ORDINANCE NO.: 2016-019

AUTHORIZING THE ISSUANCE AND SALE BY THE CITY OF COLUMBIA, SOUTH CAROLINA, OF ITS NOT EXCEEDING $11,000,000 GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, OR ONE OR MORE BOND ANTICIPATION NOTES ISSUED IN ANTICIPATION THEREOF, FOR THE PURPOSE OF FUNDING VARIOUS CAPITAL PROJECTS; FIXING THE FORM AND DETAILS OF THE BONDS OR NOTES; AUTHORIZING THE MAYOR, THE CITY MANAGER AND THE ASSISTANT CITY MANAGER FOR FINANCE AND ECONOMIC SERVICES, OR ANY TWO OF THEM ACTING TOGETHER, TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS OR NOTES; PROVIDING FOR THE PAYMENT OF THE BONDS OR NOTES AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

Enacted: April 5, 2016

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLUMBIA, SOUTH CAROLINA, AS FOLLOWS:

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

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

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

"Bonds" shall mean the not exceeding $11,000,000 principal amount City of Columbia, South Carolina, General Obligation Bonds, in one or more series, authorized to be issued pursuant to Section 3 hereof.

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

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

"City" shall mean the City of Columbia, South Carolina.

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

"Council" shall mean the City Council of the City of Columbia, South Carolina.

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

"Government Obligations" shall mean, to the extent permitted by Section 6-5-10 of the South Carolina Code or any other authorization relating to the investment of funds of the City, any of the following: (1) cash; (2) United States Treasury Obligations – State and Local Government Series; (3) United States Treasury bills, notes, bonds or zero coupon treasury bonds all as traded on the open market; (4) direct obligations of the U.S. Treasury which have been stripped by the Treasury itself, including CATS, TIGRS and similar securities; (5) obligations of any agencies or instrumentalities which are backed by the full faith and credit of the United States of America; (6) bonds or debentures issued by any Federal Home Loan Bank or consolidated bonds or debentures issued by the Federal Home Loan Bank Board; (7) obligations of the Federal National Mortgage Associations; (8) general obligations of the State or any of its political units which, at the time of purchase, carry an AAA rating from Standard & Poor's or an Aaa rating from Moody's Investors Service; or (9) any legally permissible combination of any of the foregoing. Government Obligations must be redeemable only at the option of the holder thereof.

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

"Interest Payment Date" shall mean June 1 and December 1 of each year commencing on such dates as determined by the Mayor and the City Manager, or either of them acting alone.

"Letter of Representations" shall mean the Blanket Letter of Representations executed and delivered by the City to the Depository.

"Municipal Bond Act" shall mean Title 5, Chapter 21, Article 5, Code of Laws of South Carolina 1976, as amended.

"Ordinance" shall mean this Ordinance.

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

"Paying Agent" shall mean Regions Bank or such other bank as may be designated by the Mayor and the City Manager (or either of them acting alone) pursuant to Section 8 hereof.

"Record Date" shall mean the fifteenth (15^{th}) day of the month immediately preceding each Interest Payment Date on the Bonds or the date of notice of any proposed redemption of the Bonds.

"Registrar" shall mean Regions Bank or such other bank as may be designated by the Mayor and the City Manager (or either of them acting alone) pursuant to Section 8 hereof.

"South Carolina Code" shall mean South Carolina Code of Laws 1976, as amended.

"State" shall mean the State of South Carolina.

SECTION 2. Findings and Determinations. The Council of the City hereby finds and determines:

(a) The City is an incorporated municipality located in Lexington County and Richland County, South Carolina, and as such possesses all powers granted to municipalities by the Constitution and laws of this State. Section 5-7-30 of the South Carolina Code provides, in part, that municipalities may enact ordinances, not inconsistent with the Constitution and general law of the State, respecting any subject which appears necessary and proper for the security, general welfare, and convenience of the municipality and for the preservation of the general health, peace, order and good government in the municipality. Further, under the case of Williams v. Town of Hilton Head, 429 S.E.2d 802 (1993), a municipality may enact regulations (ordinances) without the requirement for further specific statutory authorization so long as such regulations are not inconsistent with the Constitution and general law of the State.

(b) Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended (the "Constitution"), provides that general obligation debt may be incurred by the governing body of each city of the State of South Carolina for any public and corporate purpose in an amount not exceeding eight percent of the assessed value of all taxable property of such city.

(c) Pursuant to the Municipal Bond Act, the municipal council of any municipality may issue general obligation bonds of such municipality for any corporate purpose of such municipality to any amount not exceeding the constitutional debt limit applicable.

(d) The Municipal Bond Act requires that an election be held prior to the issuance of general obligation bonds. Title 11, Chapter 27 of the South Carolina Code 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 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. Title 11, Chapter 27 of the South Carolina Code further provides that any municipality of the State may issue bonds in fully registered form.

