
A RESOLUTION

AUTHORIZING THE ISSUANCE AND SALE OF NOT EXCEEDING \$295,000,000 GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, OF SCHOOL DISTRICT NO. 5 OF SPARTANBURG COUNTY, SOUTH CAROLINA, FIXING THE FORM AND CERTAIN DETAILS OF THE BONDS; AUTHORIZING THE CHAIR OR VICE-CHAIR OF THE BOARD OF TRUSTEES OR THE SUPERINTENDENT OF THE SCHOOL DISTRICT TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BOND ANTICIPATION NOTES, IN ONE OR MORE SERIES, PENDING THE ISSUANCE OF THE BONDS; AND OTHER MATTERS RELATING THERETO.

Adopted: November 22, 2021

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF SCHOOL DISTRICT NO. 5 OF SPARTANBURG COUNTY, SOUTH CAROLINA, AS FOLLOWS:

SECTION 1. Definitions. Unless the context shall clearly indicate some other meaning, the terms defined in this Section shall have, for all purposes of this Resolution, the meanings hereinafter specified, with the definitions equally applicable to both the singular and plural forms and vice versa. The term:

“2021 Bond Referendum” shall mean the referendum held in the School District on November 2, 2021, at which the electors of the School District approved the issuance of not exceeding \$29,500,000 general obligation bonds in one or more series.

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

“Beneficial Owner” shall mean any purchaser who acquires beneficial ownership interest in an Initial Bond held by the Depository. In determining any Beneficial Owner the School District, the Registrar and the Paying Agent may rely exclusively upon written representations made and information given to the School District, the Registrar and the Paying Agent, as the case may be, by the Depository or its Participants with respect to any Bond held by the Depository or its Participants in which a beneficial ownership interest is claimed.

“Board” shall mean the Board of Trustees of School District No. 5 of Spartanburg County, South Carolina.

“Bond Anticipation Notes” shall mean one or more general obligation bond anticipation notes, in one or more series, authorized to be issued pursuant to the BAN Act and pursuant to Section 24 hereof.

“Bondholders” or the term “Holders” or any similar term shall mean the registered owner or owners of any outstanding Bond or Bonds.

“Bonds” shall mean the general obligation bonds, in one or more series, authorized to be issued pursuant to Section 3 hereof.

“Book-Entry Form” or “Book-Entry System” shall mean with respect to the Bonds, a form or system, as applicable, under which (a) the ownership of beneficial interests in the Bonds may be transferred only through a book-entry and (b) physical Bond certificates in fully registered form are registered only in the name of the Depository or its nominees as Holder, with the physical Bond certificates “immobilized” in the custody of the Depository. The book-entry maintained by the Depository is the record that identifies the owners of participatory interests in the Bond, when subject to the Book-Entry System.

“Books of Registry” shall mean the registration books maintained by the Registrar in accordance with Section 9 hereof.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Depository” shall mean any securities Depository that is a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its Participants or otherwise, a Book-Entry System to record ownership of beneficial interests in the Bonds, and to effect transfers of the Bonds, in Book-Entry Form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

“Government Obligations” shall mean (1) direct obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which, in the opinion of the Attorney General of the United States, is fully and unconditionally guaranteed by the United States of America; and (2) non-callable, U.S. Treasury Securities – State and Local Government Series (“SLGS”).

“Initial Bonds” shall mean the Bonds initially issued in Book-Entry Form as provided in Section 6 hereof.

“Interest Payment Dates” shall mean March 1 and September 1 of each year (commencing on March 1 or September 1 of such year as determined by the Chair or Vice-Chair of the Board or District Superintendent) or such other dates as the Chair or Vice-Chair of the Board or District Superintendent determine.

“Letter of Representations” shall mean the Blanket Letter of Representations executed and delivered by the School District to the Depository.

“Participant” shall mean any bank, brokerage house or other financial institution for which, from time to time, the Depository effects book-entry transfers and pledges of securities deposited with the Depository.

“Paying Agent” shall mean Regions Bank in Atlanta, Georgia, or such other bank selected by the Chair or Vice-Chair of the Board or District Superintendent.

“Record Date” shall mean the fifteenth (15th) day of the month immediately preceding each Interest Payment Date on the Bonds or the date of notice of any proposed redemption, if any, of the Bonds.

“Registrar” shall mean Regions Bank in Atlanta, Georgia, or such other bank selected by the Chair or Vice-Chair of the Board or District Superintendent.

“Resolution” shall mean this Resolution.

“South Carolina Code” shall mean the Code of Laws of South Carolina 1976, as amended.

“School Bond Act” shall mean Title 59, Chapter 71, Article 1, Code of Laws of South Carolina 1976, as amended.

“School District” shall mean School District No. 5 of Spartanburg County, South Carolina.

“State” shall mean the State of South Carolina.

SECTION 2. Findings and Determinations. The Board of the School District hereby finds and determines:

(a) The School District was created by Order of Consolidation of the Spartanburg County Board of Education dated November 24, 1951, under which all school districts of Spartanburg County were consolidated into seven districts. The School District is a duly constituted body politic and political subdivision of the State of South Carolina.

(b) Pursuant to the provisions of Act No. 189 (1995 Acts), each of the seven boards of trustees of the school districts within Spartanburg County were vested and allocated with total fiscal autonomy. The Spartanburg County Board of Education (the “County Board”) was empowered to perform certain functions and all other powers, if any, formerly possessed by the County Board were devolved upon the seven boards of trustees of the local districts of Spartanburg County. Pursuant to Act No. 499 (1998 Acts), those remaining powers and duties of the County Board were devolved upon the Spartanburg County

Education Oversight Committee, and the County Board was abolished.

(c) Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended (the “Constitution”) provides that after November 30, 1982, the governing body of any school district may incur general obligation debt in an amount not exceeding eight percent (8%) of the assessed value of all taxable property of such school district upon such terms and conditions as the General Assembly may prescribe. Such Article further provides that if general obligation debt is authorized by a majority vote of the qualified electors of the school district voting in a referendum authorized by law, there shall be no conditions or restrictions limiting the incurring of such indebtedness except as specified in such Article

(d) The School Bond Act provides that the board of trustees of any school district may issue general obligation bonds of such school district for the purpose of defraying the cost of capital improvements to any amount not exceeding the constitutional debt limitation applicable to such school district. The School Bond Act requires the County Board of Education wherein the School District is located, if there is such, to approve the issuance of such bonds.

(e) In the 2021 Bond Referendum, the following question was submitted to the qualified electors of the School District:

Shall the Board of Trustees of School District No. 5 of Spartanburg County, South Carolina (the “School District”) be authorized to issue and sell, either as a single issue or as several separate issues, general obligation bonds of the School District in the aggregate principal amount of not exceeding \$295,000,000, the proceeds of which shall be applied to defray the costs (including architectural, engineering, legal and related fees) of any of the following:

1. Acquiring land and constructing thereon, and equipping and furnishing a new elementary school;
2. Constructing, equipping and furnishing a new middle school;
3. Constructing, equipping and furnishing improvements, renovations and additions in order to convert Beech Springs Intermediate School into a middle school;
4. Constructing, equipping and furnishing improvements, renovations and additions in order to convert Berry Shoals Intermediate School into an elementary school;
5. Constructing, equipping and furnishing improvements, renovations and additions to Byrnes High School;
6. Constructing, equipping and furnishing improvements and additions to Reidville Elementary School;
7. Constructing, equipping and furnishing a new elementary school to replace Wellford Academy, and demolishing the existing facility;
8. Acquisition of land for future school sites; and
9. Renovating other existing school facilities.

The 2021 Bond Referendum was duly conducted and a majority of the qualified electors of the School District voted in favor of the question.

