

DORCHESTER COUNTY, SOUTH CAROLINA

NINTH SUPPLEMENTAL ORDINANCE NO. 17-28

A NINTH SUPPLEMENTAL ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF DORCHESTER COUNTY, SOUTH CAROLINA, WATERWORKS AND SEWER SYSTEM REVENUE REFUNDING BONDS, SERIES 2017, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$7,000,000; PRESCRIBING THE FORM AND DETAILS OF SUCH BONDS; AND OTHER MATTERS RELATING THERETO.

BE IT ORDAINED BY THE COUNTY COUNCIL OF DORCHESTER COUNTY, SOUTH CAROLINA, IN MEETING DULY ASSEMBLED:

Section 1. Definitions. The terms in this Section 1 and all words and terms defined in General Bond Ordinance No. 03-06 enacted by the County Council on September 2, 2003 (the "General Bond Ordinance" and, as amended or supplemented from time to time by Supplemental Ordinances, the "Ordinance") (except as herein otherwise expressly provided or unless the context otherwise requires), shall for all purposes of this Ninth Supplemental Ordinance have the respective meanings given to them in the General Bond Ordinance and in Section 1 hereof.

"2017 Debt Service Fund" shall mean the fund established pursuant to Section 5 hereof to provide for the payment of the principal of and interest on the Series 2017 Bonds.

"Cost of Issuance Account" shall mean the Account established pursuant to Section 7 hereof into which a portion of the proceeds of the Series 2017 Bonds will be deposited and from which such proceeds will be disbursed to pay Costs of Issuance of the Series 2017 Bonds.

"Custodian" shall mean the bank selected by the County as custodian of the Cost of Issuance Account established pursuant to Section 7 hereof.

"Escrow Agent" shall mean Regions Bank, as trustee and escrow agent for the Refunded Bonds under the Escrow Deposit Agreement.

"Escrow Deposit Agreement" shall mean the Escrow Deposit Agreement to be dated the date of execution and delivery thereof between the County and the Escrow Agent.

"Interest Payment Dates" shall mean April 1 and October 1 of each year commencing April 1, 2018, or such other date as the County Administrator may determine pursuant to Section 3 hereof.

"Parity Bonds" shall mean, collectively, the Series 2009 Bonds, the Series 2009A Bond, the Series 2012 Bonds, the Series 2012A Bond, the Series 2012B Bond and the Series 2015 Bonds.

"Paying Agent" shall mean Regions Bank, as Paying Agent for the Series 2017 Bonds.

"Principal Payment Date" shall mean October 1 or such other date as determined by the County Administrator pursuant to Section 3 hereof on which principal of the Series 2017 Bonds shall be due.

"Purchaser" shall mean the purchaser of the Series 2017 Bonds from the County.

"Refunded Bonds" shall mean those maturities of the Series 2009 Bonds to be refunded with a portion of the proceeds of the Series 2017 Bonds as determined by the County Administrator pursuant to Section 3 hereof.

"Registrar" shall mean Regions Bank, as Registrar for the Series 2017 Bonds.

"Series 2009 Bonds" shall mean the \$11,280,000 original principal amount Dorchester County, South Carolina, Waterworks and Sewer System Revenue Bonds, Series 2009, dated November 5, 2009, and outstanding as of the date of enactment of this Ninth Supplemental Ordinance in the principal amount of \$6,380,000.

"Series 2009A Bond" shall mean the \$3,860,225 original principal amount Dorchester County, South Carolina, Waterworks and Sewer System Revenue Bond, Series 2009A, dated September 11, 2009, and outstanding as of the date of enactment of this Ninth Supplemental Ordinance in the principal amount of \$2,603,243.

"Series 2012 Bonds" shall mean the \$22,760,000 original principal amount Dorchester County, South Carolina, Waterworks and Sewer System Revenue Refunding Bonds, Series 2012, dated April 25, 2012, and outstanding as of the date of enactment of this Ninth Supplemental Ordinance in the principal amount of \$17,910,000.