(e) The assessed value of all taxable property in the City for the year 2015 is not less than $517,932,275, which includes the 1987 assessed value of merchants' inventory in the amount of $6,667,290. Eight percent (8%) of such sum is $41,434,582. As of the date of enactment of this Ordinance, the outstanding general obligation debt of the City subject to the limitation imposed by Article X, Section 14(7)(a) of the Constitution is $30,560,000, representing the outstanding principal balances of the following general obligation bonds of the City (the "Outstanding Bonds"):

(i) $9,085,000 original principal amount General Obligation Bonds, Series 2007A, dated December 1, 2007, presently outstanding in the principal amount of $980,000;

(ii) $9,375,000 original principal amount General Obligation Bonds, Series 2011A, dated March 24, 2011, presently outstanding in the principal amount of $3,575,000;

(iii) $9,945,000 original principal amount General Obligation Refunding Bonds, Series 2011B, dated March 24, 2011, presently outstanding in the principal amount of $7,310,000;

(iv) $5,575,000 original principal amount General Obligation Bonds, Series 2011C, dated September 7, 2011, presently outstanding in the principal amount of $2,155,000;

(v) $6,375,000 original principal amount General Obligation Bonds, Series 2012, dated November 7, 2012, presently outstanding in the principal amount of $4,215,000;

(vi) $7,315,000 original principal amount General Obligation Bonds, Series 2013, dated December 4, 2013, presently outstanding in the principal amount of $6,065,00; and

(vii) $6,260,000 original principal amount General Obligation Refunding Bonds, Series 2015, dated December 30, 2015, presently outstanding in the principal amount of $6,260,000.

As of the date of enactment of this Ordinance, the City may incur $10,874,582 of general obligation debt within its applicable constitutional debt limitation and, after the City makes the scheduled debt service payments on the Outstanding Bonds on June 1, 2016, the City may incur $16,054,582 of general obligation debt within its applicable constitutional debt limitation.

(f) The City proposes to defray the cost of any one or more of the projects described in Schedule I attached hereto (the "Projects") and, in connection with the Bull Street Projects and the CHA Project (as each of which is more particularly described in Schedule I attached hereto), the Council makes the following findings:

(i) the Bull Street Campus (as defined in Schedule I) consists of an approximately 181-acre tract of land, situated in the heart of the City, the main entrance to which is marked by the intersection of Elmwood Avenue and Bull Street;

(ii) the Bull Street Campus contains numerous buildings, improvements and other structures which were historically used and dedicated to the treatment of the mentally ill by the South Carolina Department of Mental Health;

(iii) several of the facilities located on the Bull Street Campus were constructed more than 100 years ago, including the Mills Building which was completed in 1828, and the

Babcock Building which was constructed in phases between 1857 and 1885, both of which are registered on the National Register for Historic Places and are featured on Historic Columbia Foundation's Eligible Local Landmark List;

(iv) the Bull Street Campus is of historical and architectural significance for several reasons: the Bull Street Campus is historically significant because it provides an example of the facilities generally available since the mid-1800s for the care and treatment of persons with mental illness in South Carolina; in addition, the Mills Building was designed by and later named in honor of Robert Mills, a renowned architect who was prolific in the design of several public buildings and other significant structures throughout the United States, including the Washington Monument and the White House;

(v) presently, a substantial number of the structures on the Bull Street Campus are dilapidated and run-down, and their overall appearance is blighted; and

(vi) the Columbia Housing Authority ("CHA") intends to demolish the approximately 75-year old, 288-unit public housing complex known as Gonzales Gardens, in order to construct and equip new public housing in replacement thereof, and has requested the City's assistance to fund a portion of the demolition, site clearing and related costs associated with the CHA Project.

(g) The benefits to the City as a result of the acquisition, renovation, redevelopment and improvement of the Projects are set forth, in part, herein:

(i) the Bull Street Projects will promote and stimulate private development in the Bull Street Campus (the "Bull Street Redevelopment") and eliminate, remove and address the current blighted conditions of the Bull Street Campus, all of which would enhance the aesthetic qualities of the surrounding areas;

(ii) the Bull Street Projects and the Bull Street Redevelopment will attract visitors, tourists and City residents who want to study and/or learn about the architecturally and historically significant buildings located on the Bull Street Campus and other surrounding historic facilities within the City (including the nearby Robert Mills House and the Hampton-Preston Mansion), which may include exhibits, presentations or museum areas located in or near to the Bull Street Campus, and would be promoted and marketed by area tourism businesses and nonprofit organizations in their advertisements, on the Internet, and in materials provided for tours and/or self-guided tours of the City;

(iii) the City and its citizens have invested, and continue to invest, significant funds in and to promote its Downtown area, the Congaree Vista Area, the Riverfront area, and the areas in which other historic structures are located, including the nearby Robert Mills House and the Hampton-Preston Mansion; further, the Bull Street Campus serves as a connection between such areas and, because the main entrance to the Bull Street Campus is located at the intersection of Bull Street and Elmwood

Avenue/Interstate I-126, the Bull Street Campus serves as a gateway connector for people visiting and working in the City;