(f) Article X, Section 15 of the Constitution further provides that general obligation notes may be issued in anticipation of the proceeds of general obligation bonds which may lawfully be issued under such terms and conditions that the General Assembly may prescribe by law. The BAN Act provides that any borrower, including the School District, whenever authorized by general or special law, to issue bonds, may, pending the sale and issuance thereof, borrow in anticipation of the receipt of the proceeds of such bonds, and evidence the debt by a note duly executed by the officers of the borrower authorized by the governing body of the borrower.

(g) Pursuant to the aforesaid provisions of the Constitution and laws of the State of South Carolina and the favorable results of the 2021 Bond Referendum, it is now in the best interest of the School District for the Board to provide for the issuance and sale of: (i) the Bonds in the principal amount of not exceeding \$295,000,000 to be issued in one or more series for the purposes of defraying all or a portion of the costs (including architectural, engineering, legal and related fees) of any of the projects approved by the 2021 Referendum as set forth in Section 2(e), and to pay the costs of issuance of the Bonds; and (ii) the Bond Anticipation Notes in the principal amount of not exceeding \$295,000,000 to be issued in one or more series pending the issuance of such Bonds.

SECTION 3. Authorization and Details of Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued, at one time or from time to time, not exceeding \$295,000,000 general obligation bonds of the School District to obtain funds for the purposes set forth in Section 2(e) above, including any engineering, architectural, financial and legal fees relating thereto and other incidental costs of issuing the Bonds. The Bonds shall be designated “(principal amount issued) General Obligation Bonds, (year designated and identifying letter), of School District No. 5 of Spartanburg County, South Carolina.”

The Bonds shall be issued as fully registered bonds; shall be dated as of the date on which the Bonds are delivered to the initial purchaser(s) thereof or such other date as the Chair or Vice-Chair of the Board or the District Superintendent determines; shall be in denominations of \$5,000 or any integral multiple thereof not exceeding the principal amount of the Bonds maturing in each year; shall bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) payable on each Interest Payment Date at such rate or rates as may be determined at the time of sale thereof by the Chair or Vice-Chair of the Board or the District Superintendent at the time of the sale thereof; and shall mature in annual installments of principal on March 1 (or such other date as the Chair or Vice-Chair of the Board or the District Superintendent determine) of each year as determined by the Chair or Vice-Chair of the Board and District Superintendent pursuant to Section 4 hereof.

Both the principal of and interest on the Bonds shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts. Unless otherwise designated by the Chair or Vice-Chair of the Board or District Superintendent, Regions Bank in Atlanta, Georgia is hereby designated as the Registrar and Paying Agent for the Bonds; provided, however, the Spartanburg County Treasurer or a bank designated by the initial purchaser of the Bonds and approved by the Chair or Vice-Chair of the Board or the District Superintendent may act as Paying Agent and Registrar for the Bonds.

SECTION 4. Chair or Vice-Chair of Board of Trustees or the District Superintendent to Determine Certain Matters. The Chair of the Board (or in the absence of the Chair, the Vice-Chair) or the District Superintendent are hereby authorized and empowered to:

(a) determine whether the Bonds will be issued as a single series or in multiple series, and determine the original issue date of the respective series of Bonds;

(b) determine the aggregate principal amount of each series of Bonds to be issued, provided the aggregate principal amount of all series of Bonds issued shall not exceed \$295,000,000;

(c) determine the first Interest Payment Date and the maturity dates of the Bonds and the respective principal amounts maturing on such dates;

(d) determine whether the Bonds will be subject to optional or mandatory redemption and, if so, determine the redemption terms and provisions;

(e) determine whether any of the Bonds will be issued as term bonds and, if so, the principal amounts and maturity dates of the Bonds subject to mandatory sinking fund redemption;

(f) designate the Paying Agent and Registrar for the Bonds, if different than as set forth in this Resolution;

(g) determine the date and time of sale of the Bonds;

(h) receive bids on behalf of the School District and award the sale of the Bonds to the lowest bidder therefor, in accordance with the terms of the Notice of Sale for the Bonds;

(i) make adjustments to the principal amounts of the Bonds immediately following the sale thereof;

(j) negotiate and execute all other contracts which may be necessary or required in connection with the issuance of the Bonds; and

(k) make such other determination as may be necessary or useful in connection with the offer, sale or issuance of the Bonds.

After the sale of the Bonds, the Chair or Vice-Chair of the Board or the District Superintendent shall submit a written report to the Board setting forth the results of the sale of the Bonds.

SECTION 5. Redemption Provisions. As may be determined by the Chair or Vice-Chair of the Board or the District Superintendent pursuant to Section 4 above, the Bonds may be subject to redemption at such times and upon such terms as they determine. The Bonds may be subject to redemption prior to maturity upon such terms and conditions as the Chair or Vice-Chair of the Board or the District Superintendent and the purchaser thereof agree upon.

If less than all the Bonds of any maturity are called for redemption, the Bonds of such maturity to be redeemed shall be selected by lot by the Registrar. In the event the Bonds or any portion thereof shall be called for redemption, notice of the redemption, describing the Bonds to be redeemed, specifying the redemption date and the redemption price payable on such redemption, shall be mailed by first-class mail, postage prepaid, to the registered owner thereof as shown on the registry books of the School District kept by the Registrar not less than thirty (30) days and not more than sixty (60) days prior to the redemption date. The notice of redemption may state that the redemption of the Bonds being called for redemption is conditional upon the Paying Agent receiving on or before the redemption date of sufficient money for the redemption thereof. If the Bonds or any portion thereof shall have been duly called for redemption and notice of the redemption mailed as aforesaid, and if on or before the date fixed for redemption, payment thereof shall be duly made or provided for, interest on the Bonds to be redeemed shall cease to accrue from and after the redemption date specified in such notice.

SECTION 6. Book-Entry Bonds. If requested by the initial purchaser(s) of the Bonds, the Initial Bonds will be eligible securities for the purposes of the Book-Entry System of transfer maintained by the Depository, and transfers of beneficial ownership of the Initial Bonds shall be made only through the Depository and its participants in accordance with rules specified by the Depository. Such beneficial ownership must be of \$5,000 principal amount of Bonds of the same series and maturity or any integral multiple of \$5,000.

The Initial Bonds will be issued in fully-registered form, as a single Bond representing the entire principal amount of the Bonds or one Bond for each of the maturities of the Bonds, in the name of Cede & Co., as the nominee of the Depository. When any principal of, premium, if any, or interest on the Initial Bonds becomes due, the School District shall transmit or cause the Paying Agent to transmit to the Depository an amount equal to such installment of principal, premium, if any, and interest. Such payments will be made to Cede & Co. or other nominee of the Depository as long as it is owner of record on the applicable Record Date. Cede & Co. or other nominee of the Depository shall be considered to be the owner of the Initial Bonds so registered for all purposes of this Resolution, including, without limitation, payments as aforesaid and receipt of notices. The Depository shall remit such payments to the Beneficial Owners of the Bonds or their nominees in accordance with its rules and regulations.

Notices of redemption, if any, of the Initial Bonds or any portion thereof shall be sent to the Depository in accordance with the provisions of this Resolution.

The Depository is expected to maintain records of the positions of Participants in the Initial Bonds, and the Participants and persons acting through Participants are expected to maintain records of the Beneficial Owners in the Initial Bonds. The School District, the Paying Agent and the Registrar make no assurances that the Depository and its Participants will act in accordance with such rules or expectations on a timely basis, and the School District, the Paying Agent and the Registrar shall have no responsibility for any such maintenance of records or transfer of payments by the Depository to its Participants, or by the Participants or persons acting through Participants to the Beneficial Owners.