"Series 2012A Bond" shall mean the \$1,481,830 original principal amount Dorchester County, South Carolina, Waterworks and Sewer System Revenue Bond, Series 2012A, dated June 27, 2012, and outstanding as of the date of enactment of this Ninth Supplemental Ordinance in the principal amount of \$1,173,739.

"Series 2012B Bond" shall mean the \$1,700,000 original principal amount Dorchester County, South Carolina, Waterworks and Sewer System Revenue Bond, Series 2012B, dated October 25, 2012, and outstanding as of the date of enactment of this Ninth Supplemental Ordinance in the principal amount of \$887,667.

"Series 2012 Note" shall mean the \$2,100,000 original principal amount Dorchester County, South Carolina, Promissory Note to the South Carolina Public Service Authority, dated October 25, 2012, and outstanding as of the date of enactment of this Ninth Supplemental Ordinance in the principal amount of \$1,110,000.

"Series 2015 Bonds" shall mean the \$23,445,000 original principal amount Dorchester County, South Carolina, Waterworks and Sewer System Revenue Refunding Bonds, Series 2015,

dated October 27, 2015, and outstanding as of the date of enactment of this Ninth Supplemental Ordinance in the principal amount of \$22,345,000.

"Series 2017 Bonds" shall mean the Dorchester County, South Carolina, Waterworks and Sewer System Revenue Refunding Bonds, Series 2017 in the aggregate principal amount of not exceeding \$7,000,000 authorized to be issued hereunder.

"Series 2017 Taxable Bond" shall mean the \$1,750,000 original principal amount Dorchester County, South Carolina, Waterworks and Sewer System Revenue Bond (Junior Lien), Taxable Series 2017, dated October 26, 2017, and outstanding as of the date of enactment of this Ninth Supplemental Ordinance in the principal amount of \$1,750,000.

Section 2. Certain Findings and Determinations.

The County hereby finds and determines:

(a) This Ninth Supplemental Ordinance supplements the General Bond Ordinance, constitutes and is a "Supplemental Ordinance" within the meaning of such quoted term as defined and used in the General Bond Ordinance, and is enacted under and pursuant to the General Bond Ordinance.

(b) The Series 2017 Bonds constitute and are "Bonds" within the meaning of the quoted word as defined and used in the General Bond Ordinance.

(c) The Net Revenues pledged under the General Bond Ordinance are not encumbered by any lien and charge thereon or pledge thereof, other than the liens and charges thereon and pledges thereof securing the Parity Bonds, which are secured by liens and charges on and pledges of the Net Revenues on a parity with the lien and charge thereon and pledge thereof securing the Series 2017 Bonds. The County has also issued the Series 2012 Note and the Series 2017 Taxable Bond which are secured by liens and charges on and pledges of the Net Revenues junior and subordinate to the liens and charges thereon and pledges thereof securing the Parity Bonds and the Series 2017 Bonds.

(d) There does not exist an Event of Default, nor does there exist any condition which, after the passage of time or the giving of notice, or both, would constitute an Event of Default under the General Bond Ordinance.

(e) Section 3.4(B) of the General Bond Ordinance provides that Bonds may be issued at any time for the purpose of refunding (including by purchase) other Bonds, including amounts to pay principal, redemption premium and interest to the date of redemption (or purchase) of the refunded Bonds and the Costs of Issuance; provided that (i) the aggregate Debt Service on all Bonds to be Outstanding after the issuance of the proposed Series of refunding Bonds shall not be greater than would have been the aggregate Debt Service of all Bonds not then refunded and the Bonds to be refunded; or (ii) the requirements of parts (A), (B), (C) and (E) of Section 3.3 of the General Bond Ordinance are met with respect to the refunding Series.

