May 23, 2014 (the "**2014 Bond**"). The 2009A Bond, the 2009B Bond and the 2014 Bond are hereinafter referred to as the "**Parity Bonds**."

(c) The City has determined to defray the cost of the construction of a Department of Public Utilities Operations Center to consist of a new crew quarters, assembly building and covered equipment and inventory storage area (the "Project") through the borrowing authorized herein. The Project will be part of the System.

(d) The Bond Ordinance provides that a Series Ordinance shall be adopted with respect to each Series of Bonds which Series Ordinance shall express the approval of City Council to the issuance of a Series of Bonds and City Council's agreement to abide by the terms, provisions and agreements set forth in the Bond Ordinance and shall specify and determine:

- (1) The Date or Dates of Issue of such Series of Bonds;
- (2) The precise principal amount of the Series of Bonds;
- (3) The specific purposes for which the proceeds of such Series will be used;
- (4) The title and designation of the Bonds of such Series and manner of numbering and lettering, and the denomination or denominations of the Bonds of such Series;
- (5) The date or dates of maturity and the amounts thereof;
- (6) The interest rate or rates, or the manner of determining such rate or rates, of the Bonds of such Series including the extent to which Variable Rate Indebtedness is issued and if such Variable Rate Indebtedness is issued, the extent to which an interest rate cap or other financial structure customarily employed in such a borrowing will be used;
- (7) The time for the payment of interest on the Bonds in such Series and the Record Date;
- (8) The redemption price or redemption prices and the redemption date or redemption dates and other terms of redemption (if any) applicable to any of the Bonds of such Series for such payments;
- (9) The Registrar and the Paying Agent for such Bonds;
- (10) The portion of such Series that are serial Bonds and that are Term Bonds, if any, including the amount and date of each mandatory redemption or sinking fund installment, if any, required by such Series Ordinance to be paid for the retirement of any such Bonds;
- (11) The portion of such Series that are Capital Appreciation Bonds, if any, including the time for payment of such Capital Appreciation Bonds in order to address the information requested in paragraphs (7) and (8) above.
- (12) Any other applicable redemption requirement for the Bonds of such Series and the method of satisfying the same;
- (13) The manner in which Bonds of such Series are to be sold and provisions for the sale thereof;
- (14) The form or forms for the Bonds of each Series;

(15) That the then applicable Reserve Requirement, if any, has been or will be met;

(16) The disposition of the proceeds of the sale of the Bonds of such Series and the manner of their application; and

(17) Any other provisions deemed advisable by the City not in conflict with or in substitution for the provisions of the Bond Ordinance and the Series Ordinance relating to the Bonds of such Series.

The Bond Ordinance further provides that:

(18) There shall exist, on the occasion of the issuance of the Bonds, no default in the payment of the principal of or interest on any Prior Lien Bonds, Bonds or Junior Lien Bonds then Outstanding; and

(19) Unless on the date of delivery of such Series of Bonds there shall be on deposit an amount equal to the Reserve Requirement for all Bonds to be Outstanding immediately following the issuance of such Series of Bonds, there shall be deposited in the Debt Service Reserve Fund such amount as is necessary to make the value of the moneys and securities in the Debt Service Reserve Fund equal to the Reserve Requirement;

It is specifically found that the Bond, whose issuance is herewith provided for, is issued for purposes permitted by and in full compliance with all of the provisions of the Bond Ordinance set forth above.

(e) In addition to the conditions imposed upon the City for the issuance of Parity Bonds set forth in Section 1.1(d) above, the Bond Ordinance provides that, except in the case of Bonds issued for the purpose of refunding any Bonds, Parity Bonds may only be issued if:

Net Earnings during the Fiscal Year immediately preceding the Fiscal Year in which such Series of Additional Bonds are to be issued shall be, as established in a certificate of independent certified public accountants, not less than 120% of the highest combined Annual Principal and Interest Requirement for any succeeding Fiscal Year on all Bonds Outstanding and all Bonds then proposed to be issued.

Net Earnings, as such term is used in the preceding sentence, are calculated based upon audited financial statements. Inasmuch as the City's 2019 Fiscal Year has just concluded, the City Council is mindful that the City's audited financial statements for such Fiscal Year may not be completed in time to allow for the issuance of the Bond herein authorized in a timely fashion. In order to avoid any such delay, the City has requested that the sole Holder of Bonds Outstanding, the South Carolina Water Quality Revolving Fund Authority (the "Authority"), consent to the amendment of the Bond Ordinance to allow the required calculation of Net Earnings to be based upon the most recently completed audited financial statements of City. The Authority has consented to the amendment of the Bond Ordinance, and the City Council has determined to so amend the Bond Ordinance within this Series Ordinance. The City Council is, further, advised that, based upon the City's audited financial statements for the 2018 Fiscal Year, Net Earnings shall be not less than 120% of the highest combined Annual Principal and Interest Requirement for any succeeding Fiscal Year on all Bonds Outstanding and the Bond herein authorized.

(f) As noted in item (e) above, the Authority is presently the sole Holder of Bonds Outstanding of the System. In connection with the issuance of such Bonds, details as to the monthly funding of the Debt Service Fund, as well as contractual provisions relating to defaults related to Bonds and the remedies available to Holders of Bonds, as set forth in the Bond Ordinance, have been extended in loan agreements between the City and the Authority relating to such Bonds. Upon the issuance of the Bond provided for herein, however, there will be a second Holder of Bonds Outstanding, and the City Council is advised that it is in order and proper to provide that

such funding details and the defaults and remedies be uniform and applicable to all Bonds and the Holders thereof. The City Council is, accordingly, minded to amend the Bond Ordinance to provide for funding details and defaults and applicable remedies which will apply to all Bonds now Outstanding and hereafter issued. The Authority has consented to the amendment of the Bond Ordinance for such purposes.

(g) As recited in Section 1.1(d) above, the Bond Ordinance requires that the City Council in each Series Ordinance "specify and determine" certain details related to a Series of Bonds. While, with respect to Bonds previously issued and the Bond herein authorized, such specificity may be provided in a Series Ordinance, in the case of Bonds sold through a public offering providing such specificity may be difficult or impracticable, owing to timing constraints following the receipt of bids for the purchase of Bonds in a public offering. Accordingly, the City Council is minded to allow the City Administrator or other designated official of the City to determine certain details of a Series of Bonds. The Authority has consented to the amendment of the Bond Ordinance for such purposes.

(h) The Bond Ordinance requires that a financial institution serve as Registrar of a Series of Bonds and as Paying Agent therefore. The City Council is informed that it is appropriate and in the City's best interest that officials of the City be allowed to assume such duties. Accordingly, the City Council is minded to make provision for the City Clerk to serve as Registrar and the Comptroller of the Department of Public Utilities to serve as Paying Agent for Series of Bonds. The Authority has consented to the amendment of the Bond Ordinance for such purposes.