The School District, the Paying Agent and the Registrar may treat the Depository (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purpose of payment of the principal of, premium, if any, or interest on the Bonds, giving any notice permitted or required to be given to Bondholders under this Resolution, registering the transfer of Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever, and shall not be affected by any notice to the contrary. The School District, the Paying Agent and the Registrar shall not have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through the Depository or any Participant, or any other person which is not shown on the Books of Registry of the School District maintained by the Registrar as being a Bondholder, with respect to: the accuracy of any records maintained by the Depository or any Participant or the maintenance of any records; the payment by the Depository or any Participant of any amount in respect of the principal of, premium, if any, or interest on the Bonds; the sending of any transaction statements; the delivery or timeliness of delivery by the Depository or any Participant of any notice which is permitted or required to be given to Bondholders thereunder; the selection of Bondholders to receive payments upon any partial redemption of the Bonds; or any consent given or other action taken by the Depository as a Bondholder.

SECTION 8. Successor Depository. If (a) the Depository determines not to continue to act as securities depository for the Bonds and gives reasonable notice to the Registrar and the School District, or (b) the School District has advised the Depository of the School District's determination that the Depository is incapable of discharging its duties, then the School District shall attempt to retain another qualified securities depository to replace the Depository. Upon receipt by the School District or the Registrar of the Initial Bonds together with an assignment duly executed by the Depository, the School District shall execute and deliver to the successor Depository the Bonds of the same principal amount, interest rate, redemption provisions, if any, and maturity. If the School District is unable to retain a qualified successor to the Depository, or the School

District has determined that it is in its best interest not to continue the Book-Entry System of transfer or that interests of the Beneficial Owners of the Bonds might be adversely affected if the Book-Entry System of transfer is continued (the School District undertakes no obligation to make any investigation to determine the occurrence of any events that would permit it to make any such determination), and has made provision to so notify Beneficial Owners of the Bonds by mailing an appropriate notice to the Depository, upon receipt by the School District of the Initial Bonds together with an assignment duly executed by the Depository, the School District shall execute, authenticate and deliver to the Depository Participants' Bonds in fully-registered form, in substantially the form set forth in Section 13 of this Resolution in the denomination of \$5,000 or any integral multiple thereof.

SECTION 9. Registration, Transfer and Exchange of Bonds. The School District shall cause Books of Registry to be kept at the offices of the Registrar, for the registration and transfer of the Bonds. Upon presentation at its office for such purpose, the Registrar shall register or transfer, or cause to be registered or transferred, on such Books of Registry, the Bonds under such reasonable regulations as the Registrar may prescribe.

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

The School District, the Registrar and the Paying Agent may deem or treat the person in whose name any fully registered Bond shall be registered upon the Books of Registry as the absolute owner of such Series Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes and all such payments so made to any such registered owner or upon his order and shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the School District nor the Registrar or the Paying Agent shall be affected by any notice to the contrary. In all cases in which the privilege of transferring Bonds is exercised, the School District shall execute and the Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. Neither the School District nor the Registrar or the Paying Agent shall be obliged to make any such transfer of Bonds during the fifteen (15) days preceding an Interest Payment Date on such Bonds.

SECTION 10. Record Date. The School District hereby establishes a record date for the payment of interest or for the giving of notice of any proposed redemption of Bonds (the "Record Date"), and such Record Date shall be not more than fifteen (15) days preceding an Interest Payment Date on such Bond or, in the case of any proposed redemption of Bonds, such Record Date shall not be more than fifteen (15) days prior to the mailing of notice of redemption of Bonds.

SECTION 11. Mutilation, Loss, Theft or Destruction of Bonds. In case any Bond shall at any time become mutilated in whole or in part, or be lost, stolen or destroyed, or be so defaced as to impair the value thereof to the owner, the School District shall execute and the Registrar shall authenticate and deliver at the principal office of the Registrar, or send by registered mail to the owner thereof at his request, risk and expense a new Bond of the same series, interest rate and maturity and of like tenor and effect in exchange or substitution for and upon the surrender for cancellation of such defaced, mutilated or partly destroyed Bond, or in lieu of or in substitution for such lost, stolen or destroyed Bond. In any such event, the applicant for the issuance of a substitute Bond shall furnish the School District and the Registrar evidence or proof satisfactory to the School District and the Registrar of the loss, destruction, mutilation, defacement or theft of the original Bond, and of

the ownership thereof, and also such security and indemnity as may be required by the laws of the State of South Carolina or such greater amount as may be required by the School District and the Registrar. Any duplicate Bond issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Bond or in substitution for any allegedly lost, stolen or wholly destroyed Bond shall be entitled to the identical benefits under this Resolution as was the original Bond in lieu of which such duplicate Bond is issued, and shall be entitled to equal and proportionate benefits with all the other Bonds of the same series issued hereunder.

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

SECTION 12. Execution of Bonds. The Bonds shall be executed in the name of the School District with the manual or facsimile signature of the Chair of the Board (or in the Chair's absence, the Vice-Chair of the Board) attested by the manual or facsimile signature of the Secretary of the Board under a facsimile of the seal of the School District which shall be impressed, imprinted or reproduced thereon. The Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. Each Bond shall bear a certificate of authentication manually executed by the Registrar in substantially the form set forth herein.

SECTION 13. Form of Bonds. The Bonds shall be in substantially the following form. In the event the Bonds will be held by a single Bondholder, the form of bond may be revised as a single fully registered bond which sets forth any or all maturing principals amounts:

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
SCHOOL DISTRICT NO. 5 OF SPARTANBURG COUNTY
GENERAL OBLIGATION BOND, SERIES _____

No. R-

INTEREST <u>RATE</u>	MATURITY <u>DATE</u>	ORIGINAL <u>ISSUE DATE</u>	<u>CUSIP</u>
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REGISTERED HOLDER:

PRINCIPAL AMOUNT: _____ DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that School District No. 5 of Spartanburg County, South Carolina (the "School District"), is justly indebted and, for value received, hereby promises to pay to the Registered Holder (named above), or registered assigns, the principal amount shown above on the maturity date shown above (unless this Bond shall be subject to prior redemption and shall have been duly called for previous redemption and payment of the redemption price made or provided for), upon presentation and surrender of this Bond at the principal office of Regions Bank, as paying agent (the "Paying Agent"), in Atlanta, Georgia, and to pay interest on such principal sum from the date hereof at the interest rate per annum shown above (calculated on the basis of a 360-day year comprised of twelve 30-day months)

until this Bond matures or is earlier redeemed. Interest on this Bond is payable on March 1 and September 1 of each year, commencing March 1, ____, until this Bond matures or is earlier redeemed, and shall be payable by check or draft mailed to the person in whose name this Bond is registered on the registration books of the School District maintained by Regions Bank, as registrar (the “Registrar”), in Atlanta, Georgia, at the close of business on the fifteenth (15th) day of the calendar month preceding each semiannual interest payment date or proposed redemption (the “Record Date”). The principal, redemption premium, if any, and interest on this Bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts; provided, however, that interest on this fully registered Bond shall be paid by check or draft as set forth above.

This Bond shall not be entitled to any benefit under the Resolution of the School District authorizing the Bonds adopted by the Board of Trustees of the School District on November 22, 2021 (the “Resolution”), nor become valid or obligatory for any purpose, until the Certificate of Authentication hereon shall have been duly executed by the Registrar.

For the payment of the principal and interest on this Bond as they respectively mature and for the creation of such sinking fund as may be necessary therefor the full faith, credit, resources and taxing power of the School District are hereby irrevocably pledged and there shall be levied annually by the Auditor of Spartanburg County and collected by the Treasurer of Spartanburg County in the same manner as county taxes are levied and collected, a tax, without limit, on all taxable property in the School District sufficient to pay the principal and interest of this Bond as they respectively mature and to create such sinking fund as may be necessary therefor.