(f) Section 12.1 of the General Bond Ordinance provides that the obligations of the County under the General Bond Ordinance and the liens, pledges, charges, trusts, covenants and agreements of the County made or provided for therein shall be fully discharged and satisfied as to any Bond, and such Bond shall no longer be deemed to be Outstanding under the General Bond Ordinance, when payment of the principal of and redemption premium, if any, of any Bonds to be defeased, and interest on such Bonds, shall have been provided for by irrevocably depositing with the Trustee in trust and irrevocably setting aside exclusively for such payment, (A) moneys sufficient to make such payment, or (B) Government Obligations maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee, the Paying Agent and the Registrar, or a combination thereof.

(g) The period of usefulness of the System is in excess of forty (40) years from the date hereof.

(h) The Series 2017 Bonds are being issued to provide funds (i) to refund the Refunded Bonds; and (ii) to pay the Costs of Issuance of the Series 2017 Bonds.

(i) It is necessary and in the best interest of the County to undertake the refunding of the Refunded Bonds and to issue the Series 2017 Bonds in the principal amount of not exceeding \$7,000,000 in accordance with the Act, the General Bond Ordinance and this Ninth Supplemental Ordinance for the purposes set forth above.

Section 3. Authorization of Series 2017 Bonds.

(a) There is hereby authorized to be issued Bonds in one or more Series in the aggregate principal amount of not exceeding \$7,000,000 to be designated "Dorchester County, South Carolina, Waterworks and Sewer System Revenue Refunding Bonds, Series 2017" (the "Series 2017 Bonds"), or such other appropriate designation to signify the year in which such Bonds are issued or to distinguish between Series if the Bonds are issued in more than one Series. The proceeds of the Series 2017 Bonds shall be used (a) to refund the Refunded Bonds; and (b) to pay the Costs of Issuance of the Series 2017 Bonds.

(b) The County Administrator is hereby authorized and empowered to determine (i) the dated date of the Series 2017 Bonds, (ii) the initial Interest Payment Date on the Series 2017 Bonds if other than April 1, 2018, (iii) the aggregate principal amount of the Series 2017 Bonds (not to exceed \$7,000,000), (iv) the principal amount of each maturity of the Series 2017 Bonds, (v) the interest rates for the Series 2017 Bonds, (vi) the Series 2017 Bonds, if any, to be subject to optional redemption, (vii) the redemption prices of the Series 2017 Bonds subject to optional redemption, and (viii) the maturities of the Series 2009 Bonds to be refunded and the date or dates upon which such Refunded Bonds will be redeemed, all as evidenced by a certificate to be executed by the County Administrator and delivered at the closing of the Series 2017 Bonds.

(c) Principal of and interest (calculated on the basis of a 360-day year of twelve 30-day months) on the Series 2017 Bonds shall be payable at the corporate trust office of the Paying Agent, in Columbia, South Carolina, or such other location as the Paying Agent determines.

(d) The Series 2017 Bonds and the assignment provisions pertaining thereto shall be in substantially the form set forth in Exhibit A hereto, with such necessary or appropriate variations, omissions and insertions as are incidental to the series, numbers, denominations, maturities, interest rate or rates, redemption provisions, the purpose of issuance and other details thereof or as are otherwise permitted or required by law or by the General Bond Ordinance, including this Ninth Supplemental Ordinance. The Series 2017 Bonds shall be issued in such denominations as agreed to by the Purchaser and the County Administrator.

(e) As provided in Section 4.2 of the General Bond Ordinance, the Series 2017 Bonds may be issued and delivered without the authentication thereof by the Registrar.

Section 4. Payment of the Series 2017 Bonds. The Series 2017 Bonds, together with the interest thereon, shall be payable, in such coin or currency of the United States of America which at the time of such payment is legal tender for public and private debts, solely from the Net Revenues of the System in accordance with the provisions of the General Bond Ordinance and this Ninth Supplemental Ordinance. The Series 2017 Bonds shall be issued and are payable on a parity with the respective pledges securing the Parity Bonds.