(iv) the Bull Street Projects and the Bull Street Redevelopment will also foster and encourage tourists, visitors, residents and businesses to locate in or patronize such facilities or the surrounding area (including tourism-generating facilities in close proximity to the Downtown area, the Congaree Vista Area and the riverfront area, like the South Carolina State Museum, the EdVenture Children's Museum, the Three Rivers Greenway extension, Granby Riverwalk, Canal Front Park, the proposed Riverfront Park, the Columbia Metropolitan Convention Center and the Colonial Life Arena, or in close proximity to the Bull Street Campus, like the Robert Mills House, the Hampton-Preston Mansion and other nearby historic structures), which enhances the economic viability of the City (including particularly the Congaree Vista Area and the area surrounding these facilities) through the redevelopment of nearby properties, the imposition and collection of additional *ad valorem* property taxes and increased commercial activity that would generate additional sales taxes and personal property taxes, hospitality fees, accommodations fees, tourism development fees, business license fees and other fees, as well as additional jobs and capital investment;

(v) the historic and architectural characteristics of several facilities located on the Bull Street Campus would be significantly preserved and, like the South Carolina State Museum, Confederate Printing Plant (now Publix), Robert Mills House, the Hampton-Preston Mansion and other nearby historic structures, serve as examples of successful preservation, rehabilitation, redevelopment and re-adaptation, all of which are recognizable, signature properties that provide a gateway into the City of Columbia, including its Downtown area and the arts and entertainment district known as the Congaree Vista Area; and

(vi) the CHA Project will provide clean, safe and affordable public housing to the residents of the City and will eliminate blighted conditions that currently exist, and the City's assistance in funding a portion of the demolition, site clearing and related costs of the existing public housing complex is vital for the successful completion of the CHA Project.

(h) The City Council recognizes that the expenditure of public funds must be for a public purpose in accordance with the applicable provisions of the South Carolina Constitution and decisions of the South Carolina Supreme Court. Specifically, the cases of Byrd v. County of Florence, 315 S.E.2d 804 (1984) and Nichols v. The South Carolina Research Authority, 351 S.E.2d 155 (1986), formulate a four-point standard by which undertakings for financing economic development are tested for constitutionality. The City Attorney has reviewed this standard with the members of the City Council. In WDW Properties v. City of Sumter, 535 S.E.2d 631 (2000), the Byrd/Nichols test was applied by the Court to uphold the issuance by JEDA of tax-exempt industrial revenue bonds to finance a portion of the costs of renovation of existing buildings located within the Columbia/Sumter SC Empowerment Zone. In that case, the Court noted that the redevelopment projects were intended to be leased for commercial office

and retail space, that the developer expected to create 20 full-time jobs and that "the project would 'serve as the cornerstone for the revitalization of downtown Sumter and the surrounding communities.'"

(i) The City Council makes the following additional findings and determinations with respect to the acquisition, renovation, redevelopment and improvement of the Projects:

(1) The ultimate benefits to the public are multiple: the Bull Street Projects and the Bull Street Redevelopment would serve to increase the number of available jobs; the Bull Street Projects, the Bull Street Redevelopment and the CHA Project would serve to improve the appearance and enhance the aesthetic character of the Bull Street Campus and surrounding properties and the corner of Forest Drive and Two Notch Road and surrounding properties, as the case may be, to positively impact real property values of surrounding properties, to attract new businesses, to reinvigorate downtown areas that has been classified by the local, state and federal governments as economically distressed and, in the case of the Bull Street Projects and the Bull Street Redevelopment, to protect and preserve historically and architecturally significant features and encourage others to undertake historic preservation that would benefit downtown Columbia.

(2) The public will be the primary beneficiary of the Bull Street Projects, including the Bull Street Redevelopment of the Bull Street Projects, and the CHA Project, although one or more developers of the Bull Street Redevelopment and the CHA Project (and the Columbia Housing Authority) will also benefit through the City's investment in the Bull Street Projects and the CHA Project, respectively.

(3) The Bull Street Projects and the CHA Project are not so speculative as to violate the public purpose doctrine based (A) in the case of the Bull Street Projects, on the success of similar historic properties being redeveloped, like the South Carolina State Museum, the Confederate Printing Plant (now Publix) and the 701 Whaley Arts Center, all of which serve as examples of successful preservation, rehabilitation, redevelopment and re-adaptation, and the likelihood that (i) the Bull Street Campus will continue to decline in the absence of private development thereof, which requires public investments in infrastructure; and (ii) any redevelopment of the Bull Street Campus will require significant amounts of infrastructure to be constructed and installed therein, and (B) in the case of the CHA Project, on the ever-increasing need for affordable housing in Columbia and the likelihood that Gonzales Gardens will continue to decline in the absence of further public and/or private development thereof.

(4) The public interest is likely to be served to a substantial degree through the creation of jobs, the improvement and enhancement of the appearance and aesthetic character of downtown Columbia, the reinvigoration of the Bull Street Campus and surrounding areas, the preservation of historical and architecturally significant features, the replacement of a dilapidated and blighted public housing complex with new public housing and the benefits, both tangible and intangible, that should result from that reinvigoration as they relate to the Bull Street Projects and the CHA Project.