NOW THEREFORE BE IT ORDAINED BY COUNCIL IN MEETING DULY ASSEMBLED:

A. It is specifically found that the Bond (the "**2020 Bond**"), whose issuance is herewith provided for, is issued for purposes permitted by and in full compliance with all of the provisions set forth in the Bond Ordinance.

B. The City hereby determines that the issuance of the 2020 Bond is necessary to provide funds to be used and expended to construct improvements to the System and the useful life of the System is found to be not less than 40 years.

C. It is further ordained that:

(1) The Date of Issue of the 2020 Bond shall be the date of delivery, which is projected to be January 15, 2020, but subject to adjustment by the City Administrator.

(2) The 2020 Bond shall be in the original principal amount of \$15,000,000.

(3) The proceeds of the 2020 Bond shall be used to defray the cost of the Project and to pay costs of issuance.

(4) The 2020 Bond shall be designated City of Orangeburg, South Carolina, Combined Public Utility System Revenue Bond, Series 2020, and shall be issued in fully registered form and numbered, lettered and denominated in such fashion as to maintain a proper record thereof.

(5) The 2020 Bond shall be issued as a single term bond with equal amortized monthly installments of principal and interest payable commencing on the 15th day of the month following the delivery of the 2020 Bond, and shall be subject to mandatory sinking fund redemption and shall bear interest in accordance with the schedule attached hereto as **Exhibit A**; provided, however, that **Exhibit A** is based upon the 2020 Bond bearing a dated date of January 15, 2020. The payments shown in **Exhibit A** shall be adjusted to reflect the actual dated

date of the 2020 Bond is not January 15, 2020. The execution and delivery of the 2020 Bond by the Mayor shall constitute conclusive proof of the approval of the debt service requirements of the 2020 Bond by the City.

(6) The Record Date applicable to the 2020 Bond shall be the 1st day of the month of each Bond Payment Date.

(7) The 2020 Bond shall be subject to optional redemption in whole, but not in part, at any time, at a redemption price equal to 101% of the principal amount to be redeemed, plus accrued interest to the date of redemption, to and including June 15, 2027, and thereafter at par, plus accrued interest to the date of redemption.

(8) The City Clerk shall serve as Registrar for the 2020 Bond. The Comptroller of the Department of Public Utilities shall serve as the Paying Agent for the 2020 Bond. Palmetto State Bank shall serve as Custodian of the Debt Service Fund.

(9) Proposals for the purchase of 2020 Bond have been solicited from financial institutions by way of a Request for Proposals circulated by the Department of Public Utilities (the "**Department**"). The Manager of the Department has recommended to the City Council that, based upon all proposals received, the 2020 Bond be awarded to Branch Banking and Trust Company. The City Council accepts such recommendation and hereby awards the 2020 Bond to Branch Banking and Trust Company. The City Council is informed that, following the receipt of proposals, Branch Banking and Trust Company has changed its name to Truist Bank, but that the 2020 Bond will nonetheless be issued in the name of Branch Banking and Trust Company. Execution of an acknowledgment of such matters in form substantially similar to that appearing as **Exhibit C** hereto by the Mayor and City Administrator or either of them is hereby ratified and confirmed.

(10) The 2020 Bond shall be substantially in the form attached hereto as **Exhibit B**.

(11) No Debt Service Reserve Fund shall be established to secure the 2020 Bond.

(12) The Reserve Requirement applicable to each of the Parity Bonds has been met, and, as of the date of issuance of the 2020 Bond, the value of money and securities in each Debt Service Reserve Fund will, as of the most recent valuation thereof, be not less than the Reserve Requirement applicable thereto.

(13) The proceeds of the 2020 Bond shall be deposited in the Construction Fund hereby established in accordance with Section 7.01 of the Bond Ordinance and shall be applied to pay the cost of the Project and the cost of issuance of the 2020 Bond. The Construction Fund shall be held, maintained and controlled as directed by the City.

(14) City Council hereby authorizes the issuance of the 2020 Bond and agrees to abide by all of the terms, provisions and agreements set forth in the Bond Ordinance, as amended hereby.

(15) City Council hereby authorizes the Mayor, the City Administrator, and the Manager of the Department to proceed with the execution and delivery of the 2020 Bond subject to the provisions herein.

(16) City Council hereby authorizes the Mayor, the City Administrator, and the Manager of the Department to take such further action as may be necessary to effect the issuance of the 2020 Bond, and to execute and deliver such closing documents and certificates as may be necessary and proper in order to complete the issuance of the 2020 Bond herein authorized and the action of such officers or any one or more of them in executing and delivering any of such documents, in such form as he or they shall approve, is hereby fully authorized, their signature to be conclusive evidence of such approval.

(17) The 2020 Bond is being issued as a tax-exempt obligation, and, to that end:

(a) The 2020 Bond and the interest thereon 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. This provision shall be deemed a part of the contract inuring to the benefit of all holders or beneficiaries of the 2020 Bond.

(b) The City will comply with all requirements of the Code in order to preserve the tax-exempt status of the 2020 Bond, including without limitation, (i) the requirement to file the 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 City covenants to execute any and all agreements, certificates and other documentation as it may be advised by Bond Counsel that will enable it to comply with this Section, and such agreements, certificates and other documentation may be executed by the Mayor, the City Administrator and the Manager of the Department.

(c) The City 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 2020 Bond 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 date of original issuance of 2020 Bond. Without limiting the generality of the foregoing, the City represents and covenants that:

(d) All property provided by the net proceeds of the 2020 Bond will be owned by the City in accordance with the rules governing the ownership of property for federal income tax purposes.

(e) The City shall not permit the proceeds of the 2020 Bond or any facility financed with the proceeds of the 2020 Bond 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.

(f) The City 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 2020 Bond that do not conform to the guidelines set forth in Revenue Procedure 2017-13 of the Internal Revenue Service.

(g) The City will not sell or lease any property provided by the 2020 Bond 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 2020 Bond.

(h) The 2020 Bond will not be federally guaranteed within the meaning of Section 149(b) of the Code. The City has not entered into any leases or sales or service contracts 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 2020 Bond.

(i) Upon the occurrence of a Determination of Taxability, the City shall pay to the Holder of the 2020 Bond (A) an amount equal to the difference between (i) the amount of interest paid on the 2020 Bond during the Taxable Period and (ii) the amount of interest that would have been paid on the 2020 Bond at the Taxable Rate during the Taxable Period, plus (B) an amount equal to any interest, penalties or overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the

Internal Revenue Code of 1986, as amended) owed by the Holder of the 2020 Bond as a result of the occurrence of a Determination of Taxability.

For purposes of this Section C(17)(i):

(A) "Determination of Taxability" means any final, nonappealable order by the Internal Revenue Service or any federal court having jurisdiction determining that the interest on the 2020 Bond is includable in the gross income of the Holder of the 2020 Bond for federal income tax purposes as a result of any misrepresentation by the City or as a result of any action the City takes or fails to take.