The Series 2017 Bonds, and the interest thereon, shall not be a debt of the County, nor a charge, lien or encumbrance, legal or equitable, upon any property of the County or upon any income, receipts or revenues of the County other than such of the Net Revenues of the System as are hereby pledged to the payment thereof.

No recourse shall be had for the payment of the Series 2017 Bonds, or the interest thereon, or any part thereof, against the general fund of the County, nor shall the credit or taxing powers of the County be deemed to be pledged to the payment of the principal of and interest on the Series 2017 Bonds. The full faith, credit and taxing powers of the State of South Carolina or of the County are not pledged to the payment of the principal of or the interest on the Series 2017 Bonds, and the Series 2017 Bonds shall never constitute an indebtedness of the County within the meaning of any 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) or statutory limitation.

Section 5. Establishment of 2017 Debt Service Fund. In accordance with Section 6.7 of the General Bond Ordinance, the 2017 Debt Service Fund is hereby directed to be established by the Trustee on the date of the original delivery of the Series 2017 Bonds.

Section 6. No Debt Service Reserve Fund. Section 6.8 of the General Bond Ordinance provides that each Supplemental Ordinance thereunder may provide for establishment of a Debt Service Reserve Fund with regard to the applicable Series of Bonds and determine the amount of the Reserve Fund Requirement, if any, to be maintained therein. The County has determined that no Debt Service Reserve Fund shall be established pursuant to this Ninth Supplemental

Ordinance with respect to the Series 2017 Bonds, and no Reserve Fund Requirement shall be required to be maintained by the County with respect to the Series 2017 Bonds.

Section 7. Cost of Issuance Account. There is hereby created the "Cost of Issuance Account" (hereinafter referred to as the "Cost of Issuance Account"). The Cost of Issuance Account shall be held by the Custodian designated by the County. The moneys on deposit in the Cost of Issuance Account shall be used and applied to the payment of Costs of Issuance of the Series 2017 Bonds. Withdrawals from the Cost of Issuance Account shall be made in the manner withdrawals from other funds of the County are made. Moneys on deposit in the Cost of Issuance Account shall be invested upon direction of the County in Permitted Investments.

Section 8. Authorization to Effect Refunding; Redemption of the Refunded Bonds. Upon delivery of the Series 2017 Bonds, a portion of the principal proceeds thereof, together with amounts, if any, deposited in the debt service fund with respect to the portion of the Series 2009 Bonds constituting Refunded Bonds, and other funds of the County, shall be deposited with the Escrow Agent and held by it under the Escrow Deposit Agreement. Subject to the terms of the Escrow Deposit Agreement, it shall be the duty of the Escrow Agent to keep such proceeds invested and reinvested to the extent that it shall be practical in Government Obligations and to apply the principal and interest of the trust so established in the manner prescribed in such Escrow Deposit Agreement.

The County Administrator is hereby authorized and directed for and on behalf of the County to execute such agreements (including but not limited to the Escrow Deposit Agreement) and give such directions as shall be necessary to carry out the provisions of this Ninth Supplemental Ordinance, including directions to the paying agent and/or registrar of the Refunded Bonds calling the Refunded Bonds for redemption on one or more dates. The Escrow Deposit Agreement shall be dated the date of delivery of the Series 2017 Bonds to the Purchaser, and be in the form as the County Administrator upon the advice of counsel to the County approves.

The Escrow Agent is hereby directed to call the Refunded Bonds for redemption on the redemption dates selected by the County Administrator for such Refunded Bonds, and to pay the principal of and interest on the Refunded Bonds, when due and upon the redemption thereof, from the moneys and obligations deposited in the fund established pursuant to the provisions of the Escrow Deposit Agreement authorized herein. All moneys and obligations deposited with the Escrow Agent pursuant to the Escrow Deposit Agreement and the income therefrom shall be held, invested, and applied in accordance with the provisions of this Ninth Supplemental Ordinance and the Escrow Deposit Agreement.