(j) The proceeds of the Bonds shall be applied to defray the cost of any one or more of the Projects and other costs incidental thereto, including any engineering, architectural, financial and legal fees relating thereto and other incidental costs of issuing the Bonds. As described above, the Projects are necessary and in the best interest of the City, the issuance of the Bonds authorized by this Ordinance for such purposes is necessary and such Bonds will be issued for a corporate purpose and a public purpose of the City.

(k) It is now in the best interest of the City for the Council to provide for the issuance and sale of general obligation bonds of the City pursuant to the aforesaid provisions of the Constitution and laws of the State of South Carolina in order to defray the costs of the Projects.

SECTION 3. Authorization and Details of Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State of South Carolina, there is hereby authorized to be issued not exceeding $11,000,000 principal amount of general obligation bonds, in one or more series, of the City (the "Bonds") to effect the defray the costs of the Projects and other costs incidental thereto, including any engineering, architectural, financial and legal fees relating thereto and other incidental costs of issuing the Bonds. Each of the Bonds shall be issued in a principal amount determined by the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, which amount will be sufficient to provide for the above-described purposes. The Bonds shall be designated "(principal amount issued) General Obligation Bonds, Series (year), of the City of Columbia, South Carolina." Notwithstanding anything herein to the contrary, the Bonds shall bear such additional numbers or other series designations in order to distinguish one series from another, as may be determined by the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together.

Each of the Bonds shall be issued as fully registered bonds; shall be dated as of the date of their respective delivery or the first or the fifteenth day of the month in which such series of bonds are delivered to the initial purchaser(s) thereof or such other date as determined by the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, pursuant to Section 5 hereof; shall be in denominations of $5,000 or any integral multiple thereof not exceeding the principal amount of such series of bonds maturing in each year unless issued as a single bond in the entire principal amount of such series; shall be issued as taxable or tax-exempt obligations as determined by the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, pursuant to Section 5 hereof; shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) from their respective date payable semiannually thereafter on June 1 and December 1 of each year commencing on a date determined by the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, pursuant to Section 5 hereof, until such respective series of bonds mature, at such rate or rates as may be determined by the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, at the time of the sale thereof; and shall mature serially in successive annual installments on June 1 in the years and in the principal amounts as determined by the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, pursuant to Section 5 hereof.

SECTION 4. [Reserved].

SECTION 5. Authority to Determine Certain Matters Relating to the Bonds. Without further authorization, the Council hereby authorizes the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, to determine:

(a) the original issue dates of the Bonds;

(b) the aggregate principal amounts of the Bonds to be issued;

(c) the respective first interest payment dates of the Bonds;

(d) whether the Bonds shall be issued as taxable or tax-exempt obligations;

(e) redemption provisions, if any, for the Bonds; and

(f) the respective maturity dates and the principal amounts maturing on each maturity date (June 1) of the Bonds.

The Council further authorizes the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, to:

(a) designate the Paying Agent and Registrar for each series of the Bonds, if different from the bank so designated in Section 8 hereof;

(b) determine the dates and times of sale of the Bonds;

(c) take such actions described in Section 18 and in conjunction with the sale of each of the Bonds, including receiving bids on behalf of the City to award the sale of each series of such bonds to the lowest respective bidder therefor, in accordance with the terms of the Notice of Sale for such series of bonds;

(d) make adjustments to the principal amounts of the Bonds immediately following the sale; and

(e) negotiate and execute all other contracts which may be necessary or required in connection with the issuance of the Bonds (provided, however, that unless otherwise expressly required by this Ordinance, only one authorized representative of the City shall be required to execute such contracts).

After each sale of a series of the Bonds, the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, shall submit a written report to the Council setting forth the results of the sale of such series of the Bonds.

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

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

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

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

SECTION 7. Successor Depository. If (a) the Depository determines not to continue to act as Depository for the Bonds and gives reasonable notice to the Registrar and the City, or (b) the City has advised the Depository of the City's determination that the Depository is incapable of

discharging its duties, then the City shall attempt to retain another qualified securities depository to replace the Depository. Upon receipt by the City or the Registrar of the Initial Bonds together with an assignment duly executed by the Depository, the City shall execute and deliver to the successor Depository the Bonds of the same principal amount, interest rate, series and maturity. If the City is unable to retain a qualified successor to the Depository, or the City has determined that it is in its best interest not to continue the Book-Entry System of transfer or that interests of the Beneficial Owners of the Bonds might be adversely affected if the Book-Entry System of transfer is continued (the City undertakes no obligation to make any investigation to determine the occurrence of any events that would permit it to make any such determination), and has made provision to so notify Beneficial Owners of the Bonds by mailing an appropriate notice to the Depository, upon receipt by the City of the Initial Bonds together with an assignment duly executed by the Depository, the City shall execute, authenticate and deliver to the Depository Participants Bonds in fully registered form, in substantially the form set forth in Section 13 of this Ordinance in the denomination of $5,000 or any integral multiple thereof.