(B) "Taxable Period" means such period occurring while the 2020 Bond is Outstanding during which interest thereon has been, pursuant to a Determination of Taxability, determined to be includable in the gross income of the Holder thereof.

(C) "Taxable Rate" means Three and sixteen hundredths percentum (3.16%) per annum.

(18) Pursuant to Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended, the City covenants to file with a central repository for availability in the secondary bond market when requested an annual independent audit, within thirty days of the City's receipt of the audit and event specific information within 30 days of an event adversely affecting more than five percent of the aggregate of revenues of the System or of the City. The only remedy for failure by the City to comply with the foregoing covenant shall be an action for specific performance of this covenant. The City specifically reserves the right to amend this covenant to reflect any change in said Section 11-1-85, without the consent of the Holder of the 2020 Bond or its assigns.

(19) The City covenants to provide the Holder of the 2020 Bond within 270 days the close of each Fiscal Year audited financial statements of the System prepared by certified public accountants in accordance with Generally Accepted Auditing Standards as defined in *Government Auditing Standards*, Comptroller General of the United States, July 2018, and revisions, updates or successors thereto.

(20) Presentation of the 2020 Bond by the Holder thereof for payment is hereby waived.

D. The definitions of "Registrar" and "Paying Agent" found in Section 2.02 of the Bond Ordinance are hereby amended to read as follows:

"Registrar" shall mean any bank, trust company, or national banking association which is authorized by the City to maintain an accurate list of those who from time to time shall be the Holders of Bonds of a particular Series and shall effect the transfer of such Bonds in accordance with the provisions of the Bond Ordinance and having the duties, responsibilities, and rights provided for in the Bond Ordinance and any Series Ordinance, and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to the Bond Ordinance. The institution named as Registrar may also act as Paying Agent. If so provided by a Series Ordinance, the City Clerk may act as Registrar of the Series of Bonds therein authorized; in such capacity, the City Clerk is exempt from Sections 14.02 and 14.05 of the Bond Ordinance.

"Paying Agent" shall mean 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 substitutes in its place pursuant to this

Ordinance. The institution named as Paying Agent may also act as Registrar. If so provided by a Series Ordinance, the Comptroller of the Department of Public Utilities of the City may act as Paying Agent of the Series of Bonds therein authorized; in such capacity, the Comptroller of the Department of Public Utilities is exempt from Sections 14.02 and 14.05 of the Bond Ordinance.

E. The first paragraph of Section 4.01(B) of the Bond Ordinance is amended to read as follows:

(B) Each Series Ordinance shall include a determination by the City Council that the issuance of such Series of Bonds is necessary to provide funds to be used and expended to acquire or construct improvements to the System or to refund Bonds or Junior Lien Bonds. In addition, each Series Ordinance shall specify and determine, or in the discretion of the City Council with respect to items (1), (2), (5), (7), (8), (9), (10), (11), and (12) below, identify the officer of the City authorized to so specify and determine:

F. The first sentence of Section 4.02(A)(3) of the Bond Ordinance is amended to read as follows:

Except in the case of Bonds issued for the purpose of refunding any Bonds, Net Earnings, as determined based upon the most recently completed audited financial statements of the City and as established in a certificate of independent certified public accountants, shall be not less than 120% of the highest combined Annual Principal and Interest Requirement for any succeeding Fiscal Year on all Bonds Outstanding and all Bonds then proposed to be issued.

G. Section 8.03 of the Bond Ordinance is stricken and replaced with the following:

Section 8.03 Payment for Bonds.

(A) Provision shall then be made for the payment of the principal of and interest on the Bonds then Outstanding, all without priority of any Bonds over others. To that end, the monthly fraction of the next payment of principal and interest to become due on each Series of Bonds on the next succeeding payment date shall be deposited in the Debt Service Fund.

(B) If, on the occasion when the deposits required by Paragraph (A) of this Section are to be made, the sum of the deposits thereby required plus previous monthly deposits and the remaining deposits to be made prior to the next succeeding Bond Payment Date, will be less than the sum required to effect the payment of the next succeeding installment of either principal or interest, or both, as the case may be, a sum equal to such deficiency shall be added to the deposits to be made. In the event amounts available for payments into the Debt Service Fund with respect to the Bonds then Outstanding are not sufficient to make all payments then required to be made, such available amounts shall be deposited into the Debt Service Fund on a pro rata basis.

H. Article X of the Bond Ordinance is stricken and replaced with the following:

ARTICLE X
STATUTORY LIEN—REMEDIES

Section 10.01 Establishment of Lien.

For the further protection of the Bondholders, a statutory lien upon the System is hereby created and granted as provided in the Enabling Act, which said statutory lien is hereby recognized as valid and binding upon the City and the System, and shall take effect immediately upon the delivery of any Bonds, and any Bondholder may, either in law or in equity, by suit, action, mandamus or other proceedings, protect the statutory lien hereby conferred, and may by suit, action, mandamus or other proceedings enforce and compel the performance of all duties required by this Bond Ordinance and the Enabling Act, including the making and collecting of sufficient rates and charges for the services and facilities from all users, including the City, and its agencies, segregating of the income and revenue, and the proper application thereof.

The statutory lien hereby created and granted shall not preclude the securing of Additional Bonds by a statutory lien of equal rank, in order that such Additional Bonds shall become pari passu with the Bonds; provided, always that such Additional Bonds be issued in conformity with the provisions of Article IV hereof

Section 10.02 Acceleration.

Upon the occurrence of an Event of Default, the Holders of 100% of the Bonds of a Series may, by notice in writing to the City, declare the principal balance of such Series of Bonds immediately due and payable; and such amount and all interest accrued thereon shall become and be immediately due and payable. In such event, there shall be due and payable on the Bonds of such Series an amount equal to the total unpaid principal amount of the Bonds of such Series, plus all interest accrued thereon and which will accrue thereon to the date of payment.

Upon receipt of notice of acceleration, the City shall immediately notify the Holders of all other Bonds Outstanding of its receipt of such notice of acceleration.

Section 10.03 Additional Remedies and Enforcement of Remedies.

Upon the occurrence and continuance of any Event of Default, the Holders of Bonds Outstanding may proceed forthwith to protect and enforce their respective rights by such suits, actions or proceedings as they shall deem expedient, including but not limited to:

- (A) Requiring the City to carry out its duties and obligations under the terms of this Bond Ordinance and under the Enabling Act;
- (B) Suit upon all or any part of the Bonds held by such Holders;

(C) Civil action to require the City to account as if it were the trustee of an express trust for the Bondholders;

(D) Civil action to enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders; and

(E) Enforcement of any other right of Bondholders, including the right to make application for the appointment of a receiver to administer and operate the System.