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

This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to date of authentication, number, date of maturity, principal amount, registered holder, redemption provisions and rate of interest, aggregating \$_____, issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended; Title 59, Chapter 71, Article 1, Code of Laws of South Carolina 1976, as amended; Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended; the favorable results of a bond referendum held on November 2, 2021 in the School District; and the Resolution.

This Bond and the series of which it is one maturing on or prior to March 1, 20__, shall not be subject to redemption prior to their stated maturities. This Bond and the series of which it is one maturing on or after March 1, 20__, shall be subject to redemption at the option of the School District on or after March 1, 20__, as a whole or in part at any time, in such order of their maturities as the School District shall determine and by lot within a maturity at a redemption price equal to 100% of the principal amount to be redeemed together with the interest accrued on such principal amount to the date fixed for redemption.

This Bond and the series of which it is one maturing on March 1, 20__ and 20__ (collectively, the "Term Bonds") are subject to mandatory redemption by lot on March 1 of each of the years, beginning March 1, 20__, with respect to the Term Bonds becoming due in 20__, at a redemption price equal to one hundred percent (100%) of the principal of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, in the principal amounts set forth below:

<u>Year</u>	<u>Principal Amount</u>
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*Final maturity

The amount of the mandatory redemption payments prescribed above shall be reduced in such order as the School District shall determine (in minimum increments of \$5,000) to the extent the Bonds of the applicable maturity have been purchased or redeemed pursuant to the operation of the optional redemption provisions set forth above.

At its option, to be exercised on or before the sixtieth (60th) day next preceding any mandatory redemption date, the School District may (a) deliver to the Paying Agent for cancellation Term Bonds of the applicable maturity in any aggregate principal amount desired, or (b) receive a credit in respect of its mandatory redemption obligation for any Term Bonds of the applicable maturity which, prior to such date, have been purchased or redeemed (otherwise than through the operation of the mandatory redemption requirement) by the School District and cancelled by the Paying Agent and not theretofore applied as a credit against any mandatory redemption obligation. Each Term Bond of the applicable maturity so delivered or previously purchased or redeemed shall be credited at one hundred percent (100%) of the principal amount thereof, on the obligation of the School District on the respective mandatory redemption obligation in chronological order, and the principal amount of the Term Bonds of the applicable maturity to be redeemed shall be reduced accordingly.

In the event less than all the Bonds of any maturity are called for redemption, the 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 the Bond and specifying the redemption date and the redemption price payable upon such redemption, shall be mailed by the Registrar by first-class mail, postage prepaid, to the registered owner thereof not less than thirty (30) days and not more than sixty (60) days prior to the redemption date at the last address appearing upon the registration books of the School District. 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. The notice may further state that the redemption of this Bond being called for redemption is conditioned upon the School District or the Registrar receiving on or before the redemption date of sufficient money for the redemption thereof.

This Bond and the series of which it is one is transferable as provided in the Resolution, only upon the books of the School District 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, interest rate, and maturity shall be issued to the transferee in exchange therefor as provided in the Resolution. The School District, 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.

Under the laws of the State of South Carolina, this Bond and the interest hereon are exempt from all State, county, municipal, school district and other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

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

IN WITNESS WHEREOF, SCHOOL DISTRICT NO. 5 OF SPARTANBURG COUNTY, SOUTH CAROLINA, has caused this Bond to be signed with the facsimile/manual signature of the [Vice-] Chair of the Board of Trustees of the School District, attested by the facsimile/manual signature of the Secretary of the Board of Trustees of the School District and the seal of the School District impressed, imprinted or reproduced hereon.

SCHOOL DISTRICT NO. 5 OF SPARTANBURG
COUNTY, SOUTH CAROLINA

(SEAL)

ATTEST:

[Vice-] Chair, Board of Trustees

Secretary, Board of Trustees

[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

This Bond is one of the bonds described in the within mentioned Resolution of School District No. 5 of Spartanburg County, South Carolina.

REGIONS BANK,
As Registrar

By: _____
As: Authorized Officer

Date of Authentication: _____

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

TEN COM - as tenants in common

UNIF GIFT MIN ACT -

TEN ENT - as tenants by the
entireties

_____ Custodian _____
(Cust) (Minor)
under Uniform Gifts to
Minors Act _____
(State)

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

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

(FORM OF ASSIGNMENT)

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

(Name and Address of Transferee)

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

Dated: _____

Signature Guaranteed

(Authorized Officer)

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 bondholder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

A copy of the final approving legal opinion to be rendered shall be attached to each Bond and preceding the same a certificate shall appear, which shall be signed on behalf of the School District with a facsimile signature of the Secretary of the Board of Trustees of the School District. Such certificate shall be in substantially the following form:

CERTIFICATE

IT IS HEREBY CERTIFIED that the following is a true and correct copy of the final legal opinion of Burr & Forman LLP, Greenville, South Carolina, approving the issue of bonds of which the within bond is one, the original of which opinion was manually executed, dated and issued as of the date of delivery of and payment for the bonds, and a copy of which is on file with School District No. 5 of Spartanburg County, South Carolina.

SCHOOL DISTRICT NO. 5 OF SPARTANBURG COUNTY, SOUTH CAROLINA

By: _____
Secretary, Board of Trustees

SECTION 14. Security for Bonds. The full faith, credit, resources and taxing power of the School District are hereby irrevocably pledged for the payment of the principal and interest on the Bonds as they respectively mature and for the creation of such sinking fund as may be necessary therefor. There shall be levied annually by the Auditor of Spartanburg County, and collected by the Treasurer of Spartanburg County, in the same manner as county taxes are levied and collected, a tax, without limit, on all taxable property in the School District sufficient to pay the principal and interest of the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

The Auditor and Treasurer of Spartanburg County, South Carolina shall be notified as to the delivery of and payment for the Bonds and are hereby directed to levy and collect, respectively, in the same manner as county taxes are levied and collected, a tax, without limit, on all taxable property in the School District sufficient to pay the principal and interest of the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

SECTION 15. Defeasance. The obligations of the School District under this Resolution and the pledges, covenants and agreements of the School District herein made or provided for, shall be fully discharged and satisfied as to any portion of the Bonds, and such Bond or Bonds shall no longer be deemed to be outstanding hereunder when:

(A) such Bond or Bonds shall have been purchased by the School District and surrendered to the School District for cancellation or otherwise surrendered to the School District or the Paying Agent and is canceled or subject to cancellation by the School District or the Paying Agent; or

(B) payment of the principal of and interest on such Bonds either (1) shall have been made or caused to be made in accordance with the terms thereof, or (2) shall have been provided for by irrevocably depositing with the Paying Agent 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 Paying Agent. At such time as the Bonds shall no longer be deemed to be outstanding hereunder, such Bonds shall cease to draw interest from the due date thereof and, except for the purposes of any such payment from such moneys or Government Obligations, shall no longer be secured by or entitled to the benefits of this Resolution.

Such Bond or Bonds may be defeased as provided in Section 11-14-110 of the South Carolina Code, as such may be amended from time to time.

SECTION 16. Exemption from State Taxes. Both the principal of and interest on the Bonds shall be exempt, in accordance with the provisions of Section 12-2-50 of the South Carolina Code 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.

SECTION 17. Sale of Bonds, Form of Notice of Sale. The Bonds shall be sold at public sale. A Notice of Sale in the form set forth below shall be distributed to prospective bidders and a summary of such Notice of Sale shall be published in a newspaper having general circulation in the State of South Carolina, not less than seven (7) days prior to the date set for such sale.