Section 9. Designation of Registrar and Paying Agent; Selection of Custodian. The County Council hereby designates Regions Bank as Registrar for the Series 2017 Bonds. The County Council hereby further designates Regions Bank as Paying Agent for the Series 2017 Bonds. The Custodian of the Cost of Issuance Account shall be selected by the County.

Section 10. Sale and Issuance of Series 2017 Bonds.

(a) The County Administrator is hereby authorized to solicit bids for the sale of the Series 2017 Bonds pursuant to a Request for Proposals and to award the Series 2017 Bonds to the bidder offering the most advantageous financing arrangement to the County, including net interest cost and redemption provisions, as determined by the County Administrator. Any actions heretofore taken by the County Administrator in connection with the solicitation of bids for the sale of the Series 2017 Bonds is hereby confirmed and ratified.

(b) A copy of this Ninth Supplemental Ordinance shall be filed with the minutes of this meeting.

(c) The County Council hereby authorizes and directs all of the officers and employees of the County to carry out or cause to be carried out all obligations of the County in connection with the issuance of the Series 2017 Bonds and to perform such other actions as they shall consider necessary or advisable in connection with the issuance, sale and delivery of the Series 2017 Bonds.

(d) The County Council hereby authorizes the use of the Ordinance (including this Ninth Supplemental Ordinance) and the information contained therein in connection with the sale of the Series 2017 Bonds.

Section 11. Disposition of Proceeds of Series 2017 Bonds and Certain Other Moneys.

The proceeds derived from the sale of the Series 2017 Bonds shall be deposited with the Escrow Agent and the Custodian at the direction of the County Administrator and applied as follows:

(a) There shall be paid over to the Escrow Agent, for deposit under the Escrow Deposit Agreement, an amount which the County Administrator determines to be required, together with amounts, if any, transferred from the debt service fund for the Series 2009 Bonds and other moneys of the County, to provide for the payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds upon the redemption thereof.

(b) The remainder of the proceeds of the Series 2017 Bonds shall be deposited with the Custodian at the direction of the County Administrator into the Cost of Issuance Account established in Section 7 hereof to be used and applied to the payment of Costs of Issuance as provided in that Section.

The respective amounts specified in this Section 11 shall be determined by the County Administrator upon delivery of the Series 2017 Bonds and certified to the Custodian, the Escrow Agent and the Trustee.

Section 12. Federal Tax Covenant; Written Procedures.

(a) The County hereby covenants that no use of the proceeds of the Series 2017 Bonds shall be made which, if such use had been reasonably expected on the date of issue of the

Series 2017 Bonds, would have caused the Series 2017 Bonds to be "arbitrage bonds," as defined in the Code; and to that end the County hereby shall:

(i) comply with the applicable provisions of Section 103 and Sections 141 through 150 of the Code and any regulations promulgated thereunder so long as any of the Series 2017 Bonds are Outstanding;

(ii) establish such funds, make such calculations and pay such amounts, if necessary, in the manner and at the times required in order to comply with the requirements of the Code relating to required rebates of certain amounts to the United States;

(iii) make such reports of such information at the times and places required by the Code; and

(iv) take such other action as may be required in order that the Series 2017 Bonds and the use of the proceeds thereof and the County comply with the provisions of the Code.

(b) The County Council makes the following findings with respect to the Series 2017 Bonds:

(i) The Series 2017 Bonds are not private activity bonds as defined in Section 141 of the Code.

(ii) The County does not reasonably anticipate the amount of "qualified tax-exempt obligations" (other than private activity bonds which are not qualified 501(c)(3) bonds as defined in Section 145 of the Code) which will be issued by the County during the calendar year ending December 31, 2017 to exceed \$10,000,000.

(iii) Obligations of the County in the principal amount of \$2,292,000 have been designated as "Qualified Tax-Exempt Obligations" by the County during the calendar year ending December 31, 2017.

(iv) For purposes of this Section 12, the County and all subordinate entities thereof are treated as a single entity.