Section 10.04 Remedies Not Exclusive.

No remedy conferred upon or reserved to the Holders of Bonds by this Ordinance is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Ordinance or existing at law or in equity or by any statute on or after the date hereof.

Section 10.05 Termination of Proceedings.

In case any suit, action or proceedings to enforce any right or exercise any remedy shall be brought or taken, and then discontinued or abandoned, or shall be determined adversely to the Holders of the Bonds, then and in every such case, the City and such Bondholders shall be restored to their former rights, positions and remedies as if no suit, action or proceeding has been brought or taken.

Section 10.06 Actions of One Bondholder Not to Prejudice Rights of Others.

No one, or more, Bondholders secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Holders of Bonds Outstanding.

I. There is added to Article XIII of the Bond Ordinance ("EVENTS OF DEFAULT") the following paragraphs:

(5) Such other occurrences specified as Events of Default by any Series Ordinance or by way of a loan agreement between the City, as borrower, and the United States, the State, or any agency of either, as lender.

Except as amended by item (D), (E), (F), (G), (H), and (I), the Bond Ordinance shall remain of full force and effect.

DONE AND RATIFIED BY THE CITY OF ORANGEBURG, STATE OF SOUTH CAROLINA
THIS 7th DAY OF JANUARY, 2020.



Michael C. Butler
Mayor
L. Zimmerman
John H. ...
Darwin ...
Samuel ...
James ...
Richard ...
Members of Council

ATTEST:
Haniere Phillips
City Clerk, City of Orangeburg, South Carolina

First Reading: December 3, 2019
Second Reading: December 17, 2019
Third Reading: January 7, 2020

DEBT SERVICE SCHEDULE
\$15,000,000 COMBINED PUBLIC UTILITY SYSTEM REVENUE BOND, SERIES 2020

| Payment Date | Mandatory Sinking Fund Payment | Interest | Total Debt Service | Balance |
|--------------|--------------------------------|-------------|--------------------|-----------------|
| 2/15/2020 | \$68,280.12 | \$32,375.00 | \$100,655.12 | \$14,931,719.88 |
| 3/15/2020 | 68,427.50 | 32,227.63 | 100,655.12 | 14,863,292.38 |
| 4/15/2020 | 68,575.18 | 32,079.94 | 100,655.12 | 14,794,717.20 |
| 5/15/2020 | 68,723.19 | 31,931.93 | 100,655.12 | 14,725,994.01 |
| 6/15/2020 | 68,871.52 | 31,783.60 | 100,655.12 | 14,657,122.49 |
| 7/15/2020 | 69,020.17 | 31,634.96 | 100,655.12 | 14,588,102.32 |
| 8/15/2020 | 69,169.14 | 31,485.99 | 100,655.12 | 14,518,933.18 |
| 9/15/2020 | 69,318.43 | 31,336.70 | 100,655.12 | 14,449,614.75 |
| 10/15/2020 | 69,468.04 | 31,187.09 | 100,655.12 | 14,380,146.71 |
| 11/15/2020 | 69,617.97 | 31,037.15 | 100,655.12 | 14,310,528.74 |
| 12/15/2020 | 69,768.23 | 30,886.89 | 100,655.12 | 14,240,760.51 |
| 1/15/2021 | 69,918.82 | 30,736.31 | 100,655.12 | 14,170,841.69 |
| 2/15/2021 | 70,069.72 | 30,585.40 | 100,655.12 | 14,100,771.97 |
| 3/15/2021 | 70,220.96 | 30,434.17 | 100,655.12 | 14,030,551.01 |
| 4/15/2021 | 70,372.52 | 30,282.61 | 100,655.12 | 13,960,178.49 |
| 5/15/2021 | 70,524.41 | 30,130.72 | 100,655.12 | 13,889,654.08 |
| 6/15/2021 | 70,676.62 | 29,978.50 | 100,655.12 | 13,818,977.46 |
| 7/15/2021 | 70,829.16 | 29,825.96 | 100,655.12 | 13,748,148.30 |
| 8/15/2021 | 70,982.04 | 29,673.09 | 100,655.12 | 13,677,166.26 |
| 9/15/2021 | 71,135.24 | 29,519.88 | 100,655.12 | 13,606,031.02 |
| 10/15/2021 | 71,288.77 | 29,366.35 | 100,655.12 | 13,534,742.25 |
| 11/15/2021 | 71,442.64 | 29,212.49 | 100,655.12 | 13,463,299.61 |
| 12/15/2021 | 71,596.84 | 29,058.29 | 100,655.12 | 13,391,702.77 |
| 1/15/2022 | 71,751.37 | 28,903.76 | 100,655.12 | 13,319,951.40 |
| 2/15/2022 | 71,906.23 | 28,748.90 | 100,655.12 | 13,248,045.17 |
| 3/15/2022 | 72,061.43 | 28,593.70 | 100,655.12 | 13,175,983.74 |
| 4/15/2022 | 72,216.96 | 28,438.16 | 100,655.12 | 13,103,766.78 |
| 5/15/2022 | 72,372.83 | 28,282.30 | 100,655.12 | 13,031,393.95 |
| 6/15/2022 | 72,529.03 | 28,126.09 | 100,655.12 | 12,958,864.92 |
| 7/15/2022 | 72,685.57 | 27,969.55 | 100,655.12 | 12,886,179.35 |
| 8/15/2022 | 72,842.45 | 27,812.67 | 100,655.12 | 12,813,336.90 |
| 9/15/2022 | 72,999.67 | 27,655.45 | 100,655.12 | 12,740,337.23 |
| 10/15/2022 | 73,157.23 | 27,497.89 | 100,655.12 | 12,667,180.00 |
| 11/15/2022 | 73,315.13 | 27,340.00 | 100,655.12 | 12,593,864.87 |
| 12/15/2022 | 73,473.37 | 27,181.76 | 100,655.12 | 12,520,391.50 |
| 1/15/2023 | 73,631.95 | 27,023.18 | 100,655.12 | 12,446,759.55 |
| 2/15/2023 | 73,790.87 | 26,864.26 | 100,655.12 | 12,372,968.68 |

