REGIONS COMMERCIAL EQUIPMENT FINANCE, LLC

10/06/2021

Stuart Bedenbaugh
City Manager
sbedenbaugh@cityofaikensc.gov

Kymberley Rooks
Finance Director
krooks@cityofaikensc.gov

David Cheatwood
Financial Advisor – First Tryon Advisors
dcheatwood@firsttryon.com

Gary Pope
Bond Counsel – Pope Flynn, LLC
gpope@popeflynn.com

Reference: Up to $9,600,000 Taxable Term Loan to be evidenced by a promissory note, bond, or debt instrument (the "Debt Instrument").

Regions Commercial Equipment Finance, LLC (the "Lender") is pleased to furnish this Commtment Letter (this "Commitment Letter") to City of Aiken, South Carolina (the "Borrower") for a $9,600,000 Taxable Loan (the "Loan") for the purposes set forth below. We understand that the Borrower intends to close the Loan on or before November 03, 2021 (the "Anticipated Closing Date").

This Commitment Letter contains an outline of suggested terms only.

Below you will find the proposed set of terms and conditions associated with this Term Sheet:

Borrower:	City of Aiken, South Carolina
Lender:	Regions Commercial Equipment Finance, LLC
Role of Lender:	The Lender and its representatives are not registered municipal advisors and do not provide advice to municipal entities or obligated persons with respect to municipal financial products or the issuance of municipal securities (including regarding the structure, timing, terms and similar matters concerning municipal financial products or municipal securities issuances) or engage in the solicitation of municipal entities or obligated persons for the provision by non-affiliated persons of municipal advisory services and/or investment advisory services. With respect to this Commitment Letter and any other information, materials or communications provided by the Lender: (a) the Lender and its representatives are not recommending an action to any municipal entity or obligated person; (b) the Lender and its representatives are not acting as an advisor to any municipal entity or obligated person and do not owe a fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to any municipal entity or obligated person with respect to this Commitment Letter, information, materials or communications; (c) the Lender and its representatives are acting for their own interests; and (d) the Borrower has been informed that the Borrower should discuss this Commitment Letter and any such other information, materials or communications with any and all internal and external advisors and experts that the Borrower deems appropriate before acting on this Commitment Letter or any such other information, materials or communications.
Privately Negotiated Loan:	The Borrower acknowledges and agrees that the Lender is purchasing the Bond in evidence of a privately negotiated loan and in that connection the Bond shall not be (i) assigned a separate rating by any municipal securities rating agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of offering document or official statement or (iv) assigned a CUSIP number by Standard & Poor's CUSIP Service.

Internal Use
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Purpose:	Proceeds of the Bond will be used to (1) defray the costs of assembling, acquiring, and improving real estate in the downtown area of the City and site preparation and infrastructure in connection therewith and (2) pay costs of issuance of the Bond. It is anticipated that the Bond will be refinanced with the proceeds of a long-term obligation at or prior to maturity (collectively, the "Project").
Loan Amount:	Up to $9,600,000.
Structure:	General Obligation Term Loan evidenced by a promissory note, bond or other debt instrument (the "Debt Instrument")
Interest Rate:	The Loan is a Taxable Loan. Option 1: The Loan will bear interest at a fixed rate per annuum of 1.33%. Option 2: The Loan will bear interest at a fixed rate per annuum of 1.21%. Should the Lender not receive approval by October 07, 2021 the Lender may adjust the rate to reflect current market yields.
Default Rate:	The interest rate otherwise applicable to the Debt Instrument plus 4%.
Repayment:	Interest will be payable semi-annually on May 1st and November 1st, commencing May 1st 2022, and calculated on the basis of a 30 day month and 360 day year. Principal payments will be payable on November 1, 2025 (at maturity).
Maturity Date:	November 1, 2025.
Prepayment:	Option 1: callable at par at any time with 30-days' notice. Option 2: callable at par beginning on November 1, 2023.
Other Fees, Costs and Expenses:	The Borrower will be responsible for all out-of-pocket fees, costs and expenses of the Lender (including, without limitation, counsel fees and expenses and costs associated with lien searches, and recordation) incurred in connection with the negotiation, execution, delivery, administration and enforcement of the Loan Documents. In consideration of the undertakings of the Lender hereunder, and recognizing that in connection herewith the Lender will be incurring such fees, costs and expenses, the Borrower agrees to reimburse the Lender for all such fees, costs and expenses, regardless of whether, or to what extent, any of the transactions contemplated hereby are consummated. Lender will be represented by Parker Poe. Lender's Counsel fees will not exceed $3,500. Lender's Counsel will invoice Borrower directly.
Security:	The Bond is a general obligation of the City secured by an irrevocable pledge of the full faith, credit, and taxing power of the City. There shall be levied and collected annually in the same manner as other property taxes are levied and collected, an ad valorem tax, without limit as to rate or amount, on all taxable property in the City sufficient to pay the principal of and interest on the Bond as they respectively mature and to create such sinking fund as may be necessary therefor.

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Representations and Warranties:	Usual and customary for this type of financing.
Covenants:	Usual and customary for this type of financing, including but not limited to the following: (1) The Borrower shall deliver to the Lender each of the following, in form and substance satisfactory to the Lender: (i) audited financial statements within 210 days after the end of the each of the Borrower's fiscal years;
Defaults:	Usual and customary for this type of financing.
Remedies:	The Lender shall have all of the rights and remedies set forth in the Loan Documents, and available at law and in equity, for the enforcement thereof.
Legal Opinions:	As an additional condition precedent to the Lender making the Loan, the Borrower shall provide, among other things, the following opinions to the Lender: (i) an opinion of bond counsel in form and substance satisfactory to the Lender and its counsel in all respects, which shall include opinions to the effect that (a) the Borrower has the authority under the laws of the of South Carolina to issue the Debt Instrument and execute and deliver the Loan Documents, (b) that the Debt Instrument has been duly issued and each of the Debt Instrument and the other Loan Documents to which the Borrower is a party has been duly authorized, executed and delivered by the Borrower, (c) that each of the Debt Instrument and the other Loan Documents to which the Borrower is a party is a valid and binding obligation of the Borrower, duly enforceable in accordance with its terms.
Transfer Provisions:	The Lender shall maintain the right to transfer and/or assign, in whole or in part, its rights hereunder, the Debt Instrument and/or the Loan, or, in either case, any interest therein, to any person or entity in its sole and absolute discretion. The Borrower may not assign its rights hereunder or under any of the Loan Documents to any person without the prior written consent of the Lender.
Disclaimer:	This Term Sheet describes some of the basic terms and conditions proposed to be included in the documents between the Lender and the Borrower. This Term Sheet does not purport to summarize all the conditions, covenants, representations, warranties, assignments, events of default, cross default, acceleration events, remedies or other provisions that may be contained in documents required to consummate this financing.
US Patriot Act:	The borrower represents and warrants to the Lender that neither it nor any of its principals, shareholders, members, partners, or Affiliates, as applicable, is a Person named as a Specially Designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of any such person. The Authority further represents and warrants to the Lender that the borrower and its principals, shareholders, members, partners, or Affiliates, as applicable, are not directly or indirectly, engaged in, nor facilitating, the transactions contemplated by this transaction on behalf of any Person named as a Specially Designated National and Blocked Person.
Confidentiality:	The Borrower acknowledges and agrees that this Term Sheet and the information set forth herein is confidential and proprietary, and further agrees to keep this Term Sheet and the information set forth herein CONFIDENTIAL. The Borrower shall not disclose this Term Sheet or any of its material terms to anyone, without the prior written consent of the Lender in each instance, except as such disclosure is required by law or regulation or as a result of any legal or administrative procedure.

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Waiver of Jury Trial:	To the extent permitted by applicable law, each of the Borrower and the Lender irrevocably and voluntarily waives any right it may have to a trial by jury with respect to any controversy or claim between the Borrower and the Lender, whether arising in contract or tort or by statute, including but not limited to any controversy or claim that arises out of or relates to this Commitment Letter, the Debt Instrument or any of the other Loan Documents. This provision is a material inducement for the Lender's determination to make the Loan and for the parties to enter into the Loan Documents.
Governing Law:	State of South Carolina

Thank you for providing the Lender with this opportunity to be involved in a financial partnership with the Borrower. The Le nder is willing to discuss the terms reflected herein through October 8, 2021. After such date, terms, conditions and pricing may change based on prevailing market conditions and further discussion will be at Lender's sole discretion. We are grateful for your consideration and remain available to promptly respond to any questions that you may have regarding this document. We look forward to hearing from you.

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EXHIBIT A

In the event Borrower requests Lender to move forward with the approval process after discussion of the aforementioned terms and conditions contained in the Commtment Letter, Borrower agrees to reimburse Lender on demand for all out of pocket expenses incurred by Lender if the transaction fails to close for any reason other than Lender's decision not to approve the transaction. Such expenses shall include, but not be limited to, legal expenses incurred by Lender.

ACCEPTANCE:

Borrower does hereby agree to all provisions contained in Exhibit B.

Borrower Signature:

By: Stuart T. Rodenbaugh

Name: Stuart T. Rodenbaugh

Title: City Manager

City of Aiken Government

ORDINANCE 08232021D

AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING TEN MILLION DOLLARS ($10,000,000) AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OR BOND ANTICIPATION NOTES OF THE CITY OF AIKEN, SOUTH CAROLINA, TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED AND TO AMEND THE CITY'S BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2022 TO SO PROVIDE, TO PROVIDE FOR THE PAYMENT THEREOF, AND TO PROVIDE FOR OTHER MATTERS RELATING THERETO.

BOND ORDINANCE

August 23, 2021

City of Aiken Government

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

ARTICLE I

FINDINGS OF FACT

Section 1.01 Findings. Incident to the enactment of this bond ordinance (this "***Bond Ordinance***"), the City Council of the City of Aiken (the "***City Council***"), the governing body of the City of Aiken, South Carolina (the "***City***"), makes the following findings:

(a) The City is an incorporated municipality of the State of South Carolina (the "***State***") located in Aiken County, South Carolina (the "***County***"), and as such possess all general powers granted to municipalities by the Constitution and laws of the State.

(b) Article X, Section 14 of Constitution of the State of South Carolina, 1895, as amended (the "***State Constitution***") provides that the General Assembly may, by general law, prescribe that general obligation debt may be incurred by the governing body of any municipality for any of its corporate purposes in any amount not exceeding 8% of the assessed value of the taxable property in a municipality (the "***Debt Limit***") unless authorized by a majority vote of the qualified electors of the municipality voting in a referendum.

(c) Title 5, Chapter 21 of the Code of Laws of South Carolina 1976, as amended (the "***Municipal Bond Act***" and together with Article X, Section 14 of the State Constitution and Section 11-27-40 of the Code of Laws of South Carolina 1976, as amended, the "***Enabling Act***") authorizes the City to issue general obligation bonds for any corporate and public purpose.

(d) The City has invested substantial resources in the study and planning of the redevelopment of its Parkway District and is facing stagnant rental rates and a falling population in its core Parkway District area. Specifically, areas of the Parkway District of the City have remained stagnant, abandoned or disused, and are deteriorating and may soon be blighted.

(e) Between 2000 and 2020, despite an overall annual City growth rate of 1.7%, the City lost population within a one-mile radius of downtown at an annual rate of -0.2%. Population loss within a half-mile radius of downtown's core was worse, at an annual rate of -0.8%.

(f) According to American Community Survey data, the City has also seen a divergence between retail rents per square foot and building sales per square foot since 2010. Studies suggest that building values are accelerating faster than rents. The City's Parkway District has maintained a low commercial vacancy rate over the last ten years, but both office and other types of commercial rents have not increased, despite high demand and positive absorption over the past five years, with the exception of 2019. The City has also not added any inventory near the core of Parkway District over the last 10 years.

(g) The City has been impeded in its efforts to revitalize and redevelop its Parkway District by the fractured ownership of Parkway District real estate. In the absence of controlling significant portions of City blocks, the City Council finds that successful redevelopment has not

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and will not happen in a manner consistent with the best interests of the health, safety, and welfare of the citizens of the City.

(h) The City may soon be in a position to obtain control over a significant and meaningful portion of Parkway District suffering from disuse and deterioration, and which portion of Parkway District may soon be blighted. Such property assemblage is a first step and condition precedent to the redevelopment of a significant portion of Parkway District, and the City Council expects that the revitalization of the area will "encourage private investment in an area that has been ignored and even avoided for many years by private investors."[1] City Council finds that such redevelopment will address the health and safety concerns attendant to abandoned buildings, and will also significantly add to the City's tax rolls both due to the specific redevelopment of parcels to be initially acquired by the City and also due to anticipated follow-on investment throughout the Parkway District area.

(i) In furtherance of the redevelopment described hereinabove, City Council, after due investigation and deliberation, has determined that it is necessary to issue not exceeding $10,000,000 aggregate principal amount of general obligation bonds to provide funds (1) to defray the costs of assembling, acquiring, and improving real estate in the Parkway District area of the City and site preparation and infrastructure in connection therewith (the "***Project***"); and (2) to pay the costs of issuance of such bonds.