SECTION 8. Registrar and Paying Agent. Both the principal of and interest on the Bonds shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts. Regions Bank or a bank designated by the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, may act as the Registrar and the Paying Agent for the Bonds.

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

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

The City, the Registrar and the Paying Agent may deem or treat the person in whose name any fully registered Bond shall be registered upon the Books of Registry as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes; and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor the Registrar shall be affected by any notice to the contrary. In all cases in which the privilege of transferring Bonds is exercised, the City shall execute and the Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. Neither the City nor the

Registrar shall be obliged to make any such transfer of Bonds during the fifteen (15) days preceding an interest payment date on such Bonds.

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

SECTION 11. Mutilation, Loss, Theft or Destruction of Bonds. In case any Bond shall at any time become mutilated in whole or in part, or be lost, stolen or destroyed, or be so defaced as to impair the value thereof to the owner, the City shall execute and the Registrar shall authenticate and deliver at the principal office of the Registrar, or send by registered mail to the owner thereof at his request, risk and expense a Bond of the same series, interest rate and maturity and of like tenor and effect in exchange or substitution for and upon the surrender for cancellation of such defaced, mutilated or partly destroyed Bond, or in lieu of or in substitution for such lost, stolen or destroyed Bond. In any such event, the applicant for the issuance of a substitute Bond shall furnish the City and the Registrar evidence or proof satisfactory to the City and the Registrar of the loss, destruction, mutilation, defacement or theft of the original Bond, and of the ownership thereof, and also such security and indemnity as may be required by the laws of the State of South Carolina or such greater amount as may be required by the City and the Registrar. Any duplicate Bond issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Bond or in substitution for any allegedly lost, stolen or wholly destroyed Bond shall be entitled to the identical benefits under this Ordinance as was the original Bond in lieu of which such duplicate Bond is issued, and shall be entitled to equal and proportionate benefits with all the other Bonds of the same series issued hereunder.

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

SECTION 12. Execution of Bonds. The Bonds shall be executed in the name of the City with the manual or facsimile signature of the Mayor of the City attested by the manual or facsimile signature of the Clerk of the City under a facsimile of the seal of the City which shall be impressed, imprinted or reproduced thereon. The Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. Each Bond shall bear a certificate of authentication manually executed by the Registrar in substantially the form set forth herein.

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

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
CITY OF COLUMBIA
GENERAL OBLIGATION BOND, SERIES (year)

No. R-

INTEREST RATE	MATURITY DATE	ORIGINAL ISSUE DATE	CUSIP

REGISTERED HOLDER:

PRINCIPAL AMOUNT: DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that the City of Columbia, South Carolina (the "City"), is justly indebted and, for value received, hereby promises to pay to the registered holder named above, or registered assigns, the principal amount shown above on the maturity date shown above, upon presentation and surrender of this Bond at the principal office of Regions Bank, as paying agent (the "Paying Agent") in _____, _____, and to pay interest on such principal sum from the date hereof at the interest rate per annum shown above until this Bond matures. Interest on this Bond is payable semiannually on June 1 and December 1 of each year commencing [June][December] 1, _____, until this Bond matures and shall be payable by check or draft mailed to the person in whose name this Bond is registered on the registration books of the City maintained by the registrar, presently Regions Bank, as registrar (the "Registrar"), in _____, _____, at the close of business on the fifteenth (15th) day of the calendar month preceding each semiannual interest 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 provided, however, that interest on this fully registered Bond shall be paid by check or draft as set forth above.

This Bond shall not be entitled to any benefit under the Ordinance (as defined herein), nor become valid or obligatory for any purpose, until the Certificate of Authentication hereon shall have been duly executed by the Registrar.

This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to number, denomination, date of maturity, redemption provisions, date of authentication and rate of interest, aggregating _____($_____) issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended; Title 5, Chapter 21, Article 5, and

Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended; and Ordinance No. _____ duly enacted on _____, 2016, by the Council (the "Ordinance").

For the payment of the principal and interest on this Bond and the series of Bonds of which it is one, as they respectively mature, and for the creation of a sinking fund to aid in the retirement and payment thereof, the full faith, credit and taxing power of the City are irrevocably pledged, and there shall be levied and collected annually upon all taxable property in the City an *ad valorem* tax, without limitation as to rate or amount, sufficient for such purposes.

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

This Bond and the series of which it is one is transferable as provided in the Ordinance, only upon the books of the City kept for that purpose at the principal office of the Registrar by the registered holder in person or by his duly authorized attorney upon surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered holder or his duly authorized attorney. Thereupon, a new fully registered Bond or Bonds of the same aggregate principal amount, interest rate, and maturity shall be issued to the transferee in exchange therefor as provided in the Ordinance. 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.

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

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, and that the amount of this Bond, together with all other 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 annually upon all taxable property in the City an *ad valorem* tax, without limitation as to rate or amount, sufficient to pay the principal and interest of this Bond and the series of Bonds of which it is one, as they respectively mature, and for the creation of a sinking fund to aid in the retirement and payment thereof.