| Payment Date | Mandatory Sinking Fund Payment | Interest | Total Debt Service | Balance |
|--------------|--------------------------------|-------------|--------------------|-----------------|
| 3/15/2023 | \$73,950.13 | \$26,704.99 | \$100,655.12 | \$12,299,018.55 |
| 4/15/2023 | 74,109.74 | 26,545.38 | 100,655.12 | 12,224,908.81 |
| 5/15/2023 | 74,269.70 | 26,385.43 | 100,655.12 | 12,150,639.11 |
| 6/15/2023 | 74,429.99 | 26,225.13 | 100,655.12 | 12,076,209.12 |
| 7/15/2023 | 74,590.64 | 26,064.48 | 100,655.12 | 12,001,618.48 |
| 8/15/2023 | 74,751.63 | 25,903.49 | 100,655.12 | 11,926,866.85 |
| 9/15/2023 | 74,912.97 | 25,742.15 | 100,655.12 | 11,851,953.88 |
| 10/15/2023 | 75,074.66 | 25,580.47 | 100,655.12 | 11,776,879.22 |
| 11/15/2023 | 75,236.69 | 25,418.43 | 100,655.12 | 11,701,642.53 |
| 12/15/2023 | 75,399.08 | 25,256.05 | 100,655.12 | 11,626,243.45 |
| 1/15/2024 | 75,561.82 | 25,093.31 | 100,655.12 | 11,550,681.63 |
| 2/15/2024 | 75,724.90 | 24,930.22 | 100,655.12 | 11,474,956.73 |
| 3/15/2024 | 75,888.34 | 24,766.78 | 100,655.12 | 11,399,068.39 |
| 4/15/2024 | 76,052.13 | 24,602.99 | 100,655.12 | 11,323,016.26 |
| 5/15/2024 | 76,216.28 | 24,438.84 | 100,655.12 | 11,246,799.98 |
| 6/15/2024 | 76,380.78 | 24,274.34 | 100,655.12 | 11,170,419.20 |
| 7/15/2024 | 76,545.64 | 24,109.49 | 100,655.12 | 11,093,873.56 |
| 8/15/2024 | 76,710.85 | 23,944.28 | 100,655.12 | 11,017,162.71 |
| 9/15/2024 | 76,876.41 | 23,778.71 | 100,655.12 | 10,940,286.30 |
| 10/15/2024 | 77,042.34 | 23,612.78 | 100,655.12 | 10,863,243.96 |
| 11/15/2024 | 77,208.62 | 23,446.50 | 100,655.12 | 10,786,035.34 |
| 12/15/2024 | 77,375.26 | 23,279.86 | 100,655.12 | 10,708,660.08 |
| 1/15/2025 | 77,542.27 | 23,112.86 | 100,655.12 | 10,631,117.81 |
| 2/15/2025 | 77,709.63 | 22,945.50 | 100,655.12 | 10,553,408.18 |
| 3/15/2025 | 77,877.35 | 22,777.77 | 100,655.12 | 10,475,530.83 |
| 4/15/2025 | 78,045.44 | 22,609.69 | 100,655.12 | 10,397,485.39 |
| 5/15/2025 | 78,213.88 | 22,441.24 | 100,655.12 | 10,319,271.51 |
| 6/15/2025 | 78,382.70 | 22,272.43 | 100,655.12 | 10,240,888.81 |
| 7/15/2025 | 78,551.87 | 22,103.25 | 100,655.12 | 10,162,336.94 |
| 8/15/2025 | 78,721.41 | 21,933.71 | 100,655.12 | 10,083,615.53 |
| 9/15/2025 | 78,891.32 | 21,763.80 | 100,655.12 | 10,004,724.21 |
| 10/15/2025 | 79,061.59 | 21,593.53 | 100,655.12 | 9,925,662.62 |
| 11/15/2025 | 79,232.24 | 21,422.89 | 100,655.12 | 9,846,430.38 |
| 12/15/2025 | 79,403.25 | 21,251.88 | 100,655.12 | 9,767,027.13 |
| 1/15/2026 | 79,574.62 | 21,080.50 | 100,655.12 | 9,687,452.51 |
| 2/15/2026 | 79,746.37 | 20,908.75 | 100,655.12 | 9,607,706.14 |
| 3/15/2026 | 79,918.49 | 20,736.63 | 100,655.12 | 9,527,787.65 |
| 4/15/2026 | 80,090.98 | 20,564.14 | 100,655.12 | 9,447,696.67 |
| 5/15/2026 | 80,263.85 | 20,391.28 | 100,655.12 | 9,367,432.82 |

| Payment Date | Mandatory Sinking Fund Payment | Interest | Total Debt Service | Balance |
|--------------|--------------------------------|-------------|--------------------|----------------|
| 6/15/2026 | \$80,437.08 | \$20,218.04 | \$100,655.12 | \$9,286,995.74 |
| 7/15/2026 | 80,610.69 | 20,044.43 | 100,655.12 | 9,206,385.05 |
| 8/15/2026 | 80,784.68 | 19,870.45 | 100,655.12 | 9,125,600.37 |
| 9/15/2026 | 80,959.04 | 19,696.09 | 100,655.12 | 9,044,641.33 |
| 10/15/2026 | 81,133.77 | 19,521.35 | 100,655.12 | 8,963,507.56 |
| 11/15/2026 | 81,308.89 | 19,346.24 | 100,655.12 | 8,882,198.67 |
| 12/15/2026 | 81,484.38 | 19,170.75 | 100,655.12 | 8,800,714.29 |
| 1/15/2027 | 81,660.25 | 18,994.88 | 100,655.12 | 8,719,054.04 |
| 2/15/2027 | 81,836.50 | 18,818.62 | 100,655.12 | 8,637,217.54 |
| 3/15/2027 | 82,013.13 | 18,641.99 | 100,655.12 | 8,555,204.41 |
| 4/15/2027 | 82,190.14 | 18,464.98 | 100,655.12 | 8,473,014.27 |
| 5/15/2027 | 82,367.53 | 18,287.59 | 100,655.12 | 8,390,646.74 |
| 6/15/2027 | 82,545.31 | 18,109.81 | 100,655.12 | 8,308,101.43 |
| 7/15/2027 | 82,723.47 | 17,931.65 | 100,655.12 | 8,225,377.96 |
| 8/15/2027 | 82,902.02 | 17,753.11 | 100,655.12 | 8,142,475.94 |
| 9/15/2027 | 83,080.95 | 17,574.18 | 100,655.12 | 8,059,394.99 |
| 10/15/2027 | 83,260.26 | 17,394.86 | 100,655.12 | 7,976,134.73 |
| 11/15/2027 | 83,439.97 | 17,215.16 | 100,655.12 | 7,892,694.76 |
| 12/15/2027 | 83,620.06 | 17,035.07 | 100,655.12 | 7,809,074.70 |
| 1/15/2028 | 83,800.54 | 16,854.59 | 100,655.12 | 7,725,274.16 |
| 2/15/2028 | 83,981.41 | 16,673.72 | 100,655.12 | 7,641,292.75 |
| 3/15/2028 | 84,162.67 | 16,492.46 | 100,655.12 | 7,557,130.08 |
| 4/15/2028 | 84,344.32 | 16,310.81 | 100,655.12 | 7,472,785.76 |
| 5/15/2028 | 84,526.36 | 16,128.76 | 100,655.12 | 7,388,259.40 |
| 6/15/2028 | 84,708.80 | 15,946.33 | 100,655.12 | 7,303,550.60 |
| 7/15/2028 | 84,891.63 | 15,763.50 | 100,655.12 | 7,218,658.97 |
| 8/15/2028 | 85,074.85 | 15,580.27 | 100,655.12 | 7,133,584.12 |
| 9/15/2028 | 85,258.47 | 15,396.65 | 100,655.12 | 7,048,325.65 |
| 10/15/2028 | 85,442.49 | 15,212.64 | 100,655.12 | 6,962,883.16 |
| 11/15/2028 | 85,626.90 | 15,028.22 | 100,655.12 | 6,877,256.26 |
| 12/15/2028 | 85,811.71 | 14,843.41 | 100,655.12 | 6,791,444.55 |
| 1/15/2029 | 85,996.92 | 14,658.20 | 100,655.12 | 6,705,447.63 |
| 2/15/2029 | 86,182.53 | 14,472.59 | 100,655.12 | 6,619,265.10 |
| 3/15/2029 | 86,368.54 | 14,286.58 | 100,655.12 | 6,532,896.56 |
| 4/15/2029 | 86,554.96 | 14,100.17 | 100,655.12 | 6,446,341.60 |
| 5/15/2029 | 86,741.77 | 13,913.35 | 100,655.12 | 6,359,599.83 |
| 6/15/2029 | 86,928.99 | 13,726.14 | 100,655.12 | 6,272,670.84 |
| 7/15/2029 | 87,116.61 | 13,538.51 | 100,655.12 | 6,185,554.23 |
| 8/15/2029 | 87,304.64 | 13,350.49 | 100,655.12 | 6,098,249.59 |
| 9/15/2029 | 87,493.07 | 13,162.06 | 100,655.12 | 6,010,756.52 |
| 10/15/2029 | 87,681.91 | 12,973.22 | 100,655.12 | 5,923,074.61 |
| 11/15/2029 | 87,871.15 | 12,783.97 | 100,655.12 | 5,835,203.46 |