(j) The Municipal Bond Act requires that an election be held prior to the issuance of general obligation bonds. Title 11, Chapter 27 of the Code of Laws of South Carolina 1976, as amended, provides that if an election be prescribed by the provisions of the Municipal Bond Act but is not required by the provisions of Article X of the State Constitution, then, in every such instance, no election need be held (notwithstanding the requirement therefor) and the remaining provisions of the Municipal Bond Act shall constitute a full and complete authorization to issue bonds in accordance with such remaining provisions.

(k) The assessed value of all taxable property in the City as of June 30, 2020, which is the latest completed assessment thereof, for the purposes of calculating the Debt Limit is $182,657,134. Eight percent of such sum is $14,612,571.

(l) As of the date hereof, the City has no outstanding general obligation indebtedness chargeable against the Debt Limit. Accordingly, the City may incur $10,000,000 of general obligation debt within the Debt Limit.

(m) The City Council finds that through the assemblage and acquisition of real estate comprising the Project, the City can catalyze the redevelopment and revitalization of its Parkway District. The City Council intends that the authorization herein be broadly construed and may be carried out through the City, or the Aiken Municipal Development Commission or similar organization on behalf of the City. The City Council finds that such action constitutes a corporate and public purpose of the City.

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[1] *Wolper v. City Council of City of Charleston*, 287 S.C. 209, 216 (1985).

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(n) On the basis of the foregoing, the City Council has determined to avail itself of the authorization granted by the Enabling Act and issue general obligation bonds of the City in the principal amount of not exceeding $10,000,000 (the "***Bonds***") to provide funds (1) to defray the costs of the Project, and (2) to pay the costs of issuance of the Bonds, or to issue a BAN pursuant to the BAN Act in anticipation of the Bonds as set forth herein.

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ARTICLE II

DEFINITIONS AND CONSTRUCTION

Section 2.01 Definitions. As used in this Bond Ordinance, unless context otherwise requires, the following terms shall have the following respective meanings:

"***Authorized Investments***" means and includes any securities which at the time of determination are legal investments for political subdivisions in the State as provided in the South Carolina Code.

"***Authorized Officer***" means the Mayor, City Manager, or Finance Director; any of whom may act individually as the Authorized Officer.

"***BAN***" of "***BANs***" means a bond anticipation note or notes issued in anticipation of the issuance of Bonds hereunder and pursuant to the BAN Act.

"***BAN Act***" means Title 11, Chapter 17 of the South Carolina Code.

"***Bond***" or "***Bonds***" has the meaning given such term in Section 1.01, which includes any Bonds of the City authorized by this Bond Ordinance, and, where context dictates, Bonds of a Series issued hereunder.

"***Bond Account Fund***" means a fund which serves as the depository account for the proceeds of a Series of Bonds, which may be held by the City.

"***Bond Counsel***" means Pope Flynn, LLC, or any successor firm, or an attorney or firm of attorneys of recognized standing in the field of law relating to municipal, state, and public agency financing.

"***Bondholder***," "***Holder***," "***Holders of Bonds***," "***Owner***," "***Registered Owner***," or similar term means, when used with respect to Bonds or a Bond, any person who shall be registered as the owner of any Bonds Outstanding.

"***Bond Ordinance***" means this Bond Ordinance, as the same may be amended or supplemented from time to time in accordance with the terms hereof.

"***Bond Payment***" means the periodic payment of Principal Installments of, interest on, or both, of the Bonds.

"***Bond Payment Date***" means, as for any Series of Bonds issued hereunder, the date or dates when a Bond Payment is payable.

"***City***" means the City of Aiken, South Carolina.

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"***City Council***" means the City Council of the City of Aiken, the governing body of the City, or any successor governing body of the City.

"***City Manager***" means the City Manager of the City.

"***Clerk***" means the municipal clerk to City Council, and includes any individual acting in such capacity as provided by City Council or State law.

"***Code***" means the Internal Revenue Code of 1986, as amended, and the U.S. Treasury Regulations promulgated thereunder.

"***Continuing Disclosure Undertaking***" means an undertaking executed by an Authorized Officer and delivered at or prior to the closing of a Series of Bonds that is intended to meet the requirements of Rule 15c2-12, and as such undertaking may be from time to time amended in accordance with the terms thereof.

"***Corporate Trust Office***" when used with respect to any Paying Agent or Registrar, means the office at which its principal corporate trust business shall be administered. In the event the City or County Treasurer serves as Paying Agent, Registrar, or both for a Series of Bonds, applicable references to the Corporate Trust Office shall mean the offices of the City or County Treasurer, as applicable.

"***County***" means Aiken County, South Carolina.

"***County Auditor***" means the person holding the office of County Auditor of the County, and any person authorized to act on behalf of such office.

"***County Treasurer***" means the person holding the office of County Treasurer of the County, and any person authorized to act on behalf of such office.

"***Date of Issue***" means, as to any Series of Bonds, the first day, or such other day, of the month in which the Bonds are delivered as may be designated by an Authorized Officer pursuant to Article V hereof.

"***Direct Placement Purchaser***" means a Purchaser of a Series of Bonds pursuant to Section 4.02(a) hereof.

"***DTC***" means The Depository Trust Company, New York, New York.

"***Enabling Act***" has the meaning given such term in Section 1.01.

"***Escrow Agent***" means a financial institution appointed by an Authorized Officer to hold funds for the purpose of defeasing all or a portion of the Bonds in accordance with Article VIII of this Bond Ordinance.

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"***Fiduciary***" means the entity or entities serving as Paying Agent and the Registrar, and their successors and assigns. The term does not include the City when serving as Registrar and Paying Agent.

"***Finance Director***" means the Finance Director of the City and any successor position.

"***Financial Advisor***" has the meaning given such term in Section 10.02 hereof.

"***Government Obligations***" means (1) direct obligations of the United States of America for the payment of which the full faith and credit of the United States of America are pledged; (2) obligations, the payment of the principal (if any), or the interest (if any) on which is fully guaranteed as a full faith and credit obligation of the United States of America; (3) non-callable, U.S. Treasury Securities – State and Local Government Series Securities; and (4) AAA-rated general obligation bonds (based upon a rating issued by at least one nationally recognized credit rating organization) of the State, its institutions, agencies, school districts and political subdivisions.

"Governmental Unit" means a state or local governmental unit within the meaning of Section 141(b) of the Code.

"***Mayor***" means the Mayor of the City and includes any individual acting in such capacity as provided by State law.

"***Mayor Pro Tempore***" means to the Mayor Pro Tempore of the City, and includes any individual acting in such capacity as provided by City Council or State law.

"Nongovernmental Person" means any Person other than a Governmental Unit.

"***Official Notice of Sale***" has the meaning given such term in Article IV hereof.

"***Other Indicia of Satisfaction***" means the delivery of a certificate to the Paying Agent by a Sole Holder in connection with a final payment of all Outstanding Principal Installments of a Series of Bonds certifying that (1) such payment represents the final payment due on such Series of Bonds, and (2) the City owes no further obligation to the Registered Owner respecting such Series of Bonds. Such certificate may also make provision for the Sole Holder to indemnify the City in connection with the failure to surrender such Bonds.

"***Outstanding***" when used in this Bond Ordinance, with respect to the Bonds, means as of any date, all Bonds theretofore authenticated and delivered pursuant to this Bond Ordinance except: (1) any Bond cancelled or delivered to the Registrar for cancellation on or before such date; (2) any Bond (or any portion thereof) deemed to have been paid in accordance with the provisions of Section 8.01 hereof; and (3) any Bond in lieu of or in exchange for which another Bond shall have been authenticated and delivered pursuant to Article III hereof.

"***Paying Agent***" means any bank, trust company, or national banking association which is authorized to pay the Principal Installments of or interest on a Series of Bonds and has the duties, responsibilities and rights provided for in this Bond Ordinance, and its successor or successors and

City of Aiken Government

any other corporation or association which at any time may be substituted in its place pursuant to this Bond Ordinance. The entity named as Paying Agent may also act as Registrar. Notwithstanding the above definition of Paying Agent, the City or County Treasurer may be the Paying Agent for such Bonds. In each case where the City serves as Paying Agent, a specific position or office shall be identified by the Authorized Officer to perform such function.

"***Person***" means an individual, a partnership, a corporation, a trust, a trustee, an unincorporated organization, or a government or an agency or political subdivision thereof.

"***Principal Installment***" means, as of any date of calculation, the principal amount of all Bonds due on a specified date.

"***Project***" has the meaning given such term in Section 1.01 hereof.

"***Purchaser***" means a purchaser or underwriter of the applicable Series of Bonds.

"***Record Date***" means the fifteenth day of the month immediately preceding a month in which there is a Bond Payment Date.

"***Redemption Price***" when used with respect to a Bond or portion thereof to be redeemed, means the principal amount of such Bonds or such portion thereof plus the applicable premium, if any, and accrued interest, as applicable, payable upon redemption thereof pursuant to this Bond Ordinance.

"***Registrar***" means any bank, trust company, or national banking association which is authorized to maintain the Registry Books which contains an accurate list of those who from time to time shall be the Registered Owners of a Series of Bonds and shall effect the exchange and transfer of Bonds in accordance with the provisions of this Bond Ordinance and having the duties, responsibilities, and rights provided for in this Bond Ordinance and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Bond Ordinance. The institution named as Registrar may also act as Paying Agent. Notwithstanding the above definition of Registrar, the City, or County Treasurer may be Registrar for such Bonds. In each case where the City serves as Registrar, a specific position or office shall be identified by the Authorized Officer to perform such function.

"***Registry Books***" means the books of the City to be kept at the Corporate Trust Office of the Registrar for the registration and transfer of the Bonds in order to maintain an accurate list of Registered Owners.

"***Rule 15c2-12***" means Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

"***Securities Depository***" means, initially, The Depository Trust Company, New York, New York, or any other recognized securities depository selected by the City, which securities depository maintains a book-entry system in respect of the Bonds, and shall include any substitute for or successor to the securities depository initially acting as Securities Depository.

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"***Securities Depository Nominee***" means, as to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the registration books maintained by the Registrar the Bond certificates to be delivered to and immobilized at such Securities Depository during the continuation with such Securities Depository of participation in its book-entry system. If DTC is the initial Securities Depository, Cede & Co. shall serve as the initial Securities Depository Nominee hereunder. In all other cases, the Securities Depository Nominee shall be the entity designated as such under the rules of the Securities Depository.

"***Series***" or "***Series of Bonds***" means Bonds issued hereunder as a single issue; i.e., sold and closed on the same dates with a common bond caption and Series designation.

"***Sole Holder***" means the Holder of a Series of Bonds when such Series of Bonds shall be delivered as a single Bond to a single Holder.

"***South Carolina Code***" means the Code of Laws of South Carolina 1976, as amended.

"***State***" means the State of South Carolina.

"***Summary Notice of Sale***" has the meaning given such term in Article IV hereof.

"***Taxable Bonds***" means any Bonds that have been designated as taxable under the Code by an Authorized Officer pursuant to Article V of this Bond Ordinance.

Section 2.02 Construction. In this Bond Ordinance, unless context otherwise requires:

(1) Articles and Sections referred to by number mean the corresponding Articles and Sections of this Bond Ordinance.

(2) The terms "hereby," "hereof," "hereto," "herein," "hereunder," and any similar terms refer to this Bond Ordinance, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before the date of enactment of this Bond Ordinance.

(3) Words of the masculine gender shall mean and include correlative words of the female and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa.

(4) Any Fiduciary shall be deemed to hold an Authorized Investment in which money is invested pursuant to the provisions of this Bond Ordinance, even though such Authorized Investment is evidenced only by a book entry or similar record of investment.

(5) Exhibits to this Bond Ordinance constitute an integral part of this Bond Ordinance. Three asterisks mark the end of each Article.

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City of Aiken Government

ARTICLE III

THE BONDS

Section 3.01 Ordering the Issuance of Bonds. Pursuant to the provisions of the Enabling Act, an Authorized Officer is hereby ordered and directed to cause the issuance of Bonds to provide funds: (1) to defray the costs of the Project; and (2) to pay the costs of issuance thereof. The Bonds may be issued in a single Series, or from time to time in multiple Series. The Bonds may, in addition to the title "City of Aiken, South Carolina, General Obligation Bond[s]," bear a numerical or alphanumeric Series designation as may be necessary to distinguish them from the Bonds of every other Series, or other general obligation bonds of the City, and shall designate the year in which the Series is issued. Any Series of Bonds issued as Taxable Bonds shall bear an appropriate designation so as to distinguish its tax status.

Section 3.02 Maturity Schedule. Each Series of Bonds shall mature on the dates and in the principal amounts as determined by an Authorized Officer, upon advice of the Financial Advisor and Bond Counsel, provided that the first maturing principal of a Series of Bonds shall mature not later than five years from the Date of Issue thereof and the aggregate principal amount of the Bonds issued hereunder shall not exceed $10,000,000. Any Bonds issued hereunder must be issued within five years of the date of enactment of this Bond Ordinance, and no Bonds shall mature later than 30 years from their date of delivery.

Section 3.03 Date of Bonds; Interest Rates. Bonds shall be authenticated on such dates as they shall, in each case, be delivered. Bonds shall bear interest, at the rates per annum determined in accordance with Section 3.15 hereof (on the basis of a 360-day year of twelve 30-day months), from the Bond Payment Date to which interest has been paid next preceding the authentication date thereof, unless the authentication date is a Bond Payment Date, in which case from such authentication date, or if authenticated prior to the initial Bond Payment Date for Bonds of that Series, then from the Date of Issue.