IN WITNESS WHEREOF, CITY OF COLUMBIA, SOUTH CAROLINA, has caused this Bond to be signed with the [manual or facsimile] signature of the Mayor of the City, attested by the [manual or facsimile] signature of the Clerk of the City and the seal of the City impressed, imprinted or reproduced hereon.

CITY OF COLUMBIA, SOUTH CAROLINA

_____
Mayor

(SEAL)

ATTEST:

_____
Clerk

[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

Date of Authentication:

This Bond is one of the Bonds described in the within-mentioned Ordinance of the City of Columbia, South Carolina.

REGIONS BANK, as Registrar

By: _____
Authorized Officer

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

TEN COM – as tenants in common	UNIF GIFT MIN ACT –
TEN ENT – as tenants by the entireties	_____ Custodian _____ (Cust) (Minor) under Uniform Gifts to Minors Act _____ (state)
JT TEN - as joint tenants with right of survivorship and not as tenants in common	

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

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ (Name and Address of Transferee) the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:_____

_____	_____
Signature Guaranteed	(Authorized Officer)
_____	_____
Notice: Signature(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 whatever.

A copy of the final approving legal opinion to be rendered shall be attached to the back of each Bond and preceding the same a certificate shall appear, which shall be signed on behalf of the City with a facsimile signature of the Clerk of the City. Said certificate shall be in substantially the following form:

> IT IS HEREBY CERTIFIED that the following is a true and correct copy of the final legal opinions (except for date and letterhead) of McNair Law Firm, P.A., Columbia, South Carolina, and Johnson, Toal & Battiste, P.A., Columbia, South Carolina, approving the issue of bonds of which the within bond is one, the originals of which opinions were manually executed, dated and issued as of the date of delivery of and payment for such bonds, and copies of which is on file with the City of Columbia, South Carolina.
>
> CITY OF COLUMBIA, SOUTH CAROLINA
>
> By: _____
> Clerk

SECTION 14. Security for Bonds. The full faith, credit and taxing power of the City are hereby irrevocably pledged for the payment of the principal and interest of the Bonds, as they respectively mature, and for the creation of a sinking fund to aid in the retirement and payment

thereof, and there shall be levied and collected annually upon all taxable property in the City an *ad valorem* tax, without limitation as to rate or amount, sufficient for such purposes.

The appropriate official of the City shall be notified as to the delivery of and payment for the Bonds and is hereby directed to levy and collect annually upon all taxable property in the City an *ad valorem* tax, without limitation as to rate or amount, sufficient to pay the principal and interest of the Bonds, as they respectively mature, and for the creation of a sinking fund to aid in the retirement and payment thereof.

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

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

(b) payment of the principal of and interest on such Bonds either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with the Paying Agent in trust and irrevocably setting aside exclusively for such payment, (1) moneys sufficient to make such payment, or (2) Government Obligations maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make such payment and all necessary and proper fees, compensation and expenses of the Paying Agent. At such time as the Bonds shall no longer be deemed to be outstanding hereunder, such Bonds shall cease to draw interest, and, except for the purposes of any such payment from such moneys or Government Obligations as set forth in (ii) above, shall no longer be secured by or entitled to the benefits of this Ordinance.

SECTION 16. Exemption from State Taxes. Both the principal of and interest on the Bonds shall be exempt, in accordance with the provisions of Section 12-2-50 of the South Carolina Code, from all State, county, municipal, school district and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

SECTION 17. Sale of Bonds; Form of Notice of Sale. The Bonds shall be sold at public sale. A Notice of Sale with respect to each of the Bonds, in the form set forth below, shall be distributed to prospective bidders, and a summary of such Notice of Sale shall be published in a newspaper having general circulation in the State of South Carolina not less than seven (7) days prior to the date set for such sale; provided, however, that nothing herein shall prohibit the Bonds from being sold at the same time or to require them to be issued and sold at all or in a particular order.

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

NOTICE OF SALE
$_____ GENERAL OBLIGATION BONDS, SERIES (year),
OF CITY OF COLUMBIA
STATE OF SOUTH CAROLINA

Time and Place of Sale: NOTICE IS HEREBY GIVEN that bids for the purchase of $__ General Obligation Bonds, Series (year) (the "Bonds"), of the City of Columbia, South Carolina (the "City"), will be received on behalf of the City by the Mayor of the City in the office of the City Manager, City Hall, 1737 Main Street, Columbia, South Carolina until 12:00 Noon, South Carolina time, on _____, _____, or such other date and time as may be established by the City and communicated by Thomson Municipal Market Monitor not less than 48 hours prior to the time proposals are to be received.

Mailed or Hand-Delivered Proposals: Each hand-delivered proposal shall be enclosed in a sealed envelope marked "Proposal for $_____ General Obligation Bonds, Series (year), of City of Columbia, South Carolina" and should be mailed or hand-delivered to the Mayor of the City at the address in the first paragraph hereof.