The Notice of Sale shall be in substantially the following form:

OFFICIAL NOTICE OF SALE
\$_____ GENERAL OBLIGATION BONDS, SERIES 20____
OF SCHOOL DISTRICT NO. 5 OF SPARTANBURG COUNTY,
STATE OF SOUTH CAROLINA

Time and Place of Sale: NOTICE IS HEREBY GIVEN that bids for the purchase of \$_____ General Obligation Bonds, Series 20__ of School District No. 5 of Spartanburg County, South Carolina (the “Bonds”) will be received on behalf of the Board of Trustees (the “Board”) of School District No. 5 of Spartanburg County, South Carolina (the “School District”), until __:00 __.m. (South Carolina time) on _____, 20__, in the School District Administrative Offices, 100 North Danzler Road, Duncan, South Carolina 29334, or such other date and time as may be established by the School District and communicated by Bond Buyer Wire, Bloomberg Wire or other electronic information service, not less than 48 hours prior to the time proposals are to be received.

[Mailed or Hand-Delivered Proposals: Each mailed or hand-delivered proposal should be enclosed in a sealed envelope marked “Proposal for \$_____ General Obligation Bonds, Series 20__, School District No. 5 of Spartanburg County, South Carolina” and should be directed to the Chief Financial Officer of the School District at the address in the first paragraph hereof.]

[E-Mail Proposals: Proposals may be made by e-mail to: David Hayes, the School District’s Chief Financial Officer at email address: david.hayes@spart5.net, with a copy the School District’s financial advisor, Compass Municipal Advisors, LLC, at e-mail: proposals@compassmuni.com, and a copy to the School District’s Bond Counsel, Burr & Forman LLP, at e-mail: mburns@burr.com and bnorris@burr.com.]

Electronic Proposals: Electronic proposals may be submitted through i-Deal’s Ipreo Electronic Bid Submission System (“Ipreo”). No electronic bids from any other providers of electronic bidding services will be accepted. Information about the electronic bidding services of Parity may be obtained from i-Deal, 1359 Broadway, New York, New York 10018, Customer Support, telephone 212.849.5021.

PROPOSALS MAY BE DELIVERED BY [HAND, BY MAIL, BY E-MAIL, OR BY] ELECTRONIC PROPOSALS, BUT NO PROPOSAL SHALL BE CONSIDERED WHICH IS NOT ACTUALLY RECEIVED BY THE SCHOOL DISTRICT AT THE PLACE, DATE AND TIME APPOINTED, AND THE SCHOOL DISTRICT SHALL NOT BE RESPONSIBLE FOR ANY FAILURE, MISDIRECTION, DELAY OR ERROR RESULTING FROM THE SELECTION BY ANY BIDDER OF ANY PARTICULAR MEANS OF DELIVERY OF BIDS.

Book-Entry-Only Bonds: The Bonds will be issued in fully registered form. If requested by the successful bidder, a single Bond or one Bond representing each maturity will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), as registered owner of the Bonds and each such Bond will be immobilized in the custody of DTC. DTC will act as the Depository for the Bonds. Individual purchases will be made in book-entry-only form in the principal amount of \$5,000 or any integral multiple thereof not exceeding the principal amount of Bonds maturing each year; purchasers will not receive physical delivery of certificates representing their interest in the Bonds purchased. The winning bidder, as a condition to delivery of the Bonds, will be required to deposit the Bond certificates representing each maturity with DTC. Notwithstanding the foregoing, at the request of the successful bidder, the Bonds will be issued as one single fully registered bond and not issued through the book-entry system.

The Bonds: The Bonds will be dated the date of their delivery; and will mature serially in successive annual installments on March 1 in each of the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount*</u>	<u>Year</u>	<u>Principal Amount*</u>

*Preliminary; subject to adjustment.

The Bonds shall bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) from their date payable on March 1 and September 1 of each year commencing March 1, 20__, until maturity or prior redemption.

Bid Requirements: Bidders shall specify the rate or rates of interest per annum which the Bonds are to bear, to be expressed in multiples of 1/20 or 1/8 or 1/100 of 1% with no greater difference than three percent (3%) between the highest and lowest rates of interest named by a bidder. Bidders are not limited as to the number of rates of interest named, but the rate of interest on each separate maturity must be the same single rate for all Bonds of that maturity from their date to such maturity date. A BID FOR LESS THAN ALL THE BONDS OR AT A PRICE LESS THAN PAR WILL NOT BE CONSIDERED.

Award of Bid: The Bonds will be awarded to the bidder or bidders offering to purchase the Bonds at the lowest true interest cost (TIC) to the School District. The TIC will be nominal interest rate which, when compounded semiannually and used to discount all debt service payments on the Bonds (computed at the interest rates specified in the bid and on the basis of a 360-day year comprised of twelve 30-day months) to the dated date of the Bonds, results in an amount equal to the price bid for the Bonds. In the case of a tie bid, the winning bid will be awarded by lot. The Chair of the Board reserves the right to reject any and all bids or to waive irregularities in any bid. Bids will be accepted or rejected no later than 3:00 p.m., South Carolina time, on the date of the sale.

Good Faith Deposit: No good faith deposit is required.

Adjustment of Maturity Schedule: If, after final computation of the proposals, the School District determines in its sole discretion that the funds necessary to accomplish the purposes for which the Bonds are being issued are either more or less than the proceeds of the sale of the amount of the Bonds as shown in this Notice of Sale, it reserves the right either to decrease or increase the aggregate principal amount of the Bonds, and the principal amount of Bonds maturing in each year (all calculations to be rounded to the nearest \$5,000). In the event of any adjustment of the maturity schedule for the Bonds as described herein,

no rebidding or recalculation of the proposals submitted will be required or permitted. Nevertheless, the award of the Bonds will be made to the bidder whose proposal produces the lowest true interest cost solely on the basis of the Bonds offered, without taking into account any adjustment in the amount of the Bonds pursuant to this paragraph.

Redemption Provisions: The Bonds maturing on or prior to March 1, 20__, shall not be subject to redemption prior to their stated maturities. The Bonds maturing on or after March 1, 20__, shall be subject to redemption at the option of the School District on or after March 1, 20__, as a whole or in part at any time, in such order of their maturities as the School District shall determine at a redemption price equal to 100% of the principal amount of such Bonds to be so redeemed, plus interest accrued to the redemption date.

Bidders' Special Option for Term Bonds: Bidders submitting proposals may specify that all the principal amount of Bonds maturing on any two or more consecutive annual payment dates on or after March 1, 20__, may, in lieu of maturity on each of such dates, be combined to comprise one or more maturities of the Bonds scheduled to mature on the latest of such annual payment dates (the "Term Bonds"). Term Bonds shall be subject to redemption through mandatory sinking fund installments at par in the amount that would have matured in each year as set forth in this Notice, on each of the annual principal payment dates, except for the principal amount of Bonds scheduled to mature on the latest such annual payment date, which Bonds shall mature on such annual principal payment date. Bidders may specify one or more of such Term Bonds and such specifications may be made at the time of the award.

Mandatory Sinking Fund Redemption: The Bonds will be subject to mandatory redemption if and to the extent the option to establish Term Bonds is exercised by the successful bidder.

Registrar and Paying Agent: Regions Bank in Atlanta, Georgia will act as Paying Agent and Registrar for the Bonds.

Purposes: [A portion of the proceeds of the Bonds will be used to pay the principal and interest of the School District's \$_____ General Obligation Bond Anticipation Note, Series 20__.] The [remaining] proceeds of the Bonds will be used to: (i) defray costs associated with projects approved at a bond referendum held in the School District on November 2, 2021; and (ii) pay costs of issuance of the Bonds.