Section 3.04 Medium of Payment, Bond Payments, Form and Denomination. (a) The Principal Installments, interest, and Redemption Price on all Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(b) Payment of the Principal Installment or Redemption Price of Bonds shall be payable at the Corporate Trust Office of the Paying Agent upon presentation and surrender for cancellation of such Bonds on or after the maturity date or earlier redemption date, except as set forth at Section 3.04(d) below. Payment of interest on Bonds shall be made by check or draft mailed from the Corporate Trust Office of the Paying Agent to the Person in whose name the Bonds are registered at the close of business on the Record Date; provided, however, that any Registed Owner of Bonds in the aggregate principal amount of $1,000,000 or more may request, in writing at least 20 days prior to the applicable Record Date delivered to the Paying Agent, that Bond Payments be made by wire transfer to such Registed Owner at an account maintained by a financial institution located in the continental United States of America which bank is a member of the Federal Reserve System as specified in such request.

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(c) Bonds shall be issued in fully registered form in denominations of $5,000 or any whole multiple thereof, except as set forth below, not exceeding the principal amount of the Bonds maturing on a given Bond Payment Date. Bonds of a Series shall be numbered from R-1 upwards in such fashion as to maintain a proper record thereof.

(d) Notwithstanding the foregoing provisions of this Section 3.04, in the event that a Sole Holder is the Registered Owner of a Series of Bonds, the denomination of such Series of Bonds may be the principal amount of such Series, and presentment of such Series of Bonds for payment shall not be required, except for the payment of the final Principal Installment of such Series of Bonds, unless otherwise mutually agreed by the City and the Registered Owner of such Series of Bonds, and upon the delivery of Other Indicia of Satisfaction or similar by the Registered Owner within a reasonable, mutually agreed period of time. At the option of the Sole Holder, and upon agreement by the Paying Agent, Bond Payments may be made by wire transfer to such Sole Holder at an account maintained by a financial institution located in the continental United States specified in a request made not less than 20 days prior to the applicable Record Date, or such shorter period as may be acceptable to the Paying Agent.

Section 3.05 Agreement to Maintain Registrar and Paying Agent. (a) As long as any of the Bonds remain Outstanding there shall be a Registrar and a Paying Agent which shall, subject to Section 3.05(b), be a financial institution maintaining Corporate Trust Offices where: (1) Bonds may be presented for registration of transfers and exchanges, (2) notices and demands to or upon the City in respect of the Bonds may be served, and (3) the Bonds may be presented for payment, exchange, and transfer. An entity so designated by an Authorized Officer may act as both Registrar and Paying Agent.

(b) Notwithstanding the foregoing, at the election of an Authorized Officer, the City or the County Treasurer may serve as the Registrar, Paying Agent, or both, for such Series of Bonds and may fulfill all functions of the Registrar and Paying Agent enumerated herein. The City or the County Treasurer may also serve as Registrar and Paying Agent should the Bonds initially be held in a book-entry system and such system is subsequently discontinued.

Section 3.06 Execution and Authentication. (a) The Bonds shall be executed in the name of and on behalf of the City by the manual or facsimile signature of the Mayor or Mayor Pro Tempore, attested by the manual or facsimile signature of the Clerk, with the seal of the City impressed, imprinted, or reproduced thereon. The execution of the Bonds in accordance with this Bond Ordinance shall constitute conclusive evidence of approval of any and all revisions. Bonds bearing the manual signature of any Person who shall have been an Authorized Officer at the time the Bonds were so executed shall bind the City notwithstanding the fact that he may have ceased to be such Mayor, Mayor Pro Tempore, or Clerk prior to the authentication and delivery of the Bonds or was not such Mayor, Mayor Pro Tempore, or Clerk at the date of authentication and delivery of the Bonds.

(b) No Bond shall 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 in the applicable form of the Bond attached hereto as Exhibit A.

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Section 3.07 Exchange of Bonds. Each Bond, upon surrender thereof at the Corporate Trust Office of the Registrar along with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or his duly authorized attorney, may, at the option of the Registered Owner thereof, be exchanged for a new Bond of the same Series, interest rate and maturity. So long as such Bond remains Outstanding, the City shall make all necessary provisions to permit the exchange of the Bond at the Corporate Trust Office of the Registrar. Such new Bonds shall reflect the principal amount thereof as then yet unpaid.

Section 3.08 Transferability and Registry Books. Each Bond shall at all times, when the same is Outstanding, be payable to a Person, and shall be transferable only in accordance with the provisions for registration and transfer contained in this Bond Ordinance and in such Bond. So long as such Bond remains Outstanding, the Registrar shall maintain and keep the Registry Books, and, upon presentation thereof for such purpose at such Corporate Trust Office, the City shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it may prescribe, such Bond. So long as the Bonds remain Outstanding, the City shall make all necessary provisions to permit the transfer of such Bonds at the Corporate Trust Office of the Registrar.

Section 3.09 Transfer of Bonds. The Bonds shall be transferable only upon the Registry Books, which shall be kept for such purpose at the Corporate Trust Office of the Registrar and maintained for such purpose by the Registrar, upon presentation and surrender thereof by the Registered Owner of the Bond in person or by his attorney duly authorized in writing, together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or his duly authorized attorney. Upon surrender for transfer of Bonds, the City shall execute, authenticate and deliver, in the name of the Person who is the transferee, a new Bond of the same principal amount and maturity and rate of interest as the surrendered Bond. Such new Bond shall reflect the principal amount thereof as then yet unpaid.

Section 3.10 Regulations with Respect to Exchanges and Transfers. All Bonds surrendered in any exchange or transfer shall forthwith be cancelled by the Registrar. For each such transfer of the Bonds, the Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer, which sum or sums shall be paid by the Registered Owner requesting such transfer as a condition precedent to the exercise of the privilege of making such transfer. The City shall not be obligated to issue or transfer the Bonds (1) during the period between a Record Date and the next following Bond Payment Date, or (2) following a call for redemption of Bonds.

Section 3.11 Mutilated, Destroyed, Lost and Stolen Bonds. (a) If a Bond is mutilated and thereafter surrendered to the City or if the City receives evidence to its satisfaction of the destruction, loss or theft of a Bond and there is delivered to the City such security or indemnity as may be required by it to save it harmless, then, in the absence of notice that the Bond has been acquired by a *bona fide* purchaser, the City shall execute, and the Registrar shall authenticate and deliver, in exchange for the mutilated Bond or in lieu of any such destroyed, lost, or stolen Bond, a new Bond of like tenor and principal amount, bearing a number unlike that of the mutilated, lost, or stolen Bond, and shall thereupon cancel any such mutilated Bond so surrendered. In case any such mutilated, destroyed, lost, or stolen Bond. The Registrar shall thereupon cancel the mutilated Bond so surrendered. In case the mutilated, destroyed, lost or stolen Bond has become or is to become

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due and payable within one month, the City in its discretion may, instead of issuing a new Bond, pay the Bond.

(b) Upon the issuance of any new Bond under this Section 3.11, the City or Registrar may require the payment of a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees or other fees, of the City connected therewith.

(c) Each new Bond issued pursuant to this Section 3.11 in lieu of any destroyed, lost, or stolen Bond shall constitute an additional contractual obligation of the City, whether or not the destroyed, lost, or stolen Bond shall at any time be enforceable by anyone, and shall be entitled to all the benefits hereof. Each Bond shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of a mutilated, destroyed, lost, or stolen Bond and shall preclude (to the extent lawful) all other rights or remedies with respect to the replacement or payment of the mutilated, destroyed, lost, or stolen Bond or securities.

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

Section 3.12 Registered Owner as Owner of Bond. The City, the Registrar, and the Paying Agent may treat the Registered Owner of any Bond as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the Principal Installment of and interest on the Bonds and for all other purposes, and payment of the Principal Installments and interest shall be made only to, or upon the order of, such Registered Owner. All payments to such Registered Owner 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 the City shall not be affected by any notice to the contrary.

Section 3.13 Cancellation of Bonds. The Registrar shall destroy all Bonds surrendered to it for cancellation and shall deliver a certificate to that effect to the City. No such Bonds shall be deemed Outstanding under this Bond Ordinance and no Bonds shall be delivered in lieu thereof except as provided in Sections 3.07, 3.09, 3.11, or 7.06 hereof.

Section 3.14 Payments Due Saturdays, Sundays, and Holidays. In any case where the Bond Payment Date or redemption date shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday, or a day on which banking institutions are authorized by law to close, then payment of interest on or Principal Installment or Redemption Price of the Bonds need not be made on such date but shall be made on the next succeeding business day not a Saturday, Sunday or a legal holiday or a day upon which banking institutions are authorized by law to close, with the same force and effect as if made on the Bond Payment Date or redemption date, and no interest shall accrue for the period from such Bond Payment Date or redemption date to the date on which payment of the Principal Installment, interest, or Redemption Price, if any, is made.

Section 3.15 Conditions Related to Naming Interest Rates. Bonds shall bear such rate or rates of interest as shall result from the sale procedures of Article IV, but:

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(1) all Bonds of the same maturity and Series shall bear the same rate of interest;

(2) no rate of interest shall exceed 5.0% per annum;

(3) a 0.0% percentage point rate is not permitted;

(4) each interest rate named shall be a multiple of 1/1000th of one percentage point; and

(5) any premium offered shall, net of underwriter's discount, be paid in cash as part of the purchase price.

In addition to the foregoing, an Authorized Officer is authorized to impose additional conditions for the sale of Bonds not inconsistent with those set forth above prior to the sale of Bonds and set forth in the Official Notice of Sale, and any amendment thereto.

Section 3.16 Tax Exemption in South Carolina. Both the Principal Installments of and interest on the Bonds shall be exempt from all State, county, municipal, school district, and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer, or certain franchise taxes.

Section 3.17 Security for Bonds. The full faith, credit, and taxing power of the City are hereby irrevocably pledged for the payment of the Bonds and there shall be levied and collected annually a tax on all taxable property in the City, without limit, sufficient to pay the Principal Installments of and interest on the Bonds as the same matures and come due, respectively, and to create such sinking fund as may be necessary therefor. Such levy may be reduced to the extent that, at the time the annual millage levy for the Bond Payments is set, the City has available other amounts for the payment of amounts due on the succeeding Bond Payment Date and has deposited the same into the sinking fund established for the payment of the Bond Payment.

Section 3.18 Form of Bonds. The Bonds shall be in a form substantially similar to that attached hereto as Exhibit A, with such revisions as an Authorized Officer may approve upon advice of Bond Counsel. As contemplated in Exhibit A, the form of a Series of Bonds shall reflect the respective manner of sale under Section 4.02 hereof. The execution of the Bonds in accordance with this Bond Ordinance shall constitute conclusive evidence of approval of any and all revisions.

Section 3.19 Bond Anticipation Notes. (a) Pursuant to the BAN Act, there may be issued from time to time, at the discretion of an Authorized Officer, BANs in anticipation of the issuance of Bonds or to refund or renew BANs, as set forth in this Section 3.19. A form of the BAN is attached hereto as Exhibit D.

(b) If BANs are issued and if, upon the maturity thereof an Authorized Officer should determine that it would be in the best interest of the City to renew or refund the BANs,

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he or she is authorized to renew or refund the BANs from time to time until an Authorized Officer determines to retire the BAN from legally available funds or other borrowings, or issue the Bonds on the basis as aforesaid, and the Bonds are issued. The aggregate stated principal amount of all BANs outstanding from time to time shall not exceed $10,000,000.

(c) The BANs shall be dated and bear interest from the date of delivery thereof, payable upon the stated maturity thereof and shall mature on such dates as determined by an Authorized Officer, provided that no BAN shall mature on a date which is later than one year following the issuance thereof. Interest on the BANs shall be calculated on the basis of a 360-day year of twelve 30-day months. BANs may be issued as draw-down obligations, in which event interest shall accrue and be payable thereon based on the dates of and principal amounts advanced.

(d) The BANs shall be payable, both as to principal and interest, in legal tender upon maturity, at the principal office of the Paying Agent. The BANs may be issued in denominations of $1,000 and integral multiples thereof. The BANs shall be executed in the name and on behalf of the City by the manual or facsimile signature of the Mayor or City Manager with the seal of the City (or a facsimile thereof) impressed, imprinted or otherwise reproduced thereon and attested by the manual or facsimile signature of the Clerk. BANs bearing the manual or facsimile signature of any Person who shall have been such an Authorized Officer at the time such BANs were so executed shall bind the City notwithstanding the fact that he may have ceased to be such Authorized Officer prior to the authentication and delivery of such BANs or was not such Authorized Officer at the date of the authentication and delivery of the BANs.

(e) An Authorized Officer may appoint (1) a financial institution maintaining corporate trust offices, (2) the County Treasurer, or (3) the City to serve as Registrar and Paying Agent for the BANs.