On the basis of the foregoing, the County Council hereby designates the Series 2017 Bonds as "Qualified Tax-Exempt Obligations" within the meaning of Section 265(b)(3)(B)(ii) of the Code provided that the Series 2017 Bonds are issued no later than December 31, 2017. In the event that the Series 2017 Bonds are issued after that date, the County Administrator is hereby authorized to designate the Series 2017 Bonds as "Qualified Tax-Exempt Obligations", if applicable, with such designation evidenced by a certificate to be executed by the County Administrator and delivered at the closing of the Series 2017 Bonds.

(c) The County Administrator and the Chief Financial Officer of the County, or either of them acting alone, are hereby authorized to adopt written procedures to ensure the County's compliance with federal tax matters relating to the Series 2017 Bonds.

Section 13. Continuing Disclosure.

The County covenants, so long as and to the extent required pursuant to Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended, to file with a central repository for availability in the secondary bond market when requested:

(i) An annual independent audit, within thirty days of the County's receipt of the audit; and

(ii) Event specific information within thirty (30) days of an event adversely affecting more than five (5%) percent of Revenues or the County's tax base.

The only remedy for failure by the County to comply with the covenant in this Section 13 shall be an action for specific performance of this covenant; and failure to comply shall not constitute a default or an "Event of Default" under the General Bond Ordinance or this Ninth Supplemental Ordinance. The Registrar and the Paying Agent shall have no responsibility to monitor the County's compliance with this covenant. The County specifically reserves the right to amend this covenant in order to reflect any change in Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended, without the consent of the Trustee or the Registered Owners of any Series 2017 Bond.

Section 14. Further Actions. The County Administrator, the Chairman of County Council, the Chief Financial Officer of the County, the Clerk to County Council and the County Attorney are hereby authorized and directed to take any and all such further actions as shall be deemed necessary or desirable in order to effectuate the issuance of the Series 2017 Bonds and to carry out the intentions of this Ninth Supplemental Ordinance.

Section 15. Headings. The headings and titles of the several sections hereof shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this Ninth Supplemental Ordinance.

Section 16. Notices. All notices, certificates or other communications hereunder or under the General Bond Ordinance shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, addressed as follows:

If to the County:

Dorchester County, South Carolina
201 Johnston Street
St. George, South Carolina 29477
Attention: County Administrator

If to the Trustee, Registrar or Paying Agent:

Regions Bank
1180 West Peachtree Street
Suite 1200
Atlanta, Georgia 30309
Attention: Corporate Trust Department


The County and the Registrar, Paying Agent and Trustee may, by notice given to the other parties, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 17. Repeal of Inconsistent Ordinances and Resolutions. All ordinances and resolutions of the County, and any part of any ordinance or resolution, inconsistent with the Ordinance are hereby repealed to the extent of such inconsistency.

Section 18. Effective Date. This Ninth Supplemental Ordinance shall become effective upon its enactment.

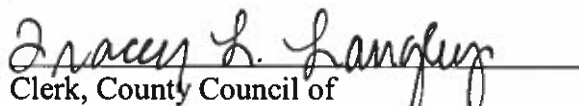
Enacted by the County Council of Dorchester County, South Carolina, this 4th day of December, 2017.

DORCHESTER COUNTY, SOUTH CAROLINA

By: 
Chairman, County Council of
Dorchester County, South Carolina

(SEAL)

ATTEST:


Clerk, County Council of
Dorchester County, South Carolina

Date of First Reading: November 6, 2017
Date of Second Reading: November 20, 2017
Date of Third Reading: December 4, 2017

FORM OF SERIES 2017 BOND

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
DORCHESTER COUNTY
WATERWORKS AND SEWER SYSTEM
REVENUE REFUNDING BOND
SERIES 2017

No. R- _____

Original
Issue Date

Maturity
Date

Interest
Rate

_____, 2017

October 1, _____

REGISTERED HOLDER:

PRINCIPAL AMOUNT: \$ _____

Dorchester County, South Carolina (the "County"), is justly indebted and, for value received, hereby promises to pay to the Registered Holder named above, or registered assigns, but solely from the Net Revenues (as hereinafter defined) pledged to the payment thereof and not otherwise, the Principal Amount shown above on the Maturity Date shown above (unless the within Bond shall be subject to prior redemption and shall have been duly called for previous redemption and payment of redemption price made or provided for), upon presentation and surrender of this Bond at the principal corporate trust office of Regions Bank, in Atlanta, Georgia (the "Paying Agent"), and to pay interest on such Principal Amount from the date hereof at the Interest Rate per annum shown above until this Bond matures. Interest on this Bond is payable semiannually on April 1 and October 1 of each year commencing April 1, 2018, until this Bond matures, and shall be payable by check or draft mailed to the Registered Holder or registered assigns. 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.

THIS BOND HAS BEEN ISSUED UNDER THE PROVISIONS OF TITLE 6, CHAPTER 17 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE COUNTY WITHIN ANY 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 COUNTY, NOR A CHARGE, LIEN OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE COUNTY OR ON ANY INCOME, RECEIPTS OR REVENUES THEREOF, OTHER THAN THE AFORESAID NET

REVENUES OF THE SYSTEM (AS HEREINAFTER DEFINED) PLEDGED THERETO. NO RECOURSE SHALL BE HAD FOR THE PAYMENT OF THIS BOND OR THE INTEREST THEREON AGAINST THE GENERAL FUND OF THE COUNTY AND NEITHER THE CREDIT NOR THE TAXING POWER OF THE COUNTY SHALL BE DEEMED TO BE PLEDGED THERETO. THE FULL FAITH, CREDIT AND TAXING POWERS OF THE COUNTY ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

This Bond (the "Series 2017 Bonds") is issued by the County for the purpose of refunding portions of the County's outstanding Waterworks and Sewer System Revenue Bonds, Series 2009 (the "Series 2009 Bonds"). The Series 2017 Bonds are authorized to be issued and are issued under, pursuant to and in full compliance with the Constitution and statutes of the State of South Carolina, including particularly Article X, Section 14(10) of the South Carolina Constitution and Title 6, Chapter 17 of the Code of Laws of South Carolina 1976, as amended (collectively the "Act"), and under and pursuant to General Bond Ordinance No. 03-06 duly enacted by the County Council of the County on September 2, 2003 and Ninth Supplemental Ordinance No. 17-__ duly enacted by the County Council of the County on December 4, 2017 (collectively, the "Bond Ordinance").

The Series 2017 Bonds and the interest thereon are special obligations of the County and are secured by and payable solely from, and secured equally and ratably by a pledge of and lien upon, the Net Revenues (as defined in the General Bond Ordinance) derived by the County from its waterworks and sewer system (the "System"), on a parity with the outstanding Series 2009 Bonds and the County's outstanding Waterworks and Sewer System Revenue Bond, Series 2009A; Waterworks and Sewer System Revenue Refunding Bonds, Series 2012; Waterworks and Sewer System Revenue Bond, Series 2012A; Waterworks and Sewer System Revenue Bond, Series 2012B and Waterworks and Sewer System Revenue Refunding Bonds, Series 2015 and any other Series of Bonds (as defined in the General Bond Ordinance) hereafter issued under the Bond Ordinance payable from such Net Revenues on a parity and equally and ratably secured therewith.