Security: The Bonds shall constitute binding general obligations of the School District and the full faith, credit, resources and taxing power of the School District are hereby irrevocably pledged for the payment of the principal and interest on the Bonds as they respectively mature and for the creation of such sinking fund as may be necessary therefor. There shall be levied annually by the Spartanburg County Auditor and collected by the Spartanburg County Treasurer in the same manner as county taxes are levied and collected, a tax, without limit, on all taxable property in the School District sufficient to pay the principal and interest of the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

Municipal Bond Insurance: A bidder may, at its option, purchase a policy of insurance relating to the Bonds to be effective as of the date of their issuance. Notice of obtaining a commitment for such insurance may be obtained from the bond insurers. If a bidder for the Bonds desires to have the Bonds so insured, the bidder should specify in its bid for the Bonds whether bond insurance will be purchased. The premium on such bond insurance must be paid at or prior to the closing by the successful bidder. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued shall not constitute cause for a failure or refusal by the purchaser of the Bonds to accept delivery of and pay for the Bonds.

Official Statement: Upon the award of the Bonds, the School District will prepare an official statement (the "Official Statement") in substantially the same form as the preliminary official statement subject to minor additions, deletions and revisions as required to complete the Official Statement. Within

seven (7) business days after the award of the Bonds, the School District will deliver the Official Statement to the successful bidder in sufficient quantity to comply with Rule G-32 of the Municipal Securities Rulemaking Board. The successful bidder agrees to supply to the School District all necessary pricing information and any Underwriter identification necessary to complete the Official Statement within 24 hours after the award of the Bonds.

Continuing Disclosure: In order to assist the bidders in complying with S.E.C. Rule 15c2-12(b)(5), the School District will undertake, pursuant to a Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain events if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

Legal Opinion: The School District shall furnish upon delivery of the Bonds the final approving opinion of Burr & Forman LLP, Greenville, South Carolina, which opinion shall be attached to each Bond, together with the usual closing documents, including a certificate that no litigation is pending affecting the Bonds.

Financial Advisor: Compass Municipal Advisors, LLC, has acted as Financial Advisor to the School District in connection with the issuance of the Bonds. In this capacity, Compass Municipal Advisors, LLC provided technical assistance in the preparation of the offering documents and assisted the School District in preparing for this financing.

Issue Price Certificate: The winning bidder shall assist the School District establishing the issue price of the Bonds and shall execute and deliver to the School District at delivery an “issue price” certificate setting forth the reasonably expected initial offering price to the public, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the School District and Bond Counsel. A sample copy of the certificate may be obtained from Burr & Forman LLP.

The School District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “Competitive Sale Requirements”) because:

- (1) the School District shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the School District may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the School District anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

In the event that the Competitive Sale Requirements are not satisfied, the School District shall so advise the winning bidder. The School District may determine to treat the initial offering price to the public as of the sale date of the Bonds as the issue price of the Bonds (the “Hold-the-Offering-Price Rule”). The School District shall promptly advise the winning bidder, at or before the time of award of the Bonds, that

the Bonds shall be subject to the Hold-the-Offering-Price Rule. Bids will not be subject to cancellation in the event that the School District determines to apply the Hold-the-Offering-Price Rule to the Bonds. Bidders should prepare their bids on the assumption that the Bonds will be subject to the Hold-the-Offering-Price Rule in order to establish the issue price of the Bonds.

By submitting a bid, the winning bidder shall (1) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price (the “Initial Offering Price”), or at the corresponding yield, set forth in the bid submitted by the winning bidder and (2) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of the Bonds to the public at a price that is no higher than the Initial Offering Price to the public (the “10% Test”).

The winning bidder shall promptly advise the School District when the underwriters have sold 10% of the Bonds to the public at a price that is no higher than the Initial Offering Price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

The School District acknowledges that, in making the representation set forth above, the winning bidder will rely on (1) the agreement of each underwriter to comply with the Hold-the-Offering-Price Rule, as set forth in an agreement among underwriters and the related pricing wires, (2) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the Hold-the-Offering-Price Rule, as set forth in a selling group agreement and the related pricing wires, and (3) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the Hold-the-Offering-Price Rule, as set forth in the retail distribution agreement and the related pricing wires. The School District further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the Hold-the-Offering-Price Rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the Hold-the-Offering-Price Rule as applicable to the Bonds.

By submitting a bid, each bidder confirms that: (1) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (a) report the prices at which it sells to the public the unsold Bonds allotted to it until it is notified by the winning bidder that either the 10% Test has been satisfied as to the Bonds or all Bonds have been sold to the public and (b) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (2) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (a) report the prices at which it sells to the public the unsold Bonds allotted to it until it is notified by the winning bidder or such underwriter that either the 10% Test has been satisfied as

to the Bonds or all Bonds have been sold to the public and (b) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (1) “public” means any person other than an underwriter or a related party,
- (2) “underwriter” means (a) any person that agrees pursuant to a written contract with the School District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (a) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),
- (3) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (a) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (b) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (c) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (4) “sale date” means the date that the Bonds are awarded by the School District to the winning bidder.

Delivery: The Bonds will be delivered through the facilities of DTC in New York, New York, on or about _____, 20__, at the expense of the School District or at such other place as may be agreed upon with the purchaser at the expense of the School District. The purchase price then due must be paid in federal funds or other immediately available funds.

Postponement: The School District reserves the right to postpone, from time to time, the date established for the receipt of bids. The School District will communicate any such change in the sale date through Bond Buyer Wire, Bloomberg Wire, or other electronic information service, not less than 48 hours prior to the time proposals are to be received. If any date fixed for the receipt of bids and the sale of the Bonds is postponed, any alternative sale date will be announced through Bond Buyer Wire, Bloomberg Wire or other electronic information service at least 48 hours prior to such alternative sale date. On any such alternative sale date, any bidder may submit a sealed, e-mail, or electronic bid for the purchase of the Bonds in conformity in all respects with the provisions of this Notice of Sale, except for the date of sale and except for the changes announced through Bond Buyer Wire, Bloomberg Wire, or other electronic information service at the time the sale date and time are announced.

CUSIP Numbers: It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance

with the terms of its proposal. The CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the successful bidder.

Additional Information: The Preliminary Official Statement of the School District with respect to the Bonds is available via the internet at officialstatements.compassmuni.com and will be furnished to any person interested in bidding for the Bonds upon request to Compass Municipal Advisors, LLC. The Preliminary Official Statement should be reviewed by bidders prior to submitting a bid. Bidders may not rely on this Official Notice of Sale as to the complete information concerning the Bonds or the School District. Persons seeking information should communicate with:

David Hayes
Chief Financial Officer
School District No. 5 of Spartanburg County
864.949.2350
e-mail: david.hayes@spart5.net

Michael W. Burns, Esq.
Burr & Forman LLP
864.271.4940
e-mail: mburns@burr.com

Brian Nurick, Managing Director
Compass Municipal Advisors, LLC
(803) 733-1604 (office)
e-mail: brian.nurick@compassmuni.com

Brandon T. Norris, Esq.
Burr & Forman LLP
864.271.4940
e-mail: bnorris@burr.com

School District No. 5 of Spartanburg County, South Carolina

SECTION 18. Preliminary and Final Official Statement. The Board hereby authorizes and directs the District Superintendent and the Chief Financial Officer to prepare, or cause to be prepared, a Preliminary Official Statement to be distributed to prospective purchasers of the Bonds together with the Notice of Sale. The Board authorizes the District Superintendent to designate the Preliminary Official Statement as “near final” for purposes of Rule 15c2-12 of the Securities Exchange Commission. The District Superintendent is further authorized to see to the completion of the final form of the Official Statement upon the sale of the Bonds so that it may be provided to the purchaser of the Bonds.

