

Beaufort County School District
General Obligation Bonds, Series 2012D

(Distribution of Funds Schedule)

Pricing: September 20, 2012
Dated Date: October 11, 2012
Delivery Date: October 11, 2012

Sources of Funds:

| | |
|-------------------------------|-------------------------------|
| Par Amount of Bonds | \$10,000,000.00 |
| Add Accrued Interest | \$0.00 |
| Net Bid Premium | \$513,896.30 |
| Total Due From Purchaser | \$10,513,896.30 |
| Total Sources of Funds | <u>\$10,513,896.30</u> |

Uses of Funds:

| | |
|--|-------------------------------|
| County Treasurer | |
| Deposit to Project Fund | \$10,443,250.30 |
| Cost of Issuance (McNair Law Firm Trust Account) | \$70,646.00 |
| Remit to Southwest Securities Inc. their Financial Advisor Fees (Includes Out of Pocket) | \$22,021.00 |
| Remit to McNair Law Firm their Bond Counsel Fees (Includes Out of Pocket) | \$22,000.00 |
| Remit to Standard and Poor's their Bond Rating Fees | \$11,725.00 |
| Remit to Moody's Investors Service their Bond Rating Fees | \$12,400.00 |
| Remit to DAC their Disclosure Agent Fees | \$2,500.00 |
| Total Uses: | <u>\$10,513,896.30</u> |

Beaufort County School District
General Obligation Bonds, Series 2012D

(Flow of Funds Schedule)

Pricing: September 20, 2012
Dated Date: October 11, 2012
Delivery Date: October 11, 2012

| | | |
|-----------------------|---|-----------------|
| <u>From Purchaser</u> | | |
| Oct. 11, 2012 | Wire to County Treasurer | \$10,443,250.30 |
| Oct. 11, 2012 | Wire to McNair Law Firm Cost of Issuance for Distribution | \$70,646.00 |
| Totals: | | \$10,513,896.30 |

| | | |
|------------------------------|-------------------------|-----------------|
| <u>From County Treasurer</u> | | |
| Oct. 11, 2012 | Deposit to Project Fund | \$10,443,250.30 |

Wiring Instructions

| | |
|---|---|
| <p><u>County Treasurer</u> Bank - BB&T ABA #053201607 Acct #5121076561 Acct Title - Beaufort Co Treasurer, BCSD 8% Projects</p> | <p><u>McNair Law Firm</u> Bank of America NA. 1301 Gervais Street Columbia, South Carolina 29201 ACCT NAME: McNair Law Firm, P.A. ACCT #: 07-0705-4165 ABA#: 0260-09593</p> |
|---|---|

Beaufort County School District

General Obligation Bonds, Series 2012D

FINAL: Sold to Morgan Stanley on 09.20.12 - Delivery on 10.11.12
(Eight Percent Program)

Sources & Uses

Dated 10/11/2012 | Delivered 10/11/2012

Sources Of Funds

| | |
|----------------------|------------------------|
| Par Amount of Bonds | \$10,000,000.00 |
| Reoffering Premium | 520,770.30 |
| Total Sources | \$10,520,770.30 |

Uses Of Funds

| | |
|---------------------------------------|------------------------|
| Total Underwriter's Discount (0.069%) | 6,874.00 |
| Costs of Issuance | 70,646.00 |
| Deposit to Project Fund | 10,443,250.30 |
| Total Uses | \$10,520,770.30 |

Beaufort County School District

General Obligation Bonds, Series 2012D

FINAL: Sold to Morgan Stanley on 09.20.12 - Delivery on 10.11.12
(Eight Percent Program)

Detail Costs Of Issuance

Dated 10/11/2012 | Delivered 10/11/2012

COSTS OF ISSUANCE DETAIL

| | |
|---|--------------------|
| Financial Advisor | \$22,021.00 |
| Bond Counsel | \$22,000.00 |
| Bond Rating - Moody's Investors Service | \$12,400.00 |
| Bond Rating - Standard & Poor's | \$11,725.00 |
| DAC Disclosure Agent | \$2,500.00 |
| TOTAL | \$70,646.00 |

Beaufort County School District

General Obligation Bonds, Series 2012D

FINAL: Sold to Morgan Stanley on 09.20.12 - Delivery on 10.11.12
(Eight Percent Program)

Pricing Summary

| Maturity | Type of Bond | Coupon | Yield | Maturity Value | Price | Dollar Price |
|--------------|---------------|--------|--------|------------------------|----------|------------------------|
| 03/01/2013 | Serial Coupon | 0.750% | 0.235% | 2,910,000.00 | 100.200% | 2,915,820.00 |
| 03/01/2014 | Serial Coupon | 3.000% | 0.330% | 1,655,000.00 | 103.696% | 1,716,168.80 |
| 03/01/2015 | Serial Coupon | 3.000% | 0.400% | 100,000.00 | 106.175% | 106,175.00 |
| 03/01/2016 | Serial Coupon | 3.000% | 0.500% | 5,335,000.00 | 108.390% | 5,782,606.50 |
| Total | - | - | - | \$10,000,000.00 | - | \$10,520,770.30 |