(f) The City Council hereby authorizes an Authorized Officer to cause to be prepared and to "deem final" within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission a preliminary official statement relating to the BANs and to cause to be prepared and to approve a final official statement following the sale of the BANs. The City Council hereby authorizes the use of said preliminary official statement and final official statement and the information contained therein in connection with the public offering and sale of the BANs. If the BANs are offered and sold to a financial institution to be held for its own account, an Authorized Officer will not be required to (1) prepare a preliminary official statement or final official statement if such purchaser executes and delivers an investment letter in form and content acceptable to the City, or (2) undertake any obligation to deliver a Continuing Disclosure Undertaking.

(g) The BANs may be sold at public or private sale. Bids therefor shall be received until such time and date to be selected by an Authorized Officer. Notice of sale of the BANs shall be given in a manner determined by an Authorized Officer. Upon receipt of bids for the BANs, an Authorized Officer shall, and he or she is hereby authorized to, award the BANs to the bidder offering the lowest interest cost therefor, the method of calculation of which shall be

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set forth in the notice of sale and determined at an Authorized Officer's discretion, without further action on the part of the City Council if an Authorized Officer shall determine that it is in the interest of the City to make such award.

(h) The BANs shall be issued in such form and with such terms and conditions, not inconsistent with this Bond Ordinance, as shall be determined by an Authorized Officer. No BAN shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless there shall be endorsed on such BAN a certificate of authentication duly executed by the manual signature of the Registrar and such certificate of authentication upon any BAN executed on behalf of the City shall be conclusive evidence that the BAN so authenticated has been duly issued hereunder and that the registered owner thereof is entitled to the benefit of the terms and provisions of this Bond Ordinance.

(i) In the event any BAN is mutilated, lost, stolen or destroyed, the City may execute a new BAN of like date and denomination as that mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated BAN, such mutilated BAN shall first be surrendered to the City or to its designated agent, and in the case of any lost, stolen or destroyed BAN, there shall be first furnished to the City or its agent evidence of such loss, theft or destruction satisfactory to the City or its agent, together with indemnity satisfactory to it; provided that, in the case of a registered owner which is a bank or insurance company, the agreement of such bank or insurance company to indemnify shall be sufficient. In the event any such BAN shall have matured, instead of issuing a duplicate BAN, the City may pay the same without surrender thereof. The City or its agent may charge the registered owner of such BAN with its reasonable fees and expenses in this connection.

(j) The BANs shall be issued in fully registered form either (1) under a book-entry only system, registered in the name of Cede & Co. as the registered owner and securities depository nominee of DTC, or (2) in physical form registered in the name of the registered owner, as specified by an Authorized Officer. Conditions as to ownership, exchange, transfer, replacement, and payment of BANs shall be as provided for Bonds herein, except as expressly provided in this Bond Ordinance to the contrary. The BANs may, at the discretion of an Authorized Officer, be subject to redemption prior to their stated maturity, on such terms and conditions as an Authorized Officer may prescribe, except that the maximum premium to be paid for prior redemption shall not exceed one half of one per centum (1/2%).

(k) For the payment of the principal of and interest on the BANs as the same shall fall due, the full faith, credit, and taxing power of the City shall be pledged. In addition thereto, so much of the principal proceeds of the Bonds when issued shall and is hereby directed to be applied, to the extent necessary, to the payment of the BANs; and, further, the City covenants and irrevocably pledges to effect the issuance of the Bonds or, in the alternative, to refund or renew outstanding BANs in order that the proceeds thereof will be sufficient to provide for the retirement of any BANs issued pursuant hereto.

(l) Proceeds from the sale of the BANs shall be applied in the manner as provided by Section 6.01 herein for Bonds.

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(m) Both the principal of and interest on the BANs shall be exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except estate or other transfer taxes, and certain fees or franchise taxes.

(n) The form of the BAN shall be approved by an Authorized Officer. The execution of the BAN in accordance with this Bond Ordinance shall constitute conclusive evidence of approval of the form thereof.

(o) Without limiting the generality or specifics of any other provision in this Bond Ordinance, the term "Bonds" as used in Articles VII, VIII, IX, and X, and shall include BANs.

Section 3.20 Book-Entry Only System. Any Series of Bonds may be held under a book-entry system. In the event of such election by the City, notwithstanding any provision of this Bond Ordinance to the contrary, the provisions of this Section 3.20 shall apply.

(a) The Bonds may be issued initially under a book-entry only system in fully registered form, registered in the name of Cede & Co. as the Registered Owner and Securities Depository Nominee of DTC, which will act as initial Securities Depository for the Bonds. So long as the Bonds are being held under a book-entry system of a Securities Depository, transfers of beneficial ownership of the Bonds will be effected pursuant to rules and procedures established by such Securities Depository.

(b) As long as a book-entry system is in effect for the Bonds, the Securities Depository Nominee will be recognized as the Registered Owner of the Bonds for the purposes of: (1) paying the Principal Installments of, interest on, and Redemption Price, if any, of such Bonds, (2) selecting the portions of such Bonds to be redeemed, if Bonds are to be redeemed in part, (3) giving any notice permitted or required to be given to Registered Owners under this Bond Ordinance, (4) registering the transfer of Bonds, and (5) requesting any consent or other action to be taken by the Registered Owners of such Bonds, and for all other purposes whatsoever, and the City shall not be affected by any notice to the contrary.

(c) The City shall not have any responsibility or obligation to any participant, any beneficial owner or any other person claiming a beneficial ownership in any Bonds which are registered to a Securities Depository Nominee under or through the Securities Depository with respect to any action taken by the Securities Depository as Registered Owner of such Bonds.

(d) The Paying Agent shall pay all Principal Installments of, interest on, and Redemption Price, if any, of Bonds issued under a book-entry system, only to the Securities Depository or the Securities Depository Nominee, as the case may be, for such Bonds, and all such payments shall be valid and effectual to fully satisfy and discharge the obligations with respect to the Principal Installments of, interest on, and Redemption Price, if any, of such Bonds.

(e) In the event that the City determines that it is in the best interest of the City to discontinue the book-entry system of transfer for the Bonds, or that the interests of the beneficial owners of the Bonds may be adversely affected if the book-entry system is continued, then the City shall notify the Securities Depository of such determination. In such event, the Registrar

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shall authenticate, register and deliver physical certificates for the Bonds in exchange for the Bonds registered in the name of the Securities Depository Nominee.

(f) In the event that the Securities Depository for the Bonds discontinues providing its services, the City shall either engage the services of another Securities Depository or arrange with a Registrar for the delivery of physical certificates in the manner described in subparagraph (e) above.

(g) In connection with any notice or other communication to be provided to the Registered Owners of Bonds by the City or by the Registrar with respect to any consent or other action to be taken by the Registered Owners of Bonds, the City or the Registrar, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository Nominee notice of such record date not less than 15 days in advance of such record date to the extent possible.

(h) At the closing of any Series of Bonds and the delivery of the same to the Purchaser thereof through the facilities of DTC, the Registrar may maintain custody of Bond certificates on behalf of DTC in accordance with DTC's "FAST" closing procedures.

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ARTICLE IV
SALE OF THE BONDS

Section 4.01 Sale and Award of Bonds. Each Series of Bonds shall be sold at a date and time certain after public notice thereof at not less than par and accrued interest to the date of delivery. Bids shall be received at such time and date as determined by an Authorized Officer. Bids may be received in electronic form only, physical form only, or in such other form or combination of forms as may be determined by an Authorized Officer and set forth in the Official Notice of Sale. The Authorized Officer may reserve the right, on behalf of the City, to waive any irregularities and to negotiate with the lowest responsive bidder. Unless all bids are rejected, the award of Bonds may be made by an Authorized Officer to the bidder offering the most advantageous terms to the City, taking into account the interest cost (calculated on a true-interest-cost basis (TIC)) to the City and any terms or conditions specific to each bid, with the basis of such award to be set forth in the official notice of sale used in connection with the sale of such Bonds (the "***Official Notice of Sale***"). If a Series of Bonds is sold pursuant to the provisions of Section 4.02(1), a form of the Official Notice of Sale may be used substantially similar to that attached hereto as Exhibit C. Should a Series of Bonds be sold pursuant to Section 4.02(2), appropriate modifications shall be made to such form to so provide, upon the advice of Bond Counsel and the Financial Advisor. In lieu of publishing the Official Notice of Sale in its entirety to notice the sale, an Authorized Officer may elect to publish an abbreviated form of such notice (the "***Summary Notice of Sale***"), the form of which is attached hereto as Exhibit B, and thereafter provide the Official Notice of Sale to those parties who request the same pursuant to the instructions provided in the Summary Notice of Sale.

With respect to any Series of Bonds, the Summary Notice of Sale or the Official Notice of Sale, as applicable, shall be published in a newspaper of general circulation in the State, and, if deemed appropriate by an Authorized Officer, in a financial publication published in the City of New York, New York, not less than seven days prior to the date set for the sale of such Bonds. The forms of the Summary Notice of Sale and the Official Notice of Sale may be adjusted or amended by an Authorized Officer upon advice of Bond Counsel or the Financial Advisor prior to the sale of the Bonds, consistent with the terms of this Bond Ordinance.

Section 4.02 Manner of Public Sale. Not less than seven days following the publication of either the Official Notice of Sale or Summary Notice of Sale as set forth herein, any Series of the Bonds may be sold pursuant to either of the following methods:

(1) *Competitive Direct Placement.* Any Series of Bonds may be sold to an institution as a single instrument as a means of making a commercial loan (a "***Direct Placement Purchaser***"). In such case, the City Council authorizes the Authorized Officer to distribute the Official Notice of Sale to prospective purchasers of the Bonds and award the Bonds to the Direct Placement Purchaser on the basis of the terms and conditions contained therein. Such Bonds may be issued as a single Bond or multiple Bonds, without CUSIP identification (unless otherwise agreed by the Direct Placement Purchaser and an Authorized Officer on behalf of the City), shall not be issued in book-entry-only form, and no official statement shall be prepared in connection with the sale of such Bond. The Direct Placement Purchaser of any

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such Series of Bonds shall execute an investor letter to the City acknowledging its purchase of such Bond or Bonds as a means of making a commercial loan.

(2) *Competitive Public Offering*. Any Series of Bonds may be sold in the public capital markets to an underwriter for the purpose of reselling such Bonds. In such case, the City Council hereby authorizes an Authorized Officer to prepare, or cause to be prepared, a preliminary official statement and distribute the preliminary official statement and the Official Notice of Sale to prospective purchasers of the Bonds. The City Council authorizes an Authorized Officer to designate the preliminary official statement as "final" for purposes of Rule 15c2-12. The Authorized Officer 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.

Section 4.03 Authorization to Negotiate Sale in Certain Circumstances. (a) An Authorized Officer may negotiate the sale of the Bonds directly with a purchaser in either of the following circumstances:

(1) In the event no bids are received or in the event all bids are rejected in accordance with Section 11-27-40(9)(c) of the South Carolina Code; or

(2) Should Bonds be sold as a Series in an amount not exceeding $1,500,000 and mature not later than ten years from its Date of Issue, the sale of such Series of Bonds may be negotiated at private sale at an interest rate to be agreed to by an Authorized Officer and the purchaser of the Bonds. In negotiating the sale of such Bonds, an Authorized Officer is authorized to solicit bids from qualified lenders for the purchase of the Bonds and the award of any such solicitation shall be made under the same standards as provided in Section 4.01 above.

(b) If the Bonds are sold under the provisions of this section, notice of the sale of the Bonds (meeting the requirements of 11-27-40(4) of the South Carolina Code) shall be given not less than seven days prior to delivery of such Bonds.

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ARTICLE V

CERTAIN DELEGATIONS AND AUTHORIZATIONS

Section 5.01 Certain Delegations. The City Council hereby expressly delegates to an Authorized Officer the authority to determine whether to issue the Bonds as a single Series or from time to time in several Series, and with respect to any Series of Bonds, to determine:

(1) the conduct of the sale and award of such Bonds in accordance with Article IV hereof;

(2) the final form, Series designation, and the exact principal amount of such Bonds;

(3) the Date of Issue, Bond Payment Dates, rate or rates of interest obtained using the sale procedures of Article IV hereof, maturity amounts and schedule, and the final maturity of such Bonds;

(4) whether such Bonds shall be subject to optional or mandatory redemption prior to maturity, and if so, the Redemption Prices applicable thereto;

(5) the Registrar and Paying Agent for such Bonds;

(6) whether such Bonds shall be issued in book-entry form as permitted by Section 3.20 hereof;

(7) whether such Bonds will be designated as "qualified tax-exempt obligations" pursuant to the Code;

(8) whether such Bonds shall be issued as Taxable Bonds;

(9) whether to utilize the provisions of Section 11-27-40(8) of the Enabling Act to issue the contemplated notice and allow the City to proceed more expeditiously to issue the Bonds;

(10) whether to enter into a grant agreement with the Aiken Municipal Development Commission or other nonprofit corporation to accomplish the purposes of the Project on behalf of the City;

(11) whether to enter into any continuing disclosure agreement or covenant; and

(12) such other matters regarding the Bonds as are necessary or appropriate.

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City of Aiken Government

ARTICLE VI

APPLICATION OF PROCEEDS

Section 6.01 Deposit and Use of Proceeds. The proceeds derived from the sale of each Series of Bonds issued pursuant to this Bond Ordinance shall be paid to City, and such funds shall be applied, as applicable, as follows:

(1) any accrued interest shall be applied to the payment of the first installment of interest to become due on such Bonds;

(2) any premium shall be deposited to the sinking fund for such Bonds; and

(3) the remaining proceeds shall be disbursed (i) to the Bond Account Fund to defray or reimburse the costs of the Project, (ii) to refund, renew, or repay any BANs, and (iii) to defray or reimburse the cost of issuing the Bonds or BANs.

