

A RESOLUTION

AUTHORIZING THE ISSUANCE AND SALE OF NOT EXCEEDING \$37,050,000 GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, IN ONE OR MORE YEARS, OF THE SCHOOL DISTRICT OF BEAUFORT COUNTY, SOUTH CAROLINA; FIXING THE FORM AND DETAILS OF THE BONDS; DELEGATING TO THE SUPERINTENDENT OR HIS LAWFULLY AUTHORIZED DESIGNEE THE AUTHORITY TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE SCHOOL DISTRICT OF BEAUFORT COUNTY, SOUTH CAROLINA, AS FOLLOWS:

Section 1. Findings and Determinations. The Board of Education (the “Board”), as the governing body of the School District of Beaufort County, South Carolina (the “School District”), hereby finds and determines.

(a) Pursuant to Act No. 582 (1971 Acts), the central authority of Beaufort County’s education system is vested in the Board. The Board is *ex officio* the board of trustees of the School District, and all functions and powers vested in school district trustees by general or special enactment are vested in the Board.

(b) 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 of the assessed value of all taxable property of such school district upon such terms and conditions as the General Assembly may prescribe.

(c) Title 59, Chapter 71, Article 1, Code of Laws of South Carolina, 1976, as amended (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” (as defined therein) 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.

(d) Section 11-27-50(2) of the Code of Laws of South Carolina, 1976 as amended (the “S.C. Code”), further provides that if an election be prescribed by the provisions of the School Bond Act but is not required by the provisions of Article X of the Constitution, then in every such instance, no election need be held and the remaining provisions of the School Bond Act shall constitute a full and complete authorization to issue bonds in accordance with such remaining provisions. Section 11-27-90 of the S.C. Code further provides that any school district of the State may issue bonds in fully registered form.

(e) The assessed value of all taxable property in the School District as of June 30, 2016, is \$1,804,901,658. Eight (8%) percent of such sum is \$144,392,605. The outstanding general obligation debt of the School District subject to the limitation imposed by Article X, Section 15(6) of the Constitution is \$90,015,624. Thus, the School District may incur \$54,376,981 of additional general obligation debt within its applicable constitutional debt limitation.

(j) Pursuant to a Resolution adopted by the Board on June 5, 2012, the School District has adopted Written Procedures Related to Tax-Exempt Debt.

(k) It is in the best interest of the School District for the Board to provide for the issuance and sale of general obligation bonds of the School District in the principal amount of not exceeding \$37,050,000, the proceeds of which will be used (i) to fund capital improvements; (ii) to pay costs of issuance of the Bonds (hereinafter defined); and (iii) for such other lawful purposes as the Board may determine.

Section 2. Authorizations and Details of Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State of South Carolina (the "State"), there is hereby authorized to be issued general obligation bonds of the School District in the amount of not exceeding \$37,050,000 to obtain funds for the purposes mentioned in Section 1(k) above, including any financial and legal fees relating thereto and other incidental costs of issuing the Bonds. The Bonds shall be designated "[Amount Issued] General Obligation Bonds, [Appropriate Series Designation] of the School District of Beaufort County, South Carolina" (the "Bonds").

The Bonds shall be issued as fully-registered bonds; shall be dated as of their date of delivery; shall be in the denomination of or any integral multiple thereof not exceeding the principal amount of the Bonds maturing in each year; shall be numbered from R-1 upward; shall bear interest at such times as hereafter designated by the Superintendent at such rate or rates as may be determined at the time of the sale thereof; and shall mature serially in successive annual installments as determined by the Superintendent.

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. Regions Bank in Atlanta, Georgia shall serve as Registrar/Paying Agent for the Bonds.

Section 3. Delegation of Authority to Determine Certain Matters Relating to the Bonds. For each series of Bonds, the Board hereby delegates to the Superintendent the authority to determine (a) the final par amount of the Bonds; (b) the maturity dates of the Bonds and the respective principal amounts maturing on such dates; (c) the interest payment dates of the Bonds; (d) redemption provisions, if any, for the Bonds; (e) whether multiple series of bonds should be sold together based on advice from the School District's financial advisor and bond counsel; and (f) the date and time of sale of the Bonds.

The Board hereby delegates to the Superintendent or his lawfully authorized designee the authority to receive bids on behalf of the Board and the authority to award the sale of the Bonds to the lowest bidder therefor in accordance with the terms of the Official Notice of Sale for the Bonds. After the sale of the Bonds, the Superintendent or his lawfully authorized designee shall submit a written report to the Board setting forth the results of the sale of the Bonds.

Section 4. Registration, Transfer and Exchange of the Bonds. The School District shall cause books (herein referred to as the "registry books") to be kept at the offices of the Registrar/Paying Agent, for the registration and transfer of the Bonds. Upon presentation at its office for such purpose the