Bid Information

| | |
|----------------------------------|-----------------|
| Par Amount of Bonds | \$10,000,000.00 |
| Reoffering Premium or (Discount) | 520,770.30 |
| Gross Production | \$10,520,770.30 |

| | |
|---------------------------------------|---------------|
| Total Underwriter's Discount (0.069%) | \$(6,874.00) |
| Bid (105.139%) | 10,513,896.30 |

| | |
|----------------------|-----------------|
| Total Purchase Price | \$10,513,896.30 |
|----------------------|-----------------|

| | |
|-------------------|-------------|
| Bond Year Dollars | \$21,748.89 |
| Average Life | 2.175 Years |
| Average Coupon | 2.8829251% |

| | |
|--------------------------|------------|
| Net Interest Cost (NIC) | 0.5200628% |
| True Interest Cost (TIC) | 0.4986960% |

2012D (E) | 2012 (E) | 9/20/2012 | 11:17 AM

Southwest Securities, Inc.
Public Finance - BNurick

Beaufort County School District

General Obligation Bonds, Series 2012D

FINAL: Sold to Morgan Stanley on 09.20.12 - Delivery on 10.11.12
(Eight Percent Program)

Debt Service Schedule

| Date | Principal | Coupon | Interest | Total P+I |
|--------------|------------------------|----------|---------------------|------------------------|
| 03/01/2013 | 2,910,000.00 | 0.750% | 91,204.17 | 3,001,204.17 |
| 09/01/2013 | - | - | 106,350.00 | 106,350.00 |
| 03/01/2014 | 1,655,000.00 | 3.000% | 106,350.00 | 1,761,350.00 |
| 09/01/2014 | - | - | 81,525.00 | 81,525.00 |
| 03/01/2015 | 100,000.00 | 3.000% | 81,525.00 | 181,525.00 |
| 09/01/2015 | - | - | 80,025.00 | 80,025.00 |
| 03/01/2016 | 5,335,000.00 | 3.000% | 80,025.00 | 5,415,025.00 |
| 09/01/2016 | - | 3.000% | - | - |
| Total | \$10,000,000.00 | - | \$627,004.17 | \$10,627,004.17 |

Yield Statistics

| | |
|-----------------------------------|-------------|
| Bond Year Dollars | \$21,748.89 |
| Average Life | 2.175 Years |
| Average Coupon | 2.8829251% |
| Net Interest Cost (NIC) | 0.5200628% |
| True Interest Cost (TIC) | 0.4986960% |
| Bond Yield for Arbitrage Purposes | 0.4681408% |
| All Inclusive Cost (AIC) | 0.8146078% |

IRS Form 8038

| | |
|---------------------------|-------------|
| Net Interest Cost | 0.4546175% |
| Weighted Average Maturity | 2.221 Years |

Beaufort County School District

General Obligation Bonds, Series 2012D

FINAL: Sold to Morgan Stanley on 09.20.12 - Delivery on 10.11.12

(Eight Percent Program)

Proof Of Bond Yield @ 0.4681408%

| Date | Cashflow | PV Factor | Present Value | Cumulative PV |
|--------------|------------------------|------------|------------------------|---------------|
| 10/11/2012 | - | 1.0000000x | - | - |
| 03/01/2013 | 3,001,204.17 | 0.9981832x | 2,995,751.68 | 2,995,751.68 |
| 09/01/2013 | 106,350.00 | 0.9958522x | 105,908.89 | 3,101,660.56 |
| 03/01/2014 | 1,761,350.00 | 0.9935267x | 1,749,948.23 | 4,851,608.79 |
| 09/01/2014 | 81,525.00 | 0.9912066x | 80,808.12 | 4,932,416.90 |
| 03/01/2015 | 181,525.00 | 0.9888919x | 179,508.59 | 5,111,925.50 |
| 09/01/2015 | 80,025.00 | 0.9865826x | 78,951.27 | 5,190,876.77 |
| 03/01/2016 | 5,415,025.00 | 0.9842787x | 5,329,893.53 | 10,520,770.30 |
| Total | \$10,627,004.17 | - | \$10,520,770.30 | - |

Derivation Of Target Amount

| | |
|----------------------------------|-----------------|
| Par Amount of Bonds | \$10,000,000.00 |
| Reoffering Premium or (Discount) | 520,770.30 |
| Original Issue Proceeds | \$10,520,770.30 |

Beaufort County School District

General Obligation Bonds, Series 2012D

FINAL: Sold to Morgan Stanley on 09.20.12 - Delivery on 10.11.12
(Eight Percent Program)

Derivation Of Form 8038 Yield Statistics

| Maturity | Issuance Value | Price | Issuance Price | Exponent | Bond Years |
|--------------|------------------------|----------|------------------------|------------|------------------------|
| 10/11/2012 | - | - | - | - | - |
| 03/01/2013 | 2,910,000.00 | 100.200% | 2,915,820.00 | 0.3888889x | 1,133,930.00 |
| 03/01/2014 | 1,655,000.00 | 103.696% | 1,716,168.80 | 1.3888889x | 2,383,567.78 |
| 03/01/2015 | 100,000.00 | 106.175% | 106,175.00 | 2.3888889x | 253,640.28 |
| 03/01/2016 | 5,335,000.00 | 108.390% | 5,782,606.50 | 3.3888889x | 19,596,610.92 |
| Total | \$10,000,000.00 | - | \$10,520,770.30 | - | \$23,367,748.97 |

IRS Form 8038

Weighted Average Maturity = Bond Years/Issue Price

2.221 Years

Total Interest from Debt Service
Reoffering (Premium) or Discount

627,004.17
(520,770.30)

Total Interest

106,233.87

NIC = Interest / (Issue Price * Average Maturity)

0.4546175%

Bond Yield for Arbitrage Purposes

0.4681408%