Facsimile Proposals: The City will accept the facsimile transmission of a manually signed Official Bid Form at the risk of the Bidder. The City shall not be responsible for any failure, misdirection, delay or error resulting from the selection by any bidder of any particular means of delivery of bids. The City will take reasonable steps to ensure the confidentiality of all bids transmitted to it by facsimile transmission, but cannot guarantee the confidentiality of information transmitted by such means. Any delay in receipt of a facsimile bid, and any incompleteness or illegible portions of such bid are the responsibility of the bidder. Bids by facsimile should be transmitted to the attention of Teresa B. Wilson, City Manager, telephone (803) 545-3064, fax (803) 545-3051.

Electronic Bids: Electronic proposals must be submitted through i-Deal's Ipreo Electronic Bid Submission System ("Ipreo"). No electronic bids from any other providers of electronic bidding services will be accepted. Information about the electronic bidding services of Ipreo may be obtained from i-Deal, 1359 Broadway, 2nd Floor, New York, New York 10018, Customer Support, telephone (212) 849-5021.

E-mail Bids: E-mail proposals may be e-mailed to the attention of Teresa B. Wilson, City Manager, at email address: tbwilson@columbiasc.net, with a copy to Brenton J. Robertson, at email address: robertsonb@stifel.com.

PROPOSALS MAY BE DELIVERED BY HAND, BY MAIL, BY FACSIMILE TRANSMISSION, BY ELECTRONIC BID OR BY E-MAIL, BUT NO PROPOSAL SHALL BE CONSIDERED WHICH IS NOT ACTUALLY RECEIVED BY THE CITY AT THE PLACE, DATE AND TIME APPOINTED, AND THE CITY SHALL NOT BE RESPONSIBLE FOR ANY FAILURE, MISDIRECTION, DELAY OR ERROR

RESULTING FROM THE SELECTION BY ANY BIDDER OF ANY PARTICULAR MEANS OF DELIVERY OF BIDS.

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

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

Bonds: The Bonds will dated the date of their delivery (expected to be _____, ____); and will mature in annual installments on June 1 in each of the years and in the principal amounts as follows:

Maturity Date	Principal Amount*

* Preliminary, subject to adjustment as described herein.

The Bonds will bear interest from the date of delivery thereof payable semiannually on June 1 and December 1 of each year commencing _____ 1, 20___, until the Bonds mature. Interest will be calculated on the basis of a 360-day year comprised of twelve 30-day months.

Adjustment of Maturity Schedule. The City reserves the right to adjust the principal amount of any maturities of the Bonds (all calculations to be rounded to the near $5,000)[; provided that such adjustment will not increase or decrease the total par amount ($_____) of the Bonds]. Such adjustment(s), if any, shall be made within twenty-four (24) hours of the award of the Bonds. In order to calculate the yield on the Bonds for federal tax law purposes and as a condition precedent to the award of the Bonds, bidders must disclose to the City in

connection with their respective bids the price (or yield to maturity) at which each maturity of the Bonds will be reoffered to the public.

In the event of any adjustment of the principal amount of any of the maturities of the Bonds as described herein, no rebidding or recalculation of the proposals submitted will be required or permitted. Nevertheless, the award of the Bonds will be made to the bidder whose proposal produces the lowest true interest cost solely on the basis of the Bonds offered, without taking into account any adjustment of the principal amount of the maturities of the Bonds pursuant to this paragraph. The successful bidder may not withdraw its bid as a result of any changes made within these limits.

The Bonds maturing on or prior to _____, _____, shall not be subject to redemption prior to their stated maturities. The Bonds maturing on and after _____, _____, shall be subject to redemption at the option of the City on or after _____, _____, as a whole or in part at any time, in such order of their maturities as the City shall determine and by lot within a maturity, at a redemption price equal to 100% of the principal amount to be redeemed together with the interest accrued on such principal amount to the date fixed for redemption.

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

Registrar and Paying Agent: Regions Bank, _____, _____, will act as the Registrar and the Paying Agent for the Bonds.

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

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

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

For the purpose of calculating the yield on the Bonds for federal tax purposes as a condition precedent to the award of the Bonds, the successful bidder will, within 30 minutes after being notified of its winning bid, advise the City by telephone confirmed by facsimile transmission of the initial offering prices of the Bonds to the public (expressed as a price, exclusive of accrued interest, or yield per maturity).

Good Faith Deposit: No good faith deposit is required.

Bid Form: Each proposal should be enclosed in a sealed envelope marked "Proposal for $_____ General Obligation Bonds, Series (year), City of Columbia, South Carolina" and should be directed to the Mayor at the address in the first paragraph hereof. It is requested but not required that you submit your bid on the Proposal for Purchase of Bonds supplied with the Official Statement.

Official Statement: The City deems the Preliminary Official Statement to be "final" as described in SEC Rule 15c2-12(b)(1) for the purposes of such Rule. Upon the award of the Bonds, the City will prepare a Final Official Statement (the "Official Statement") in substantially the same form as the Preliminary Official Statement subject to minor additions, deletions and revisions as required to complete the Official Statement. Within seven (7) business days after the award of the Bonds, the City will provide the successful bidder a sufficient quantity of the Official Statement to comply with Rule G-32 of the Municipal Securities Rulemaking Board. The successful bidder agrees to supply to the City all necessary pricing information and any Underwriter identification necessary to complete the Official Statement within 24 hours after the award of the Bonds.