Proceeds designated for payment of costs of issuance not paid at the closing of a Series of Bonds shall be deposited to the Bond Account Fund. Moneys in the Bond Account Fund, to the extent not applied to defray costs of the Project, shall be deposited to the sinking fund for the Bonds following the completion of the Project. Pending the use of the proceeds of the Bonds or BANs, the same shall be invested and reinvested in Authorized Investments, as appropriate; provided, that neither the Purchaser nor any Registered Owner of the Bonds shall be liable for the proper application of the proceeds thereof.

Section 6.02 Budget Amendment. The Budget of the City for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022, as enacted by Ordinance No. 06142021A, is hereby amended to increase revenues and expenditures by $10,000,000 and appropriate the same from the Bond Account Fund to the Economic Re-Investment Account to accomplish the purposes of this Bond Ordinance. The impact of such amendment is as follows:

Operating Budget	FY 2021-2022 Current	FY 2021-2022 Proposed Amended	Percentage Change
Revenues	$64,836,650	$74,836,650	15.42%
Expenditures	$64,836,650	$74,836,650	15.42%
Tax Levy (Mills)	62.0	62.0	0.00%
Tax Levy ($)	$11,679,000	$11,679,000	0.00%

The form of the notice of public hearing published in connection with this Bond Ordinance is attached as Exhibit E hereto and was published not less than 15 days prior to the date of the hearing and such public hearing was held prior to the enactment hereof.

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City of Aiken Government

ARTICLE VII

REDEMPTION OR PURCHASE OF BONDS

Section 7.01 Authorization of Redemption. Bonds may be subject to redemption, in whole or in part, at any time in any order of maturity to be determined by an Authorized Officer pursuant to Article V hereof, upon such dates and at such Redemption Prices as he or she shall have determined.

Section 7.02 Election to Redeem. In the event that the City shall elect to redeem Bonds, it shall give notice to the Registrar and Paying Agent of each optional redemption, which notice may be conditional in the discretion of an Authorized Officer. Each notice of redemption shall specify the date fixed for redemption and the Bonds which are to be redeemed. Such notice shall be given at least 30 days prior to the date fixed for redemption or such lesser number of days as shall be acceptable to the Registrar.

Section 7.03 Notice of Redemption. (a) When any Bonds are to be redeemed, the Registrar shall give notice of the redemption of the Bonds in the name of the City specifying: (1) the Bonds, the particular Series thereof, and maturities to be redeemed; (2) the redemption date; (3) the Redemption Price (or calculation thereof); (4) the numbers and other distinguishing marks of the Bonds to be redeemed unless all of the Bonds Outstanding are to be redeemed; (5) the place or places where amounts due upon such redemption will be payable; (6) whether the redemption of the Bonds is conditioned upon any event; and (7) in the case of Bonds to be redeemed in part only, the respective portions of the principal thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, and that, from and after such date, interest thereon shall cease to accrue; provided, however, that in the event of any conditional provision in the notice, the Bonds will not become due and payable as provided in this section unless such condition has been satisfied as of the redemption date. The Registrar shall mail by registered mail a copy of such notice, postage prepaid, not less than 30 days before the redemption date to the Registered Owners of all the Bonds or portions of the Bonds which are to be redeemed at their addresses which appear upon the Registry Books, but failure to so mail any such notice to any of such Registered Owners shall not affect the validity of the proceedings for the redemption of the Bonds held by Registered Owners to whom written notice has been mailed. The obligation of the Registrar to give the notice required by this Section shall not be conditioned upon the prior payment to the Paying Agent of money or the delivery to the Paying Agent of Authorized Investments sufficient to pay the Redemption Price of the Bonds to which such notice relates or the interest thereon to the redemption date.

(b) Notice of redemption having been given as provided in subsection (a) hereof, the Bonds or portions thereof so to be redeemed shall, on the date fixed for redemption, become due and payable at the Redemption Price specified therein, and upon presentation and surrender thereof at the place specified in such notice, such Bonds or portions thereof shall be paid at the Redemption Price on the redemption date; provided, however, that in the event of any conditional provision in the notice, the Bonds will not become due and payable as provided in this section until such condition has been satisfied as of the redemption date. On and after the redemption date (unless the City shall default in the payment of the Redemption Price, or any

City of Aiken Government

conditional provision in the notice shall not have been satisfied as of the redemption date), such Bonds shall cease to bear interest, and such Bonds shall no longer be considered as Outstanding hereunder. If money sufficient to pay the Redemption Price has not been made available by the City to the Paying Agent on the redemption date, such Bonds shall continue to bear interest until paid at the same rate as they would have borne, had they not been called for redemption, until the same shall have been paid.

Section 7.04 Selection by Registrar of Bonds to be Redeemed. (a) If less than all of the Bonds of like Series and maturity are to be redeemed, the particular Bonds or portions of the Bonds to be redeemed shall be selected, not less than 35 days prior to the date fixed for redemption, or such lesser number of days as shall be acceptable to the Registrar, by the Registrar by lot or in such other manner as the Registrar may deem to be appropriate, provided, however, that for so long as the Bonds are held in book-entry only form, the selection of Bonds to be redeemed hereunder shall be in accordance with the rules of the Securities Depository.

(b) In making such selection, the Registrar shall treat each Bond to be redeemed as representing that number of Bonds of the lowest authorized denomination as is obtained by dividing the principal amount of such Bond by such denomination. If any Bond is to be redeemed in part, the portion to be so redeemed shall be in a principal amount of an authorized denomination.

(c) The Registrar shall promptly notify the City in writing of the Bonds so selected for redemption.

Section 7.05 Deposit of Redemption Price. On or before any date fixed for redemption of any Bonds, cash and/or a principal amount of non-callable Government Obligations maturing or redeemable at the option of the Registered Owner thereof not later than the date fixed for redemption which, together with income to be earned on such Government Obligations prior to such date fixed for redemption, will be sufficient to provide cash to pay the Redemption Price of all Bonds or portions thereof which are to be redeemed on such date, shall be deposited with the Paying Agent unless such amount shall have been previously deposited with the Paying Agent. Provided, however, that in the event of a conditional redemption such condition is not met, this Section 7.05 is inapplicable.

Section 7.06 Partial Redemption of Bonds. In the event part but not all of Bonds Outstanding shall be selected for redemption, upon presentation and surrender of such Bond by the Registered Owner thereof or his attorney duly authorized in writing (with, if the City or the Registrar so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the City and the Registrar duly executed by, the Registered Owner thereof or his attorney duly authorized in writing) to the Registrar, the City shall execute and the Registrar shall authenticate and deliver to or upon the order of such Registered Owner, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of any authorized denomination of like tenor. The Bonds, if so presented and surrendered, shall be cancelled in accordance with Section 3.13 hereof.

City of Aiken Government

Section 7.07 Purchases of Bonds Outstanding. Purchases of Bonds Outstanding may also be made by the City at any time with money available to it from any source. Upon any such purchase the City shall deliver such Bonds to the Registrar for cancellation.

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City of Aiken Government

ARTICLE VIII
DEFEASANCE OF BONDS

Section 8.01 Defeasance. (a) If all of the Bonds issued pursuant to this Bond Ordinance shall have been paid and discharged, then the obligations of this Bond Ordinance hereunder, and all other rights granted thereby shall cease and determine. Any Bonds shall be deemed to have been paid and discharged within the meaning of this section under any of the following circumstances:

(1) The Paying Agent or Escrow Agent shall hold at the stated maturities of such Bonds, in trust and irrevocably appropriated thereto, sufficient moneys for the payment of the Principal Installment and interest, or Redemption Price, thereof; or

(2) If default in the payment of the principal of such Bonds or the interest thereon shall have occurred on any Bond Payment Date, and thereafter tender of such payment shall have been made, and at such time as the Paying Agent or Escrow Agent shall hold, in trust and irrevocably appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of such payment; or

(3) If the City shall elect to provide for the payment of such Bonds prior to their stated maturities and shall have deposited with the Paying Agent or Escrow Agent, in an irrevocable trust moneys which shall be sufficient, or Government Obligations, the principal of and interest on which when due will provide moneys, which together with moneys, if any, deposited with the Paying Agent or Escrow Agent at the same time, shall be sufficient to pay when due the Principal Installments, Redemption Price, and interest due and to become due on such Bonds on and prior to their maturity dates or redemption dates, as the case may be. In the event that the City shall elect to redeem such Bonds prior to their stated maturities, the City shall proceed in the manner prescribed by Article VII hereof and provide irrevocable direction to redeem such Bonds.

Neither the Government Obligations nor moneys deposited with the Paying Agent or Escrow Agent pursuant to this Section nor the principal or interest payments thereon shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Principal Installment and interest, or Redemption Price, of said Bonds; provided that any cash received from such principal or interest payments on Government Obligations deposited with the Paying Agent or Escrow Agent, if not then needed for such purpose, shall, to the extent practicable, be invested and reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the Principal Installment, interest, or Redemption Price, to become due on said Bonds on and prior to the maturity date or redemption date thereof, as the case may be, and interest earned from such reinvestments not required for the payment of the Principal Installment and interest, or Redemption Price, may be paid over to the City, as received by the Paying Agent or Escrow Agent, free and clear of any trust, lien or pledge. Paragraphs (1), (2), and (3) above shall be inapplicable to the Paying Agent when the City serves as Paying Agent.

City of Aiken Government

(b) In addition to the above requirements of paragraphs (a)(1), (2), and (3), in order for this Bond Ordinance to be discharged, all other fees, expenses and charges of the Paying Agent or Escrow Agent shall have been paid in full at that time.

(c) Notwithstanding the satisfaction and discharge of this Bond Ordinance, the Paying Agent or Escrow Agent, as applicable, shall continue to be obligated to hold in trust any moneys or investments then held by the Paying Agent or Escrow Agent for the payment of the Principal Installments and interest, or Redemption Price, of the Bonds, to pay to the owners of Bonds the funds so held by the Paying Agent or Escrow Agent as and when payment becomes due.

(d) Any release under this Section shall be without prejudice to the rights of the Paying Agent or Escrow Agent to be paid reasonable compensation for all services rendered under this Bond Ordinance and all reasonable expenses, charges, and other disbursements and those of their respective attorneys, agents, and employees, incurred on and about the performance of the powers and duties under this Bond Ordinance.

(e) Any moneys which at any time shall be deposited with the Paying Agent or Escrow Agent by or on behalf of the City for the purpose of paying and discharging any Bonds shall be and are hereby assigned, transferred, and set over to the Paying Agent or Escrow Agent, as applicable, in trust for the respective Registered Owners of the Bonds, and the moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. If, through lapse of time or otherwise, the holders of such Bonds shall no longer be entitled to enforce payment of their obligations, then, in that event, it shall be the duty of the Paying Agent or Escrow Agent to transfer the funds to the City.

(f) Any Escrow Agent shall be appointed by an Authorized Officer and shall accept in writing its acceptance to its obligations under this Bond Ordinance.

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City of Aiken Government

ARTICLE IX

CONCERNING THE FIDUCIARIES

Section 9.01 Fiduciary; Appointment and Acceptance of Duties. Any financial institution chosen pursuant to Section 3.05 hereof to act as Paying Agent or Registrar hereunder shall accept the duties and trusts imposed upon it by this Bond Ordinance and shall agree in writing to perform such trusts but only upon the terms and conditions set forth in this Article IX. Similarly, each financial institution appointed as a successor Registrar or as a successor Paying Agent shall signify its acceptance of the duties and trusts imposed by this Bond Ordinance by a written acceptance.

Section 9.02 Responsibilities of Fiduciaries. The recitals of fact herein and in the Bonds contained shall be taken as the statements of the City and no Fiduciary assumes any responsibility for the correctness of the same except in respect of the authentication certificate of the Registrar endorsed on the Bonds. No Fiduciary makes any representations as to the validity or sufficiency of this Bond Ordinance or of any Bonds or as to the security afforded by this Bond Ordinance, and no Fiduciary shall incur any liability in respect thereof. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof or to advance any of its own moneys, unless indemnified to its reasonable satisfaction. No Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

Section 9.03 Evidence on Which Fiduciaries May Act. (a) Each Fiduciary, upon receipt of any notice, resolution, request, consent order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Bond Ordinance, shall examine such instrument to determine whether it conforms to the requirements of this Bond Ordinance and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be of counsel to the City, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Bond Ordinance in good faith and in accordance therewith.

(b) Whenever any Fiduciary shall deem it necessary or desirable that a matter to be proved or established prior to taking or suffering any action under this Bond Ordinance, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Bond Ordinance upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may deem reasonable.

(c) Except as otherwise expressly provided in this Bond Ordinance any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by

City of Aiken Government

the City to any Fiduciary shall be sufficiently executed if executed in the name of the City by an Authorized Officer.