SECTION 19. Continuing Disclosure. The School District hereby covenants and agrees that it will comply with and carry out all of the provisions of a Continuing Disclosure Certificate, in substantially the form attached hereto as Exhibit A. Notwithstanding any other provisions of this Resolution, failure of the School District to comply with the Continuing Disclosure Certificate shall not be considered an event of default, and no liability for damages shall attach therefor. The sole remedy for such failure to comply shall be that any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the School District to comply with its obligations under this Section. The District Superintendent or the Chief Financial Officer is hereby authorized to establish written procedures relating to the School District’s continuing disclosure obligations in connection with the Bonds.

SECTION 20. Filings with Central Repository. In accordance with Section 11-1-85 of the South Carolina Code, the School District covenants that it will file or cause to be filed with a central repository for further availability in the secondary bond market when requested: (a) a copy of the annual audit of the School District within thirty (30) days of the School District’s receipt thereof; and (b) within thirty (30) days of the occurrence thereof, relevant information of an event which, in the opinion of the School District, adversely affects more than five (5%) of the School District’s revenue or its tax base.

SECTION 21. Deposit and Use of Proceeds. The proceeds derived from the sale of the Bonds (other than such amounts as may be necessary to either pay or defease any previously-issued Bond Anticipation Notes, as determined by the Chair or Vice-Chair of the Board or the District Superintendent) must be deposited with

the Treasurer of Spartanburg County in a special fund to the credit of the School District and must be applied solely to the purposes for which the Bonds were issued, including payment of costs of issuance of the Bonds, except that the accrued interest, if any, must be used to discharge in part the first interest to become due on the Bonds.

SECTION 22. Federal Tax Covenants. The School District hereby covenants and agrees with the holders of the Bonds or Bond Anticipation Notes that it will not take any action which will, or fail to take any action which failure will, cause interest on the Bonds or Bond Anticipation Notes to become includable in the gross income of the bondholders 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 the Bonds or Bond Anticipation Notes and that no use of the proceeds of the Bonds or Bond Anticipation Notes shall be made which, if such use had been reasonably expected on the date of issue of the Bonds or Bond Anticipation Notes would have caused the Bonds or Bond Anticipation Notes to be “arbitrage bonds”, as defined in Section 148 of the Code, and to that end the School District hereby shall:

- (a) comply with the applicable provisions of Section 103 and Sections 141 through 150 of the Code and any regulations promulgated thereunder so long as the Bonds or Bond Anticipation Notes are outstanding;
- (b) establish such funds, make such calculations and pay such amounts, 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; and
- (c) make such reports of such information at the time and places required by the Code.

The District Superintendent or the Chief Financial Officer is hereby authorized to adopt written procedures to ensure the School District’s compliance with federal tax matters relating to the Bonds or Bond Anticipation Notes and other federal tax exempt debt heretofore or hereafter issued by the School District.

SECTION 23. Miscellaneous. The District Superintendent is further authorized to execute such contracts, documents or engagement letters, including, but not limited to, the execution and delivery of one or more escrow agreements or refunding trust agreements as may be necessary to defease any previously-issued Bond Anticipation Notes with a portion of the proceeds of the Bonds or Bond Anticipation Notes, as may be necessary and appropriate to effectuate these engagements. To the extent deemed advisable, the Board hereby authorizes the District Superintendent and the Financial Advisor to submit applications to municipal bond insurance companies for bond insurance or other credit enhancements relating to the Bonds. The District Superintendent is hereby authorized to accept on behalf of the School District the proposal deemed most advantageous to the School District. The Board hereby authorizes the Chair, Vice-Chair and Secretary of the Board, the District Superintendent and the Chief Financial Officer to execute such documents and instruments as may be necessary to effect the issuance of the Bonds or make modifications in any documents including but not limited to the form of the Bond or Notice of Sale. The Board hereby authorizes the District Superintendent, with the assistance of the Financial Advisor, to negotiate the terms of, and execute in the name and on behalf of the School District, investment agreements, forward delivery agreements, repurchase agreements, subscriptions, solicitations or agreements relating to Government Obligations, and other agreements in connection with the Bonds or Bond Anticipation Notes, to prepare and solicit bids for providers of such agreements and to execute, in the name and on behalf of the School District, written confirmations of any such agreements and other documents as may be necessary in connection therewith; provided that all such investments shall be permitted investments of public funds as provided in Sections 6-5-10 and 11-1-60 of the South Carolina Code. The Board hereby retains Burr & Forman LLP as bond counsel, and Compass Municipal Advisors, LLC as Financial Advisor, in connection with the issuance of the Bonds and the Bond Anticipation Notes.

SECTION 24. Authorization to Issue General Obligation Bond Anticipation Notes, and Further Authorizations in Connection Therewith. Pursuant to the BAN Act, pending the issuance of a series of Bonds, the Board hereby authorizes the issuance of Bond Anticipation Notes from time to time, in one or more series, in the aggregate principal amount of not exceeding \$295,000,000, for the purposes of (i) defraying a portion of the costs of projects approved by the 2021 Referendum, (ii) renewing or refunding any previously issued and outstanding Bond Anticipation Notes, and (iii) paying the costs of issuance of the Bond Anticipation Notes. Proceeds of Bond Anticipation Notes shall be deposited with the Treasurer of Spartanburg County or, in the case of the refunding of previously issued Bond Anticipation Notes, deposited with the Paying Agent for, or paid to the holder of, such previously issued Bond Anticipation Notes, as directed by the Chair or Vice-Chair of the Board or the District Superintendent. For the payment of principal of and interest on the Bond Anticipation Notes as they respectively mature, there is hereby pledged the proceeds of the Bonds and the full faith, credit and taxing power of the School District. The School District covenants and agrees to effect the issuance of refunding Bond Anticipation Notes or Bonds prior to the maturity of any outstanding Bond Anticipation Notes in sufficient time that the proceeds of the refunding Bond Anticipation Notes or the Bonds shall be available to effect the payment of such outstanding Bond Anticipation Notes to the extent other School District funds available for such purpose have not been identified and made available by the School District for the payment of all principal and interest on the applicable Bond Anticipation Notes on the stated maturity Date. The School District, at its option, may utilize any funds available therefor for the payment of the principal of and interest on the Bond Anticipation Notes. To the extent any Bond Anticipation Notes issued hereunder cannot be redeemed with the proceeds of Bond, any Bond Anticipation Note may be redeemed through the issuance of a subsequent Bond Anticipation Note issued under the authority of this Resolution. The Board hereby authorizes the Chair or Vice-Chair of the Board or the District Superintendent the authority to determine (a) the issue date of the Bond Anticipation Notes; (b) whether Bond Anticipation Notes shall be issued in one or more series; (c) whether a series of Bond Anticipation Notes shall be issued to refund any previously issued Bond Anticipation Notes; (d) the par amount of the Bond Anticipation Notes (provided, the aggregate principal amount of the Bond Anticipation Notes and Bonds outstanding at any one time shall not exceed \$295,000,000); (e) the date, time and method of sale of the Bond Anticipation Notes; (f) whether the Bond Anticipation Notes will be issued in book-entry form or issued as a single fully-registered Bond Anticipation Note; (g) the maturity date of the Bond Anticipation Notes, provided any Bond Anticipation Note must mature not later than one year from its date of issuance; (h) the redemption provisions applicable to the Bond Anticipation Notes; (i) the Registrar and Paying Agent for the Bond Anticipation Notes; (j) the form of the Bond Anticipation Notes; (k) restrictions on further transfer of such Bond Anticipation Notes; and (l) any and all such other details relating to the Bond Anticipation Notes as may be deemed advisable. Bond Anticipation Notes shall be executed in the name and on behalf of the School District by the manual or facsimile signature of the Chair or Vice-Chair of the Board attested by the manual or facsimile signature of the Secretary of the Board under a facsimile of the seal of the School District which shall be impressed, imprinted or reproduced thereon. Defeasance of Bond Anticipation Notes may be accomplished in accordance with the provisions set forth in Section 15 of this Resolution. If applicable, preparation of a Preliminary Official Statement, Official Statement, and Continuing Disclosure Certificate in connection with the offer, sale and issuance of any Bond Anticipation Notes may be accomplished in accordance with the provisions set forth in Sections 18 and 19 of this Resolution. All authorizations and provisions of this Resolution relating to the issuance of Bonds shall likewise apply to the issuance of Bond Anticipation Notes unless otherwise provided in this Section 24, or unless it is clear from the context of such authorization and provisions that they relate solely to the issuance of Bonds and not the issuance of Bond Anticipation Notes.