| Payment Date | Mandatory Sinking Fund Payment | \$Interest | Total Debt Service | Balance |
|--------------|--------------------------------------|------------|-----------------------|----------------|
| 12/15/2029 | \$88,060.81 | 12,594.31 | \$100,655.12 | \$5,747,142.65 |
| 1/15/2030 | 88,250.87 | 12,404.25 | 100,655.12 | 5,658,891.78 |
| 2/15/2030 | 88,441.35 | 12,213.77 | 100,655.12 | 5,570,450.43 |
| 3/15/2030 | 88,632.24 | 12,022.89 | 100,655.12 | 5,481,818.19 |
| 4/15/2030 | 88,823.53 | 11,831.59 | 100,655.12 | 5,392,994.66 |
| 5/15/2030 | 89,015.24 | 11,639.88 | 100,655.12 | 5,303,979.42 |
| 6/15/2030 | 89,207.37 | 11,447.76 | 100,655.12 | 5,214,772.05 |
| 7/15/2030 | 89,399.91 | 11,255.22 | 100,655.12 | 5,125,372.14 |
| 8/15/2030 | 89,592.86 | 11,062.26 | 100,655.12 | 5,035,779.28 |
| 9/15/2030 | 89,786.23 | 10,868.89 | 100,655.12 | 4,945,993.05 |
| 10/15/2030 | 89,980.02 | 10,675.10 | 100,655.12 | 4,856,013.03 |
| 11/15/2030 | 90,174.23 | 10,480.89 | 100,655.12 | 4,765,838.80 |
| 12/15/2030 | 90,368.86 | 10,286.27 | 100,655.12 | 4,675,469.94 |
| 1/15/2031 | 90,563.90 | 10,091.22 | 100,655.12 | 4,584,906.04 |
| 2/15/2031 | 90,759.37 | 9,895.76 | 100,655.12 | 4,494,146.67 |
| 3/15/2031 | 90,955.26 | 9,699.87 | 100,655.12 | 4,403,191.41 |
| 4/15/2031 | 91,151.57 | 9,503.55 | 100,655.12 | 4,312,039.84 |
| 5/15/2031 | 91,348.30 | 9,306.82 | 100,655.12 | 4,220,691.54 |
| 6/15/2031 | 91,545.46 | 9,109.66 | 100,655.12 | 4,129,146.08 |
| 7/15/2031 | 91,743.05 | 8,912.07 | 100,655.12 | 4,037,403.03 |
| 8/15/2031 | 91,941.06 | 8,714.06 | 100,655.12 | 3,945,461.97 |
| 9/15/2031 | 92,139.50 | 8,515.62 | 100,655.12 | 3,853,322.47 |
| 10/15/2031 | 92,338.37 | 8,316.75 | 100,655.12 | 3,760,984.10 |
| 11/15/2031 | 92,537.67 | 8,117.46 | 100,655.12 | 3,668,446.43 |
| 12/15/2031 | 92,737.39 | 7,917.73 | 100,655.12 | 3,575,709.04 |
| 1/15/2032 | 92,937.55 | 7,717.57 | 100,655.12 | 3,482,771.49 |
| 2/15/2032 | 93,138.14 | 7,516.98 | 100,655.12 | 3,389,633.35 |
| 3/15/2032 | 93,339.17 | 7,315.96 | 100,655.12 | 3,296,294.18 |
| 4/15/2032 | 93,540.62 | 7,114.50 | 100,655.12 | 3,202,753.56 |
| 5/15/2032 | 93,742.51 | 6,912.61 | 100,655.12 | 3,109,011.05 |
| 6/15/2032 | 93,944.84 | 6,710.28 | 100,655.12 | 3,015,066.21 |
| 7/15/2032 | 94,147.61 | 6,507.52 | 100,655.12 | 2,920,918.60 |
| 8/15/2032 | 94,350.81 | 6,304.32 | 100,655.12 | 2,826,567.79 |
| 9/15/2032 | 94,554.45 | 6,100.68 | 100,655.12 | 2,732,013.34 |
| 10/15/2032 | 94,758.53 | 5,896.60 | 100,655.12 | 2,637,254.81 |
| 11/15/2032 | 94,963.05 | 5,692.07 | 100,655.12 | 2,542,291.76 |
| 12/15/2032 | 95,168.01 | 5,487.11 | 100,655.12 | 2,447,123.75 |
| 1/15/2033 | 95,373.42 | 5,281.71 | 100,655.12 | 2,351,750.33 |
| 2/15/2033 | 95,579.26 | 5,075.86 | 100,655.12 | 2,256,171.07 |
| 3/15/2033 | 95,785.55 | 4,869.57 | 100,655.12 | 2,160,385.52 |
| 4/15/2033 | 95,992.29 | 4,662.83 | 100,655.12 | 2,064,393.23 |
| 5/15/2033 | 96,199.48 | 4,455.65 | 100,655.12 | 1,968,193.75 |