Section 9.04 Compensation. The City shall pay to each financial institution Fiduciary, from time to time reasonable compensation based on the then standard fee schedule of the Fiduciary for all services rendered under this Bond Ordinance, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Bond Ordinance subject to the appropriation of funds therefor in each applicable fiscal period; provided, however, that any specific agreement between the Bond Ordinance and a Fiduciary with respect to the compensation of such Fiduciary shall control the compensation to be paid to such Fiduciary. To the extent not paid from proceeds of a Series of Bonds, all compensation shall be subject to the appropriation and availability of such funds in subsequent fiscal periods.

Section 9.05 Certain Permitted Acts. Any financial institution serving as a Fiduciary may become the owner or underwriter of any Bonds, notes or other obligations of the City or conduct any banking activities with respect to the City, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depositary for, and permit any of its officers or directors to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Bond Ordinance.

Section 9.06 Resignation of Any Fiduciary. Any Fiduciary may at any time resign and be discharged of the duties and obligations created by this Bond Ordinance by giving not less than 60 days written notice to the City and not less than 30 days written notice to the Registered Owners of the Bonds as established by the Registry Books prior to the next succeeding Bond Payment Date and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the City pursuant to Section 9.08 hereof in which event such resignation shall take effect immediately on the appointment of such successor. In no event, however, shall such a resignation take effect until a successor has been appointed.

Section 9.07 Removal of Fiduciary. Any Fiduciary may be removed at any time by an instrument or concurrent instruments in writing, filed with the City and such Fiduciary, and signed by the Registered Owners representing a majority in principal amount of the Bonds then Outstanding or their attorneys in fact duly authorized, excluding any Bonds held by or for the account of the City.

Section 9.08 Appointment of Successor Fiduciaries. In case any Fiduciary hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable or acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the City. Any financial institution appointed as a successor Fiduciary pursuant to the provisions of this Section, shall be a trust company or bank organized under the laws of the United States of America or any State thereof and which is in good standing, within or outside the State, having a stockholders' equity of not less than $50,000,000 if there be such an institution willing, qualified and able to accept the trusts upon reasonable and customary terms.

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If in a proper case no appointment of a successor Fiduciary shall be made by the City pursuant to the foregoing provisions of this Section within 45 days after any Fiduciary shall have given to the City written notice as provided in Section 9.06 hereof or after a vacancy in the office of such Fiduciary shall have occurred by reason of its removal or inability to act, the former Fiduciary or any Registered Owner may apply to any court of competent jurisdiction to appoint a successor. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor.

Section 9.09 Transfer of Rights and Property to Successor. Any successor Fiduciary appointed under this Bond Ordinance shall execute, acknowledge and deliver to its predecessor, and also to the City, an instrument accepting such appointment, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Fiduciary, with like effect as if originally named in such capacity; but the Fiduciary ceasing to act shall nevertheless, on the written request of the City, or of the successor, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the right, title and interest of the predecessor Fiduciary in and to any property held by it under this Bond Ordinance, and shall pay over, assign and deliver to the successor Fiduciary any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the City be required by such successor Fiduciary for more fully and certainly vesting in and confirming to such successor any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the City. Any such successor Fiduciary shall promptly notify the Paying Agent and depositaries, if any, of its appointment as Fiduciary.

Section 9.10 Merger or Consolidation. Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it may be a party or any company to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of any State of the United States or a national banking association, and shall be authorized by law to perform all the duties imposed upon it by this Bond Ordinance, shall be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

Section 9.11 Adoption of Authentication. In case any of the Bonds contemplated to be issued under this Bond Ordinance shall have been authenticated but not delivered, any successor Registrar may adopt the certificate of authentication of any predecessor Registrar so authenticating such Bonds and deliver such Bonds so authenticated. In case any such Bonds shall not have been authenticated, any successor Registrar may authenticate such Bonds in the name of the predecessor Registrar or in the name of the successor Registrar, and in all such cases such certificate shall be of full force and effect.

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City of Aiken Government

ARTICLE X

TAX AND DISCLOSURE COVENANTS

Section 10.01 Tax Covenants.

(a) *General Tax Covenant.* The City will comply with all requirements of the Code in order to preserve the tax-exempt status of the Bonds, including without limitation, (1) the requirement to file Form 8038-G, *Information Return for Tax-Exempt Government Obligations*, with the Internal Revenue Service, and (2) the requirement to rebate certain arbitrage earnings to the United States Government pursuant to Section 148(f) of the Code. In this connection, the City covenants to execute any and all agreements or other documentation as it may be advised by Bond Counsel will enable it to comply with this Section 10.01, including its certification on reasonable grounds that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code.

(b) *Tax Representations.* The City hereby represents and covenants that it will not take any action which will, or fail to take any action which failure will, cause interest on the Bonds to become includable in the gross income of the Registered Owners thereof for federal income tax purposes pursuant to the provisions of the Code. Without limiting the generality of the foregoing, the City represents and covenants that:

(1) All property financed or refinanced with the proceeds of the Bonds will be owned by the City or another political subdivision of the State so long as the Bonds are Outstanding in accordance with the rules governing the ownership of property for federal income tax purposes.

(2) The City shall not use, and will not permit any party to use, the proceeds of the Bonds, or any bonds refunded thereby, in any manner that would result in (i) 10% or more of such proceeds being considered as having been used directly or indirectly in any trade or business carried on by any Nongovernmental Person, (ii) 5% or more of such proceeds being considered as having been used directly or indirectly in any trade or business of any Nongovernmental Person that is either "unrelated" or "disproportionate" to the governmental use of the financed facility by the City or by any other Governmental Unit (as the terms "unrelated" and "disproportionate" are defined for purposes of Section 141(b)(3) of the Code) or (iii) more than 5% of such proceeds, but in no event more than $5,000,000, being considered as having been used directly or indirectly to make or finance loans to any Nongovernmental Person.

(3) The City is not a party to, and will not enter into or permit any other party to enter into, any contract with any person involving the management of any facility financed or refinanced with the proceeds of the Bonds or by notes paid by the Bonds that does not conform to the guidelines set forth in Revenue Procedure 2017-13, or a successor revenue procedure, or Code provision.

City of Aiken Government

(4) The City will not sell, or permit any other party to sell, any property financed or refinanced with the Bonds to any person unless it obtains an opinion of Bond Counsel that such sale will not affect the tax-exempt status of the Bonds.

(5) The Bonds will not be "federally guaranteed" within the meaning of Section 149(b) of the Code. The City shall not enter into, or permit any other party to enter into, any leases or sales or service contract with any federal government agency with respect to any facility financed or refinanced with the proceeds of the Bonds and will not enter into any such leases or contracts unless it obtains the opinion of Bond Counsel that such action will not affect the tax-exempt status of the Bonds.

(c) *Arbitrage Bonds, Rebate.* The City covenants that no use of the proceeds of the sale of the Bonds shall be made which, if such use had been reasonably expected on the date of issue of such Bonds, would have caused the Bonds to be "arbitrage bonds" as defined in the Code, and to that end the City shall:

(1) comply with the applicable regulations of the Treasury Department previously promulgated under Section 103 of the Internal Revenue Code of 1954, as amended, and any regulations promulgated under the Code, so long as the Bonds are Outstanding;

(2) 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 rebate of certain amounts to the United States Government;

(3) make such reports of such information at the time and places required by the Code; and

(4) take such other action as may be required to assure that the tax-exempt status of the Bonds will not be impaired.

(d) *Bank Qualified.* In the discretion of an Authorized Officer, upon the advice of Bond Counsel, any Series of Bonds may be designated pursuant to Article V hereof as "qualified tax-exempt obligations" in accordance with Section 265(b)(3)(B) of the Code.

(e) *Tax Certificate.* An Authorized Officer is hereby authorized and directed to execute, at or prior to delivery of any Series of Bonds, a certificate or certificates specifying actions taken or to be taken by the City, and the reasonable expectations of such officials, with respect to such Series of Bonds, the proceeds thereof, or the City. The City agrees to comply with its undertakings on its part set forth in any such certificate delivered with respect to Bonds.

(f) *Reimbursement Declaration.* The City hereby declares its intention to reimburse itself for a portion of the costs of the Project with the proceeds of the Bonds. To that end, the City Council determines and declares as follows:

City of Aiken Government

(1) No funds from any sources other than the Bonds are or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside by the City pursuant to the budget or financial policies of the City for the financing of the portion of the costs of acquisition, construction, and equipping of the Project to be funded with the Bonds;

(2) The City reasonably expects that all or a portion of the expenditures incurred for the Project and the issuance of the Bonds will be paid prior to the issuance of the Bonds;

(3) The City intends and reasonably expects to reimburse itself for all such expenditures paid by it with respect to the Project prior to the issuance of the Bonds from the proceeds of the Bonds, and such intention is consistent with the budgetary and financial circumstances of the City;

(4) All of the costs to be paid or reimbursed from the proceeds of the Bonds will be for costs incurred in connection with the issuance of the Bonds, or will, at the time of payment thereof, be properly chargeable to the capital account of the Project (or would be so chargeable with a proper election) under general federal income tax principles; and

(5) this Bond Ordinance shall constitute a declaration of official intent under United States Department of the Treasury Regulation Section 1.150-2.

(g) *Taxable Bonds*. Prior to or upon the issuance of a Series of Bonds, an Authorized Officer may, in consultation with Bond Counsel, designate a Series of Bonds as Taxable Bonds pursuant to the delegation authorization in Article V hereof. The election to issue a Series of Taxable Bonds shall be clearly indicated by including the phrase "Taxable Series," or words to that effect, in the series designation of such Taxable Bonds. The above provisions of this Section 10.01 shall not be applicable to any Series of Taxable Bonds.

Section 10.02 Continuing Disclosure. (a) The City hereby covenants and agrees that it will comply with and carry out all of the provisions of any continuing disclosure certificate or agreement, executed by an Authorized Officer and dated the date of delivery of the Bonds, which will meet the requirements, as applicable, of Section 11-1-85 of the South Carolina Code, which may require, among other things, that the City file with a central repository when requested: (1) a copy of its annual independent audit within 30 days of its receipt and acceptance and (2) event-specific information, within 30 days of an event adversely affecting more than five percent of its revenues or five percent of its tax base. The only remedy for failure by the City to comply with the covenants in this Section 10.02 shall be an action for specific performance of this covenant. The City specifically reserves the right to amend this covenant to reflect any change in Section 11-1-85 of the South Carolina Code, without the consent of any Bondholder.

(b) The City hereby covenants and agrees that it will comply with and carry out all of the provisions of any Continuing Disclosure Undertaking, executed by an Authorized Officer in connection with the issuance and delivery of a Series of Bonds. Notwithstanding any other

City of Aiken Government

provision of this Bond Ordinance, failure of the City to comply with the Continuing Disclosure Undertaking shall not be considered an event of default hereunder; however, any Registered Owner may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under this Section. The execution of the Continuing Disclosure Undertaking shall constitute conclusive evidence of the approval by the person executing the same of any and all modifications and amendments thereto. Additionally, the Authorized Officer is authorized to contract with a dissemination agent for certain dissemination services associated with the execution and delivery of the Continuing Disclosure Undertaking.

(c) In the event a Series of Bonds are sold to a Direct Placement Purchaser as a commercial loan, no Continuing Disclosure Undertaking shall be required, but the City hereby covenants and agrees to provide financial information to the purchaser of such Series of Bonds as may be mutually agreed by an Authorized Officer and the Direct Placement Purchaser, including an agreement to provide audited financial statements within a fixed period or by a set date. Any failure by the City to comply with this paragraph, or an agreement or covenant authorized hereby, shall be enforceable solely by an action for specific performance to provide the appropriate documents or information, and shall not be a default under this Bond Ordinance or the Bonds.

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City of Aiken Government

ARTICLE XI

MISCELLANEOUS

Section 11.01 Failure to Present Bonds. Anything in this Bond Ordinance to the contrary notwithstanding, any money held by the Paying Agent in trust for the payment and discharge of any of the Bonds, or the interest thereon, which remains unclaimed for such period of time, after the date when such Bonds have become due and payable, that the Registered Owner thereof shall no longer be able to enforce the payment thereof, the Paying Agent shall at the written request of the City pay such money to the City as its absolute property and free from trust, and the Paying Agent shall thereupon be released and discharged with respect thereto and the Registered Owners shall look only to the City for the payment of such Bonds; provided, however, the Paying Agent shall forward to the City all moneys which remain unclaimed during a period five years from a Bond Payment Date, provided, however, that before being required to make any such payment to the City, the Paying Agent, at the expense of the City, may conduct such investigations as may in the opinion of the Paying Agent be necessary to locate the Registered Owners of those who would take if the Registered Owner shall have died.

Section 11.02 Professional Services. The City Council hereby authorizes, approves or ratifies, as applicable, the engagement of First Tryon Advisors to act as financial advisor (the "***Financial Advisor***") and Pope Flynn, LLC to act as Bond Counsel and disclosure counsel (if applicable) in connection with the issuance of the Bonds and authorizes (or ratifies, as applicable) an Authorized Officer to engage the services of such other professionals and institutions of a type and in a manner customary in connection with the issuance of municipal bonds, including, but not limited to, contractual arrangements with other professionals, rating agencies, verification agents, financial and trust institutions, printers and the suppliers of other goods and services in connection with the sale, execution and delivery of the Bonds, as is necessary and desirable.