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

[Signature Page Follows]

Adopted this 22nd day of November, 2021.

SCHOOL DISTRICT NO. 5 OF SPARTANBURG
COUNTY, SOUTH CAROLINA

Chair, Board of Trustees

(SEAL)

ATTEST:

Secretary, Board of Trustees

[Signature Page]

EXHIBIT A
FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the School District No. 5 of Spartanburg County, South Carolina (the “School District”) in connection with the issuance of \$_____ General Obligation Bonds, Series ____, of School District No. 5 of Spartanburg County, South Carolina (the “Bonds”). The Bonds are being issued pursuant to a Resolution adopted by the Board of Trustees of the School District (the “Resolution”). The School District covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the School District for the benefit of the holders of the Bonds and in order to assist the Participating Underwriter (defined below) in complying with the Rule (defined below).

SECTION 2. Definitions. The following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the School District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Bonds” shall mean the \$_____ General Obligation Bonds, Series ____, of School District No. 5 of Spartanburg County, South Carolina, dated _____.

“Dissemination Agent” shall mean the School District or any successor Dissemination Agent designated in writing by the School District and which has filed with the School District a written acceptance of such designation.

“Financial Obligation” is defined by the Rule as and for purposes of this Disclosure Certificate shall mean (1) a debt obligation, (2) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (3) a guarantee of either of the foregoing; provided, however, that a “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“National Repository” shall mean for purposes of the Rule, the Electronic Municipal Market Access (EMMA) system created by the Municipal Securities Rulemaking Board.

“Participating Underwriter” shall mean _____ and any other original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Repository” shall mean each National Repository and each State Depository, if any.

“Rule” shall mean Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State Depository” shall mean any public or private repository or entity designated by the State of South Carolina as a state depository for the purpose of the Rule. As of the date of this Certificate, there is no State Depository.

SECTION 3. Provision of Annual Reports.

(a) The School District shall, or shall cause the Dissemination Agent to provide, not later than February 1 of each year, commencing in [20__], to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than fifteen (15) business days prior to such date the School District shall provide the Annual Report to the Dissemination Agent, if other than the School District; provided, that if the audited financial statements required pursuant to Section 4 hereof to be included in the Annual Report are not available for inclusion in the Annual Report as of such date, unaudited financial statements of the School District may be included in such Annual Report in lieu thereof, and the School District shall replace such unaudited financial statements with audited financial statements within fifteen (15) days after such audited financial statements become available for distribution. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the School District may be submitted separately from the balance of the Annual Report.

(b) If the School District is unable to provide to the Repository an Annual Report by the date required in subsection (a), the School District shall send a notice to the Repository, in substantially the form attached hereto as Exhibit A.

(c) The Dissemination Agent shall:

(1) determine each year prior to the date for providing the Annual Report the name and address of the Repository; and

(2) if the Dissemination Agent is other than the School District, file a report with the School District and (if the Dissemination Agent is not the Registrar) the Registrar certifying whether the Annual Report has been provided pursuant to this Disclosure Certificate, and, if provided, stating the date it was provided, and listing the Repository to which it was provided.

SECTION 4. Content of Annual Reports. The School District's Annual Report shall contain or incorporate by reference the most recent audited financial statements, which shall be prepared in conformity with generally accepted accounting principles (or, if not in such conformity, to be accompanied by a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information) applicable to governmental entities such as the School District, and shall, in addition, contain or incorporate by reference the following information relating to the most recently completed fiscal year:

- (a) Funding under Education Finance Act and Education Improvement Act;
- (b) Outstanding General Obligation Indebtedness of the School District;
- (c) Market Value/Assessment Summary of taxable property in the School District;
- (d) Tax collections for the School District; and
- (e) Ten largest taxpayers for the School District.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the School District is an "obligated person" (as defined by the Rule), which have been filed with the Repository or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The School District shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the School District shall give, or cause to be given, notice of the occurrence of any of the following events (the “Listed Events”) with respect to the securities being offered:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modifications to rights of security holders;
- (8) Bond calls;
- (9) Tender offers;
- (10) Defeasances;
- (11) Release, substitution, or sale of property securing repayment of the securities;
- (12) Rating changes;
- (13) Bankruptcy, insolvency, receivership or similar event of the School District;
- (14) The consummation of a merger, consolidation, or acquisition involving the School District or the sale of all or substantially all of the assets of the School District other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
- (15) Appointment of a successor or additional trustee or the change of name of a trustee;
- (16) Incurrence of a Financial Obligation of the School District; or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the School District, any of which affect security holders; and
- (17) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the School District, any of which reflect financial difficulties.

(b) Whenever the School District obtains knowledge of the occurrence of a Listed Event described in subsections (a)(2), (7), (8), (11), (14), (15) or (16) above, the School District shall as soon as possible determine if such event would be material under applicable federal securities laws. If the School District determines that knowledge of the occurrence of such event would be material under applicable federal securities laws, the School District shall promptly, and no later than ten business days after the occurrence of the event, file a notice of such occurrence with the Repository.

(c) Whenever the School District obtains knowledge of the occurrence of a Listed Event described in subsections (a)(1), (3), (4), (5), (6), (9), (10), (12), (13) or (17) above, the School District shall promptly, and no later than ten business days after the occurrence of the event, file a notice of such occurrence with the Repository.

(d) Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8), (9), and (10) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to owners of affected Bonds. For the purposes of the event identified in (a)(13) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the School District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the School District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the School District.

SECTION 6. Termination of Reporting Obligation. The School District's obligations under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of the Bond.

SECTION 7. Dissemination Agent. The School District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be the School District.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the School District may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to the School District, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule. In the event of any amendment or waiver of a provision of this Disclosure Certificate, the School District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the School District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the School District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the School District shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the School District, or the Dissemination Agent to comply with any provision of this Disclosure Certificate, any beneficial owner may take such actions as may be necessary and appropriate, including seeking injunctive relief or specific performance by court order, to cause the School District, or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the School District, or the Dissemination Agent to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The provisions of this Section 11 shall apply if the School District is not the Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the School District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the School District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bond.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the School District, the Dissemination Agent, the Participating Underwriter, and holders from time to time of the Bonds and shall create no rights in any other person or entity.

SECTION 13. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SCHOOL DISTRICT NO. 5 OF SPARTANBURG
COUNTY, SOUTH CAROLINA

By: _____
District Superintendent

Dated: _____, _____

EXHIBIT A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of School District: School District No. 5 of Spartanburg County, South Carolina

Name of Bond Issue: \$_____ General Obligation Bonds, Series _____,
School District No. 5 of Spartanburg County, South Carolina

Date of Issuance: _____ __, _____

NOTICE IS HEREBY GIVEN that School District No. 5 of Spartanburg County, South Carolina (the "School District") has not provided an Annual Report with respect to the above-named Bonds as required by Sections 3 and 4 of the Continuing Disclosure Certificate executed and delivered by the School District as Dissemination Agent. The School District has notified us in writing that the Annual Report will be filed by _____.

Dated: _____

SCHOOL DISTRICT NO. 5 OF SPARTANBURG
COUNTY, SOUTH CAROLINA