| Payment Date | Mandatory Sinking Fund Payment | Interest | Total Debt Service | Balance |
|--------------|--------------------------------------|------------|-----------------------|----------------|
| 6/15/2033 | \$96,407.11 | \$4,248.02 | \$100,655.12 | \$1,871,786.64 |
| 7/15/2033 | 96,615.18 | 4,039.94 | 100,655.12 | 1,775,171.46 |
| 8/15/2033 | 96,823.71 | 3,831.41 | 100,655.12 | 1,678,347.75 |
| 9/15/2033 | 97,032.69 | 3,622.43 | 100,655.12 | 1,581,315.06 |
| 10/15/2033 | 97,242.12 | 3,413.01 | 100,655.12 | 1,484,072.94 |
| 11/15/2033 | 97,452.00 | 3,203.12 | 100,655.12 | 1,386,620.94 |
| 12/15/2033 | 97,662.33 | 2,992.79 | 100,655.12 | 1,288,958.61 |
| 1/15/2034 | 97,873.12 | 2,782.00 | 100,655.12 | 1,191,085.49 |
| 2/15/2034 | 98,084.36 | 2,570.76 | 100,655.12 | 1,093,001.13 |
| 3/15/2034 | 98,296.06 | 2,359.06 | 100,655.12 | 994,705.07 |
| 4/15/2034 | 98,508.22 | 2,146.91 | 100,655.12 | 896,196.85 |
| 5/15/2034 | 98,720.83 | 1,934.29 | 100,655.12 | 797,476.02 |
| 6/15/2034 | 98,933.90 | 1,721.22 | 100,655.12 | 698,542.12 |
| 7/15/2034 | 99,147.44 | 1,507.69 | 100,655.12 | 599,394.68 |
| 8/15/2034 | 99,361.43 | 1,293.69 | 100,655.12 | 500,033.25 |
| 9/15/2034 | 99,575.89 | 1,079.24 | 100,655.12 | 400,457.36 |
| 10/15/2034 | 99,790.80 | 864.32 | 100,655.12 | 300,666.56 |
| 11/15/2034 | 100,006.19 | 648.94 | 100,655.12 | 200,660.37 |
| 12/15/2034 | 100,222.03 | 433.09 | 100,655.12 | 100,438.34 |
| 1/15/2035 | 100,438.34 | 216.78 | 100,655.12 | |

(FORM OF BOND)
(FACE OF BOND)

CITY OF ORANGEBURG, SOUTH CAROLINA
COMBINED PUBLIC UTILITY SYSTEM
REVENUE BOND, SERIES 2020

THE CITY OF ORANGEBURG, SOUTH CAROLINA (the "City") acknowledges itself indebted and for value received hereby promises to pay, solely from the sources and as hereinafter provided, to Branch Banking and Trust Company, or registered assigns, the principal amount of \$15,000,000, payable in 180 equal amortized installments of principal and interest of \$_____ each, payable on the first day of each month, commencing _____ 15, 2020, until this Bond be paid in full (each such date a "Bond Payment Date"). This Bond will bear interest from the date of delivery, _____, 2020, at the rate of Two and Fifty-nine Hundredths percentum (2.59%) per annum, provided such interest rate is subject to adjustment upon a "Determination of Taxability" as provided in the Series Ordinance (as defined herein). The principal of and interest on this Bond will be paid to the person in whose name this Bond is registered at the close of business on the 1st day of the month of each Bond Payment Date (the "Record Date"). Presentation of this Bond for payment of principal has been waived by the City.

This Bond is subject to optional redemption in whole, but not in part, at any time, at a redemption price equal to 101% of the principal amount to be redeemed, plus accrued interest to the date of redemption, to and including June 15, 2027, and thereafter at par, plus accrued interest to the date of redemption.

THIS BOND HAS BEEN ISSUED UNDER THE PROVISIONS OF TITLE 6, CHAPTER 21, CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED, AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN STATE CONSTITUTIONAL PROVISIONS (OTHER THAN ARTICLE X, SECTION 14, PARAGRAPH 10 OF THE SOUTH CAROLINA CONSTITUTION AUTHORIZING OBLIGATIONS PAYABLE SOLELY FROM SPECIAL SOURCES NOT INVOLVING REVENUES FROM ANY TAX OR LICENSE). THIS BOND SHALL NOT CONSTITUTE A DEBT OF THE CITY, NOR A CHARGE, LIEN OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE CITY OR ON ANY INCOME, RECEIPTS OR REVENUES THEREOF, OTHER THAN THE AFORESAID NET REVENUES OF THE SYSTEM PLEDGED THERETO. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THIS BOND OR THE INTEREST THEREON AGAINST THE GENERAL FUND OF THE CITY AND NEITHER THE CREDIT NOR THE TAXING POWER OF THE CITY SHALL BE DEEMED TO BE PLEDGED THERETO. THE FULL FAITH, CREDIT AND TAXING POWERS OF THE CITY ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

Both the principal of and interest on this Bond, as the same shall become due, are payable solely from the revenues derived from the operation of the Combined Public Utility System of the City (the "System") as described herein. This Bond shall not in any event constitute an indebtedness of the City within the meaning of any provision, limitation or restriction of the Constitution or statutes of the State of South Carolina. The City is not obligated to pay this Bond, or the interest hereon, save and except from revenues derived from the operation of the System.

The principal of and interest on this Bond are 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.

This Bond is issued pursuant to and in accordance with the Constitution and statutes of the State of South Carolina (the "**State**"), including particularly Chapter 21, Title 6, Code of Laws of South Carolina 1976, as amended, an ordinance duly adopted by the City Council of the City of Orangeburg ("**Council**") on January 20, 2004, as amended (as amended, the "**Bond Ordinance**") and a Series Ordinance duly adopted by Council on January __, 2020 (the "**Series Ordinance**") (the Bond Ordinance and the Series Ordinance are hereinafter collectively referred to as the "**Ordinances**") for the purpose of obtaining funds to defray the cost of the construction of a new Crew Quarters, Assembly Building, Covered Equipment and Inventory storage area and to pay certain costs incidental to the issuance of the Bond.

Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Ordinances. Certified copies of the Ordinances are on file in the office of the Trustee and in the office of the Clerk of Court for Orangeburg County, South Carolina.

Each payment of principal due hereunder constitutes a mandatory sinking fund redemption within the meaning of the Bond Ordinance. A table showing the mandatory sinking fund amount and interest payable on each Bond Payment Date is attached to this Bond.

The City has covenanted to continuously operate and maintain the System and fix and maintain such rates for the services and facilities furnished by the System as shall at all times be sufficient (a) to provide for the payment of the expenses of the administration and operation and such expenses for maintenance of the System as may be necessary to preserve the same in good repair and working order, (b) to provide for the punctual payment of the principal of and interest on the Bond and all Junior Lien Bonds, (c) to maintain the Debt Service Fund and thus provide for the punctual payment of the principal of and interest on the Bond, (d) to maintain the Debt Service Reserve Fund in the manner prescribed in the Ordinances, (e) to build and maintain a reserve for depreciation of the System, for contingencies and for improvements, betterments and extensions to the System other than those necessary to maintain the same in good repair and working order, and (f) to discharge all obligations imposed by the Enabling Act and the Ordinances.