Section 11.03 Filing of Copies of Bond Ordinance. Copies of this Bond Ordinance shall be filed in the office of the Clerk and in the office of the Clerk of Court for the County (as a part of the Record of Proceedings).

Section 11.04 Further Action by Officers of the City. The City Council hereby authorizes any Authorized Officer, and all other appropriate officials of the City, to execute all such agreements, documents and instruments as may be necessary, required or appropriate to effect the issuance of the Bonds. The Clerk is authorized and directed to attest and otherwise certify all appropriate agreements, documents and instruments in connection with the issuance of the Bonds.

Section 11.05 Bond Ordinance to Constitute Contract. In consideration of the purchase and acceptance of Bonds, the provisions of this Bond Ordinance shall constitute a contract between the City and such Registered Owners from time to time of the Bonds.

Section 11.06 Savings Clause. If any one or more of the covenants or agreements provided in this Bond Ordinance should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and

City of Aiken Government

agreements, and shall in no way affect the validity of the other provisions of this Bond Ordinance.

Section 11.07 Successors. Whenever in this Bond Ordinance the City is named or referred to, it shall be deemed to include any entity, which may succeed to the principal functions and powers of the City, and all the covenants and agreements contained in this Bond Ordinance or by or on behalf of the City shall bind and inure to the benefit of said successor whether so expressed or not.

Section 11.08 General Repealer; Effective Date. All rules, regulations, ordinances, and 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 superceded solely and to the extent they pertain to this Bond Ordinance and this Bond Ordinance shall take effect and be in full force upon enactment at second reading hereof.

* * *

City of Aiken Government

ENACTED by the City Council of the City of Aiken at regular meeting held this 23rd day of AUGUST 2021, at which a quorum was present and voting.

INTRODUCTION AND FIRST READING: AUGUST 9, 2021

SECOND READING AND ENACTMENT: AUGUST 23, 2021

MAYOR

APPROVED:

CITY ATTORNEY

ATTEST:

CITY CLERK

(*Signature Page to Bond Ordinance*)

City of Aiken Government

EXHIBIT A
FORMS OF BONDS

[FORM OF BOND FOR COMPETITIVE DIRECT PLACEMENT]

WITH THE CONSENT OF THE PURCHASER, AND NOTWITHSTANDING ANY CONTRARY PROVISION CONTAINED IN THE BOND ORDINANCE, THE BOND MAY BE SOLD OR TRANSFERRED ONLY TO SUBSEQUENT PURCHASERS WHO EXECUTE AN INVESTMENT LETTER DELIVERED TO THE CITY, IN FORM SATISFACTORY TO THE CITY, CONTAINING CERTAIN REPRESENTATIONS, WARRANTIES AND COVENANTS AS TO THE SUITABILITY OF SUCH PURCHASERS TO PURCHASE AND HOLD THE BOND. SUCH RESTRICTION SHALL BE SET FORTH ON THE FACE OF THE BOND AND SHALL BE COMPLIED WITH BY EACH TRANSFEREE OF THE BOND.

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
CITY OF AIKEN
GENERAL OBLIGATION BOND
SERIES 2021

No. R-1

REGISTERED OWNER:

PRINCIPAL AMOUNT: $_____

ORIGINAL ISSUE DATE:

CITY OF AIKEN, SOUTH CAROLINA (the "***City***"), a public body corporate and politic and a political subdivision of the State of South Carolina (the "***State***"), acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, or registered assigns, solely as hereinafter provided. This bond (this "***Bond***") is being issued in the principal amount of $[_____], pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended; Title 5, Chapter 21 of the Code of Laws of South Carolina 1976, as amended; and Title 11, Chapter 27 of the Code of Laws of South Carolina 1976, as amended; and a bond ordinance enacted by City Council of the City of Aiken, the governing body thereof, on [August 23], 2021 (the "***Bond Ordinance***"). Capitalized terms used but not defined herein shall have the meanings given such terms in the Bond Ordinance.

This Bond shall be payable with respect to principal on _____ 1 of the years 20__ through 20__, inclusive, and shall be payable with respect to interest each _____1 and _____1 (the "***Bond Payment Dates***"), beginning _____ 1, 20__, through and including _____1, 20__. The payments due on the Bond Payment Dates (the "***Bond Payments***") are set forth at Exhibit A hereto. This Bond shall bear interest at the rate of ___% per annum, calculated on the basis of a 360-day year consisting of twelve 30-day months, from the original issue date of this Bond and shall be paid by way of the Bond Payments to the person in whose name this Bond is registered at the close of business on the fifteenth day of the month next preceding each Bond Payment date. The Bond

City of Aiken Government

Payments shall be payable by check or draft mailed at the times provided herein from the Paying Agent to the person in whose name this Bond is registered at the address shown on the Registry Books. [Insert wire or other payment provisions, if any] The Bond Payments are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. The City and the Registered Owner have mutually agreed to waive all requirements for presentation and surrender of this Bond in connection with the payment thereof; provided, however that upon the payment of final Bond Payment, the Purchaser will either (1) present and surrender this Bond, (2) provide other Indicia of Satisfaction, or (3) [insert mutually agreed mechanism].

[This Bond is not subject to optional redemption prior to maturity.] [This Bond is subject to optional redemption at the option of the City, in whole, or in part, at any time at [___]% of the principal amount redeemed plus accrued interest to the date of redemption.] [This Bond is subject to optional redemption at the option of the City before _____, 20__, [in whole, but not in part], at any time at [___]% of then outstanding principal plus accrued interest to the date of redemption. After _____, 20__, the Bond is subject to redemption at the option of the City, in whole, but not in part, at any time at [___]% of then outstanding principal plus accrued interest to the date of redemption.]

If this Bond is called for redemption, the Registrar will give notice to the Registered Owner of this Bond in the name of the City, of the redemption of such Bonds, or portions thereof. Notice and redemption conditions shall otherwise comply with Article VII of the Bond Ordinance.

FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BOND AS IT MATURES AND FOR THE CREATION OF SUCH SINKING FUND AS MAY BE NECESSARY THEREFOR, THE FULL FAITH, CREDIT, AND TAXING POWER OF THE CITY ARE HEREBY IRREVOCABLY PLEDGED, AND THERE SHALL BE LEVIED AND COLLECTED ANNUALLY A TAX, WITHOUT LIMIT, ON ALL TAXABLE PROPERTY IN THE CITY SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BOND AS THEY BECOME DUE AND PAYABLE AND TO CREATE SUCH SINKING FUND AS MAY BE NECESSARY THEREFOR.

The Bonds shall be transferable only upon the Registry Books, which shall be kept for such purpose at the Corporate Trust Office of the Registrar and maintained for such purpose by the Registrar, upon presentation and surrender thereof by the Registered Owner of the Bond in person or by his attorney duly authorized in writing, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered Registered Owner or his duly authorized attorney. Upon surrender for transfer of Bonds, the City shall execute, authenticate and deliver, in the name of the Person who is the transferee, a new Bond of the same principal amount and maturity and rate of interest as the surrendered Bond. Such new Bond shall reflect the principal amount thereof as then yet unpaid. The City, 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.

City of Aiken Government

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

[The City shall deliver to the Registered Owner within ___ days of each fiscal year end audited financial statements of the City for such fiscal year. Any failure of the City to comply with the terms of this paragraph shall be enforceable solely through an action for specific performance to provide the appropriate documents or information.]

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, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate or transfer taxes, but the interest hereon may be included in certain franchise fees or taxes.

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 general obligation and bonded indebtedness of the City 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 City sufficient to pay the principal and interest of this Bond as they become due and payable and to create such sinking fund as may be necessary therefor.

This Bond shall not be valid or obligatory for any purpose, until the Certificate of Authentication hereon shall have been duly executed by the Registrar.

IN WITNESS WHEREOF, the City Council of the City of Aiken, South Carolina has caused this Bond to be signed by the Mayor and its corporate seal to be hereunto impressed and attested to by the manual signature of its Clerk.

CITY OF AIKEN, SOUTH CAROLINA

By: _____
Mayor

(SEAL)

Attest:

By: _____
Clerk to City Council

City of Aiken Government

CERTIFICATE OF AUTHENTICATION

This Bond has been registered in the name of [PURCHASER], on the Registry Books kept by the Clerk, as Registrar.

By: _____
Clerk to City Council

City of Aiken Government

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

TEN ENT - as tenants by the entireties

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

UNIF GIFT MIN ACT -

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

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

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

City of Aiken Government

[FORM OF BOND FOR COMPETITIVE PUBLIC OFFERING]

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
CITY OF AIKEN
GENERAL OBLIGATION BOND
SERIES 2021

No. R-___

INTEREST RATE MATURITY DATE ORIGINAL ISSUE DATE CUSIP

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: $_____

THE CITY OF AIKEN, SOUTH CAROLINA (the "***City***"), a public body corporate and politic and a political subdivision of the State of South Carolina (the "***State***"), acknowledges itself indebted and for value received hereby promises to pay, solely as hereinafter provided, to the Registered Owner named above, or registered assigns, the principal amount stated above on the Maturity Date set forth above, unless this bond (this "***Bond***") be subject to redemption and shall have been redeemed prior thereto as hereinafter provided, upon presentation and surrender of this Bond at the Corporate Trust Office of _____ (the "***Paying Agent***" or the "***Registrar***"), and to pay interest on such principal sum at the Interest Rate set forth above (calculated on the basis of a 360-day year of twelve 30-day months), until the City's obligation with respect to the payment of such principal amount shall be discharged. Interest on this Bond is payable semiannually on _____ 1 and _____1 of each year commencing _____1, 20__ (each a "***Bond Payment Date***"), until this Bond matures. This Bond shall bear interest, at the interest rate per annum set forth above (on the basis of a 360-day year of twelve 30-day months), from the Bond Payment Date to which interest has been paid next preceding the authentication date thereof, unless the authentication date is a Bond Payment Date, in which case from such authentication date, or if dated prior to the initial Bond Payment Date hereof, then from the original issue date set forth above.

Both the principal of and interest on this Bond shall be payable by check or draft mailed to the person in whose name this Bond is registered on the Registry Books (as defined in the Bond Ordinance) maintained at the Corporate Trust Office of the_____ (the "***Registrar***"), at the close of business on the 15th day of the calendar month next preceding each

City of Aiken Government

Bond Payment Date. The principal and interest on this Bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts.

This Bond is one of an issue of bonds (the "***Series 2021 Bonds***") of like date of original issue, tenor and effect, except as to number, date of maturity, denomination and rate of interest, issued in an original aggregate principal amount of $_____, issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended; Title 5, Chapter 21, and Title 11, Chapter 27 of the Code of Laws of South Carolina 1976, as amended; and an ordinance duly enacted by the City Council of the City on August ___, 2021 (the "***Bond Ordinance***"). Terms with initial capitals used herein and not otherwise defined have the meaning given such terms in the Bond Ordinance.

[The Series 2021 Bonds [maturing on or before _____1, 20__] are not subject to optional redemption prior to maturity.][The Series 2021 Bonds maturing after _____1, 20__, are subject to redemption prior to maturity, in whole or in part, at the option of the City, at any time on and after _____1, 20__, at a redemption price of par plus accrued interest to the date of redemption.]

If this Bond is called for redemption, the Registrar will give notice to the Registered Owner of this Bond in the name of the City, of the redemption of such Bond, or portions thereof. Notice and redemption conditions shall otherwise comply with Section 7.03 of the Bond Ordinance.

THE FULL FAITH, CREDIT, AND TAXING POWER OF THE CITY ARE HEREBY IRREVOCABLY PLEDGED FOR THE PAYMENT OF THIS BOND, AND THERE SHALL BE LEVIED AND COLLECTED ANNUALLY A TAX ON ALL TAXABLE PROPERTY IN THE CITY, WITHOUT LIMIT, SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THIS BOND AS THE SAME MATURES AND COMES DUE, RESPECTIVELY, AND TO CREATE SUCH SINKING FUND AS MAY BE NECESSARY THEREFOR.

The Series 2021 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 Bond Ordinance. One Series 2021 Bond certificate with respect to each date on which Series 2021 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 Series 2021 Bonds by the Securities Depository's Participants, beneficial ownership of the Series 2021 Bonds in the principal amount of $5,000 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 on the records of the Securities Depository and its Participants pursuant to rules and procedures established by the Securities Depository and its Participants. The City, 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, interest on, and Redemption Price, if any, 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

City of Aiken Government

Depository, and transfer of principal, interest, and Redemption Price, if any, 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 City 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 Registered Owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal, interest, and Redemption Price, if any, on this Bond shall be made in accordance with existing arrangements between the Paying Agent or its successors under the Bond Ordinance and the Securities Depository.

This Bond is transferable only upon the Registry Books kept for that purpose at the Corporate Trust Office of the Registrar by the Registered Owner hereof 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 owner or his duly authorized attorney. Thereupon a new fully registered Bond or Bonds of the same series, aggregate principal amount, interest rate, and maturity shall be issued to the transferee in exchange herefor as provided in the Bond Ordinance. The City, the Registrar, and 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.

For every exchange or transfer of Series 2021 Bonds, the City or Registrar, as the case may be, may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

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, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate and transfer taxes, but the interest hereon may be included for certain franchise fees or taxes.