The Bond Ordinance contains provisions defining terms, including the properties comprising the System; describes the Net Revenues pledged for the payment of the principal of and interest on the Series 2017 Bonds and Bonds issued on a parity therewith under the Bond Ordinance; sets forth the nature, extent and manner of enforcement of the security of the Series 2017 Bonds and of such pledge, and the rights and remedies of the Registered Holder hereof with respect thereto; sets forth the terms and conditions upon which and the extent to which the Bond Ordinance may be altered, modified and amended; sets forth the terms and conditions upon which Bonds may be issued payable as to principal, premium, if any, and interest on a parity with the Series 2017 Bonds and equally and ratably secured herewith; sets forth the rights, duties and obligations of the County thereunder; and sets forth the terms and conditions upon which the pledge made in the Bond Ordinance for the security of the Series 2017 Bonds and upon which the covenants, agreements and other obligations of the County made therein may be discharged at or prior to the maturity or redemption of the Series 2017 Bonds with provisions for the payment thereof in the manner set forth in the Bond Ordinance. Reference is hereby made to the Bond Ordinance to all of the provisions of which any holder of this Bond by the acceptance

hereof thereby assents. The provisions of the Act and the Bond Ordinance shall be a contract with the holder of this Bond.

[The Series 2017 Bonds maturing on or prior to _____, shall not be subject to redemption prior to their stated maturities. The Series 2017 Bonds maturing on or after _____, shall be subject to redemption prior to maturity, at the option of the County, on and after _____ 1, 20__, in whole or in part at any time in such order of their maturities as the County shall determine and by lot within a maturity, at the redemption price, together, in each such case, with the interest accrued on such principal amount to the date fixed for redemption.

If less than all the Series 2017 Bonds of any maturity are called for redemption, the Series 2017 Bonds of such maturity to be redeemed shall be selected by lot by the Registrar. 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 premium payable upon such redemption, shall be given by the Registrar by first class mail, postage prepaid, to the Registered Holder thereof not less than thirty days and not more than sixty days prior to the redemption date at the last address appearing upon the registration books of the County. If this Bond be 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, as provided in the Bond Ordinance, only upon the books of the County kept for that purpose at the principal office of the Registrar by the Registered Holder in person or by his duly authorized attorney upon surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his duly authorized attorney. Thereupon a new fully registered Bond or Bonds of the same aggregate principal amount, rate of interest and maturity shall be issued to the transferee in exchange therefor as provided in the Bond Ordinance. The County, the Registrar and the 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.

To the extent and in the manner permitted by the terms of the Bond Ordinance, the provisions of this Bond or of the Bond Ordinance, or any ordinance amendatory thereof or supplemental thereto, may be amended or modified by the County with the written consent of the holders of a majority in principal amount of the Bonds then outstanding under the Bond Ordinance (including the Series 2017 Bonds); provided, that no such amendment or modification shall permit a change in the date of maturity of any installment of principal hereof or date of optional or mandatory redemption of any Bond or the date of payment of interest thereon or a reduction in the principal amount or redemption price thereof or rate of interest thereon without the consent of the holder of each such Bond affected thereby, or shall reduce the percentage of the principal amount of Bonds, the consent of the holders of which is required by the Bond Ordinance to effect such an amendment or modification.

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 all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise. [This Bond has been designated by the County as a "Qualified Tax-Exempt Obligation" pursuant to the provisions of Section 265(b)(3)(B)(ii) of the Internal Revenue Code of 1986, as amended.]

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and statutes of the State of South Carolina to exist, to happen and to be performed precedent to and in the issuance of this Bond, do exist, have happened and have been performed in due time, form and manner as required by law; that the aggregate principal amount of the Series 2017 Bonds do not exceed any constitutional or statutory limitation of indebtedness; and that provision has been made for the payment of the principal of and interest on this Bond as provided in the Bond Ordinance.


IN WITNESS WHEREOF, Dorchester County, South Carolina, has caused this Bond to be executed in its name by the manual signature of the Chairman of the County Council and attested by the manual signature of the Clerk of the County Council under the seal of the County impressed, imprinted or reproduced hereon.

DORCHESTER COUNTY, SOUTH CAROLINA

By: 
Chairman, County Council of
Dorchester County, South Carolina

(SEAL)

ATTEST:


Clerk, County Council of
Dorchester County, South Carolina

(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)

Notice: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agents Medallion Program ("STAMP") or similar program.

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