For the payment of the principal of and interest on the Bond, there are hereby irrevocably pledged that portion of the Revenues which remain after paying the cost of the operation and maintenance of the System; and a lien upon such Revenues has been granted to the Holders of the Bond.

This Bond and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer or certain franchise taxes.

This Bond is transferable, as provided in the Bond Ordinance, only upon the registration books of the City kept for that purpose by the Trustee or other registrar, by the Holder hereof in person or by his duly authorized attorney, upon (a) surrender of this Bond and an assignment with a written instrument of transfer satisfactory to the Trustee duly executed by the Holder hereof or his duly authorized attorney and (b) payment of the charges, if any, prescribed in the Bond Ordinance. Thereupon a new Bond of the same aggregate principal amount, maturity and interest rate shall be issued to the transferee in exchange therefor as provided in the Bond Ordinance. The City, the Trustee and any Registrar 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 or redemption price hereof and interest due hereon and for all other purposes.

For every exchange or transfer of the Bond, the City or the Trustee or Registrar, as the case may be, may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and statutes of the State to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, and that the amount of this Bond, together with all other indebtedness of the City, does not exceed any limit prescribed by such Constitution or statutes.

IN WITNESS WHEREOF, THE CITY OF ORANGEBURG, SOUTH CAROLINA, has caused this Bond to be signed by the Mayor of the City, its seal to be reproduced hereon and the same to be attested by the Clerk of City Council of the City.

CITY OF ORANGEBURG, SOUTH CAROLINA

Mayor, City of Orangeburg, South Carolina

ATTEST:

Clerk, City Council of the City of
Orangeburg, South Carolina

CERTIFICATE OF AUTHENTICATION

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

City Clerk, City of Orangeburg, as Registrar

Authentication Date: January __, 2020

ASSIGNMENT

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

_____ (please print or type name and address of Transferee and Social Security or other identifying number of Transferee)

the within Bond and all rights and title thereunder, and hereby irrevocably constitutes and appoints attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature Guaranteed:

[FINAL DEBT SERVICE SCHEDULE ATTACHED TO BOND HERE]

FORM OF ACKNOWLEDGEMENT OF NAME CHANGE

**NOTICE AND AGREEMENT REGARDING
APPLICABLE LEGAL ENTITY IN LOAN DOCUMENTS**

| | |
|--|--------------------------------------|
| Borrower: City of Orangeburg, SC | Date: January 15, 2020 |
| Amount: 15,000,000.00 | Loan Number: 9940001657-00005 |
| Title of Loan Agreement: Utility Revenue Bond | |

Effective on December 6, 2019 (the "Effective Date"), Branch Banking and Trust Company ("BB&T") changed its name to Truist Bank ("Truist"). As of the Effective Date, the loan described above (the "Loan") closed in the name of BB&T shall be deemed to be made by Truist as further described herein.

As used in this Notice and Agreement, the term "Loan Documents" means all loan agreements, bond documents, resolutions, ordinances, proposals for financing requests, security agreements, financing statements, deeds of trust, security deeds, environmental agreements, assignments, certificates, and all other instruments, agreements or other documents, whether now or hereafter existing, executed or provided in connection with the above referenced transaction (including all modifications, restatements, amendments, substitutions, consolidations of same).

Any Loan Document executed by the above referenced borrower, on or after the Effective Date, in favor of or for the benefit of BB&T in connection with the Loan constitutes your valid and binding obligation with and in favor of Truist even though the Loan Documents: (i) may indicate that BB&T is a party to the Loan Documents; (ii) may be executed by the above referenced borrower in favor of BB&T; (iii) may have been assigned to BB&T; or (iv) may authorize or direct BB&T or its representatives to take or refrain from taking certain actions. Notwithstanding anything in the Loan Documents to the contrary, as of the Effective Date, all references to the lender, bank, creditor, secured party or registered owner in the Loan Documents will be deemed to refer to and mean Truist Bank, a North Carolina banking corporation, and the Loan Documents are hereby modified accordingly. The Loan Documents constitute a valid and binding obligation with Truist and the undersigned even though the Loan Documents reference Branch Banking and Trust Company or BB&T as a party in interest and shall be read with Truist in place of Branch Banking and Trust Company or BB&T.

This Notice and Agreement shall be deemed to be a part of each Loan Document. You acknowledge and agree that Truist shall be permitted to rely on this Notice and Agreement in connection with the Loan. In addition, your acceptance of this Notice and Agreement and your utilization of the Loan confirm that you have received sufficient consideration to make this Notice and Agreement legally binding and enforceable.

This Notice and Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. Each of the undersigned acknowledges receipt of a copy of this Notice and Agreement and agrees that all documents comprising the Loan Documents are subject to the provisions of this Notice and Agreement.

Executed this ____ day of _____.

(SEAL)

Attest:

CITY OF ORANGEBURG, SC

By:
Printed Name:
Title:

By:
Printed Name:
Title:

STATE OF SOUTH CAROLINA

COUNTY OF ORANGEBURG

I, the undersigned, Clerk of the City Council of the City of Orangeburg, South Carolina ("**Council**"), DO HEREBY CERTIFY:

That the foregoing constitutes a true, correct and verbatim copy of an Ordinance adopted by Council. The Ordinance was read at three public meetings of Council held on December 3, 2019, December 17, 2019, and January 7, 2020. An interval of at least six days occurred between each reading. At each meeting, a quorum of Council was present and remaining present throughout the meeting.

That as required by Chapter 4, Title 30 of the Code of Laws of South Carolina 1976, as amended (the "Act"), written public notice of the regular meetings of the Council (showing the date, time and place of the meetings) is prominently posted in the administrative office of the City, and was provided to the local news media at the beginning of calendar years 2019 and 2020. The meetings of December 3, 2019, December 17, 2019, and January 7, 2020 were regular meetings of Council;

That the respective agendas for the meetings of December 3, 2019, December 17, 2019, and January 7, 2020 were, at least 24 hours prior to the applicable meeting of Council, posted in a prominent place in the administrative office of the City, posted on the City's public website, and provided to news media and persons requesting notification of meetings of the Council, and the agendas as so posted showed the date, place and time of the applicable meeting and contained as an item the consideration of the Ordinance by the Council;

That the original of said Ordinance is duly entered in the permanent records of said Council, in my custody as such Secretary.

The Ordinance is now in full force and effect and has not been amended or repealed.

IN WITNESS WHEREOF, I have hereunto set my Hand this ____ day of January, 2020.

City Clerk, City of Orangeburg, South Carolina