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 general obligation and bonded indebtedness of the City, 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 City sufficient to pay the principal and interest of this Bond as they respectively become due and to create such sinking fund as may be necessary therefor.

This Bond shall not be valid or obligatory for any purpose, until the Certificate of Authentication hereon shall have been duly executed by the Registrar.

City of Aiken Government

IN WITNESS WHEREOF, the City of Aiken, South Carolina has caused this Bond to be signed by the Mayor and its corporate seal to be hereunto impressed and attested to by the manual signature of its Clerk.

CITY OF AIKEN, SOUTH CAROLINA

By: _____
Mayor

(SEAL)

Attest:

By: _____
Clerk to City Council

City of Aiken Government

CERTIFICATE OF AUTHENTICATION

This is the Bond described in the within mentioned Bond Ordinance of the City of Aiken, South Carolina dated [August 23, 2021].

[NAME OF REGISTRAR],
as Registrar

By: _____

Date of Authentication: _____

City of Aiken Government

FORM OF ASSIGNMENT

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

_____

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 (Authorized Officer)

_____

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

City of Aiken Government

EXHIBIT B
FORM OF SUMMARY NOTICE OF SALE

NOTICE OF SALE

Bids will be received by the City of Aiken, South Carolina, at __:00 a.m. (Eastern Time) on [DATE], pursuant to, and subject to the terms of, the Official Notice of Sale with respect to the sale of the $_____ General Obligation Bond[s], Series 2021 of the City of Aiken, South Carolina. The par amount of the bonds is subject to adjustment as set forth in the Official Notice of Sale. The Official Notice of Sale and other information will be available on or before [DATE] and is available from _____ (telephone: (___) ___-____; email: _____).

City of Aiken Government

EXHIBIT C
FORM OF OFFICIAL NOTICE OF SALE

OFFICIAL NOTICE OF SALE

$[_____]*
City of Aiken, South Carolina
General Obligation Bond
Series 2021

The City of Aiken, South Carolina (the "***City***"), pursuant to this Official Notice of Sale, is requesting bids from financial institutions with respect to a $[_____]* City of Aiken, South Carolina, General Obligation Bond, Series 2021 (the "***Bond***") to finance certain capital projects and pay the costs of issuance thereof, detailed below.

Your response to this Official Notice of Sale would be greatly appreciated. The following terms and key assumptions are to be utilized in preparing your bid:

Time and Place of Sale:	NOTICE IS HEREBY GIVEN that bids addressed to the City will be received by the City until __:00 a.m., Eastern Time, on _____, 202_, at which time said bids will be publicly opened for the award of the commercial loan to be evidenced by the Bond.
Issuer:	City of Aiken, South Carolina.
Project:	Land acquisition in Parkway District Aiken.
Tax Treatment:	Tax-Exempt.
Bank Qualified:	[No.]
Audit:	The City's audited financial statements and budget and financial information are available from the City's website at: [insert link]
Security:	The Bonds are general obligations of the City secured by an irrevocable pledge of the full faith, credit, and taxing power of the City. There shall be levied and collected annually in the same manner as other property taxes are levied and collected, an *ad valorem* tax, without limit as to rate or amount, on all taxable property in the City sufficient to pay the principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.
Rating:	No rating is expected to be obtained for the Bond.
Issue Size:	Not to exceed $10,000,000.
Debt Structure:	A preliminary amortization has been provided below and should be used in preparation of your bid. The City reserves the right to modify the amortization to achieve its desired debt service structure. The City will only consider a single fixed rate for the entire term of the issue.

City of Aiken Government

[Insert amortization table]

Principal Payments: Annual principal payments payable on _____ 1 of each year, commencing _____1, 20__.

Interest Payments: Semi-annual interest payments payable on _____1 and _____1 of each year, commencing _____ 1, 20__.

Optional Prepayment: The City is requesting, but not requiring, an option which allows for optional prepayment of the par amount anytime in whole or in part at 100%. More than one optional redemption feature may be proposed.

Bid Requirements: Bidders shall specify a single, fixed rate of interest for the Bond. Bidders shall specify the rate of interest per annum which the Bond is to bear, to be expressed in multiples of 1/1000 of 1%. The fixed rate must be held firm until closing. A bid for less than the entire amount of the Bond, or a bid at a price less than par, will not be considered. The interest rate bid must be held firm until at least _____, 20__.

No Increased Costs: The City may deem any bids that require contractual provisions specifying future interest rate adjustments, including those relating to (1) the successful bidder's increased costs, taxes, changes in capital adequacy, or capital requirements; or (2) events of taxability or default related to the Bond as nonresponsive to this Official Notice of Sale and may, in its discretion, disallow such bids.

Closing Costs: The costs of issuance of the Bond will be borne by the City. However, the City does not anticipate paying any closing costs to or on behalf of the successful bidder. Please specify any exceptions. Any closing costs to be borne by the City must be included as absolute figures and will be included in calculating total interest cost as described below under "Award."

Ongoing Costs: None anticipated to be paid to or on behalf of the successful bidder. Please specify any exceptions. Any ongoing costs to be borne by the City must be included as absolute figures and will be included in calculating total interest cost as described below under "Award."

Closing: Closing is anticipated to take place on _____, 20__.

Ongoing Disclosure: The City will agree to provide its audit, upon request, to the purchaser of the Bond annually within ___ days of the end of its fiscal year.

Award: The City reserves the right to request additional information from the bidders and to waive any irregularity or informality and to negotiate

City of Aiken Government

provisions and covenants directly with any bidder. The City also reserves the right to reject all bids for any reason. The selection will be based on the lowest total financing cost (including both interest cost, and upfront and ongoing fees and expenses), provided, however, the City reserves the right to select the bidder offering terms that best meet the needs of the City, including, without limitation, flexible prepayment terms and an absence of additional terms and conditions. In the event of tie bids, each tie bidder will be allowed to submit one or more lower bids on a modified auction basis until there is an award.

Sale to a Financial Institution:

The Bond shall be sold to a single financial institution. No official statement, prospectus, offering circular, or other comprehensive offering statement containing material information with respect to the City and the Bond is being issued.

Loan Treatment:

By submitting a bid in response to this Official Notice of Sale, each bidder acknowledges and represents to the City and its Financial Advisor that (1) no official statement or other offering material will be furnished other than this Official Notice of Sale; (2) the bidder has knowledge and experience in financial and business matters and that it is capable of evaluating the merits and risks of making the commercial loan to be evidenced by the Bond and is financially able to bear the economic risk of holding the Bond; (3) no CUSIP number will be obtained for the Bond; and (4) the bidder intends to acquire the Bond solely for its own account as a vehicle for making a commercial loan and with no present intention to distribute or resale the Bond or any portion thereof.

Investment Letter:

The successful bidder will be required to execute a letter to the City acknowledging, among other things, that (1) no official statement or other offering material has been furnished other than this Official Notice of Sale; (2) the successful bidder had an opportunity to make inquiries of, and receive answers from such officials, employees, agents and attorneys of the City; (3) the successful bidder has knowledge and experience in financial and business matters and that it is capable of evaluating the merits and risks of making the loan to be evidenced by the Bond and is financially able to bear the economic risk of holding the Bond; (4) the successful bidder is acquiring the Bond as a vehicle for making a commercial loan and without a present view to the distribution or resale thereof (subject, nevertheless, to any requirement of law that the disposition of its property shall at all times be under its control) within the meaning of the federal securities laws; and (5) the successful bidder is acquiring the Bond solely for its own account and no other person now has any direct or indirect beneficial

City of Aiken Government

ownership or interest therein. The form of the investment letter is available upon request.

Legal Opinion: Pope Flynn, LLC will prepare all documents and closing papers in connection with the issuance of the Bond, and provide a validity opinion and an opinion as to the treatment of the interest on the Bond under federal tax law at the City's expense.

Schedule: [to be inserted]

Questions may be addressed to the City through its financial advisor using the contact information below:

[to be inserted]

City of Aiken Government

EXHIBIT D
FORM OF BAN

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
CITY OF AIKEN, SOUTH CAROLINA
BOND ANTICIPATION NOTE
ISSUED PURSUANT TO CHAPTER 17, TITLE 11,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

The City of Aiken, South Carolina (the "***City***") hereby acknowledges itself indebted, and, for value received, promises to pay to the order of _____ (the "***Purchaser***" or "***Payee***"), or its assigns, on _____, 20__, the principal sum of _____ Dollars ($_____) at the office of the _____, South Carolina, and to pay interest on said principal sum from the date hereof at the rate of ____% per annum, payable upon the stated maturity or the earlier redemption of this City of Aiken, South Carolina, General Obligation Bond Anticipation Note, Series 202__ ("***Note***"). The City and the Purchaser have mutually agreed to waive all requirements for presentation and surrender of this Note in connection with the payment thereof; provided, however that upon the payment of principal amount hereof, the Purchaser will promptly provide confirmation that this Note has been paid in full.

[This Note is subject to redemption at the option of the City, at any time in whole but not in part, at a redemption price equal to the principal amount of the Note called for redemption plus accrued interest thereon to the date of redemption. If this Note is called for redemption, the Registrar will give notice to the Purchaser in the name of the City of the redemption thereof not less than 30 days prior to the date set for redemption, or such fewer number of days as may be acceptable to the Purchaser.]

This Note is issued pursuant to a bond ordinance duly enacted by the City Council of the City of Aiken, the governing body of the City, on _____, 2021 (the "***Bond Ordinance***"), in anticipation of the proceeds of general obligation bonds to be issued by the City under the authority of Title 5, Chapter 21 of the Code of Laws of South Carolina 1976, as amended (the "***Bonds***"). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Bond Ordinance.

Both the principal of and interest on this Note are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts.

For the payment of the principal of and interest on this Note as the same shall fall due, the full faith, credit, and taxing power of the City is pledged. In addition thereto, so much of the principal proceeds of the Bonds when issued shall be applied, to the extent necessary, to the payment of the BANs; and, further, the City covenants and irrevocably pledges to effect the issuance of the Bonds or, in the alternative, to refund or renew this Note in order that the proceeds thereof will be sufficient to provide for the retirement of this Note.

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

City of Aiken Government

This Note is a non-negotiable instrument but may be assigned by the Payee hereof, or any assignee of such Payee, by an instrument in writing, duly executed by the Payee or any assignee of the Payee, notice of which shall be given to the City.

[The City shall deliver to the Purchaser within [270 days] of each fiscal year end audited financial statements of the City for such fiscal year. Any failure of the City to comply with the terms of this paragraph shall be enforceable solely through an action for specific performance to provide the appropriate documents or information and shall not be a default under this instrument.

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, or to be performed precedent to or in the issuance of this Note, do exist, have happened, and have been performed in regular and due time, form and manner, and that the City has irrevocably obligated itself to issue and sell, prior to the stated maturity hereof, in the manner prescribed by law, the Bonds in anticipation of which this Note is issued.

IN WITNESS WHEREOF, the City of Aiken, South Carolina has caused these presents to be executed in the name of and on behalf of the City, by the manual signature of the Mayor, and attested to by the manual signature of the Clerk, and has caused the Seal of the City to be impressed hereon, this ____ day of _____ 20__.

CITY OF AIKEN, SOUTH CAROLINA

By: _____
Mayor

(SEAL)

Attest:

By: _____
Clerk to City Council

City of Aiken Government

EXHIBIT E

FORM OF NOTICE OF BUDGET AMENDMENT

[MINIMUM TWO COLUMNS WIDE WITH BOLD HEADING]

PUBLIC NOTICE

Pursuant to Ordinance 71276 of the City of Aiken, the following ordinance will be considered for Public Hearing at the meeting of Council to be held on Monday, August 23, 2021, at 7:00 P.M. in the Municipal Building, 214 Park Avenue SW in the Council Chambers. Social distancing measures will be in place, including limited seating capacity. Citizens may participate in the Public Hearings by emailing comments to publiccomment@cityofaikensc.gov before and during the Council meeting. The meeting will be available for public viewing via the City of Aiken YouTube channel.

TITLE

AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING TEN MILLION DOLLARS ($10,000,000) AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OR BOND ANTICIPATION NOTES OF THE CITY OF AIKEN, SOUTH CAROLINA, TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED AND TO AMEND THE CITY'S BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2022 TO SO PROVIDE, TO PROVIDE FOR THE PAYMENT THEREOF, AND TO PROVIDE FOR OTHER MATTERS RELATING THERETO.

The above-referenced ordinance authorizes the issuance of general obligation bonds and amends the City's budget for the fiscal year beginning July 1, 2021, and ending June 30, 2022 to increase revenues and expenditures by $10,000,000 and appropriate the same. The current operating budget for fiscal year 2021-2022 and the proposed amended operating budget for fiscal year 2021-2022 are as follows:

Operating Budget	FY 2021-2022 Current	FY 2021-2022 Proposed Amended	Percentage Change
Revenues	$64,836,650	$74,836,650	15.42%
Expenditures	$64,836,650	$74,836,650	15.42%
Tax Levy (Mills)	62.0	62.0	0.00%
Tax Levy ($)	$11,679,000	$11,679,000	0.00%

Individuals needing special assistance or sign interpreter to participate in the meeting, please notify the City Manager's Office 48 hours prior to the meeting.

Sara B. Ridout, City Clerk

City of Aiken Government