Continuing Disclosure: In order to assist the bidders in complying with S.E.C. Rule 15c2-12(b)(5), the City will undertake, pursuant to a Disclosure Dissemination Agent Agreement executed with Digital Assurance Certification, L.L.C., to provide certain annual financial information and notices of the occurrence of certain events if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement.

Purpose: The Bonds are issued for the purpose of financing certain capital projects of the City.

Security: The Bonds shall constitute binding general obligations of the City and the full faith, credit, taxing power and resources of the City are irrevocably pledged for the payment of the

bonds and for the creation of such sinking fund as may be necessary to provide for the prompt payment thereof. There shall be levied and collected annually upon all taxable property of the City an *ad valorem* tax, without limitation as to rate or amount, sufficient for such purposes.

Legal Opinions: The Council shall furnish upon delivery of the Bonds the final approving opinions of McNair Law Firm, P.A., Columbia, South Carolina, and Johnson, Toal & Battiste, P.A., Columbia, South Carolina, which opinions shall be attached to each Bond, together with the usual closing documents, including a certificate that no litigation is pending affecting the Bonds. Certain legal matters will be approved by Teresa A. Knox, Esq., City Attorney.

Certificate as to Issue Price: The successful bidder must provide a certificate to the City by the date of delivery of the Bonds, stating the initial reoffering price of the Bonds to the public (excluding bond houses and brokers) and the price at which a substantial amount of the Bonds were sold to the public, in form satisfactory to Bond Counsel. A sample copy of such a certificate is attached as Exhibit D to the Preliminary Official Statement or may be obtained from Bond Counsel.

Delivery: At the request of the successful bidder, the Bonds will be delivered through the facilities of The Depository Trust Company in New York, New York, on or about _____, _____, at the expense of the City, or at such other place as may be agreed upon with the purchasers at the expense of the purchaser. The balance of the purchase price then due (including the amount of accrued interest) must be paid in federal funds or other immediately available funds. Any cost of printing the Bonds will be borne by the City.

CUSIP Numbers: It is anticipated that CUSIP identification numbers will be set forth on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of its proposal. All expenses in relation to the printing of CUSIP identification numbers on the Bonds shall be paid for by the City; provided, however, that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the successful bidder.

Postponement: The City reserves the right to postpone, from time to time, the date established for the receipt of bids. The City will communicate any such change in the sale date through Thomson Municipal Market Monitor not less than 48 hours prior to the time bids are to be received. If any date fixed for the receipt of bids and the sale of the Bonds is postponed, any alternative sale date will be announced through Thomson Municipal Market Monitor at least 48 hours prior to such alternative sale date. On any such alternative sale date, any bidder may submit a sealed, facsimile, or electronic bid for the purchase of the Bonds in conformity in all respects with the provisions of this Notice of Sale, except for the date of sale and except for the changes announced through Thomson Municipal Market Monitor at the time the sale date and time are announced.

Financial Advisor: The City has employed Stifel | Merchant Capital Division, Columbia, South Carolina, as its Financial Advisor in connection with the issuance of the Bonds.

Additional Information: A copy of the Preliminary Official Statement in deemed final form and the Official Notice of Sale are available via the internet at http://www.idealprospectus.com and will be furnished to any person interested in bidding for the Bonds upon request to the City's Financial Advisor. Persons seeking information should communicate with:

Jeffrey M. Palen
Assistant City Manager for Finance and Economic Services
City of Columbia
1737 Main Street
P.O. Box 147
Columbia, SC 29217
Telephone: 803.545.4093
Fax: 803.343.8720
E-mail: jmpalen@columbiasc.net

Brenton J. Robertson, Esq.
Managing Director
Stifel | Merchant Capital Division
515 Gervais Street
Columbia, SC 29201
Telephone: 803.331.3848
E-mail: robertsonb@stifel.com

s/Steven K. Benjamin
Mayor, City of Columbia, South Carolina

SECTION 18. Preliminary and Final Official Statement. The Council hereby authorizes and directs the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, to prepare, or cause to be prepared, a Preliminary Official Statement with respect to each of the Bonds, to be distributed to prospective purchasers of such Bonds, together with the Notice of Sale. The Council authorizes the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, to "deem final" such Preliminary Official Statements for purposes of Rule 15c2-12 of the Securities and Exchange Commission. The Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, are further authorized to see to the completion of the final form of the Official Statement relating to each series of the Bonds upon the sale thereof so that it may be provided to the purchaser(s) of such series of the Bonds.

SECTION 19. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of a Disclosure Dissemination Agreement in substantially the form attached hereto as Exhibit A (the "DAC Agreement"). Notwithstanding any other provisions of this Ordinance, failure of the City to comply with the DAC Agreement shall not be considered an event of default, and no liability for damages shall attach therefor. The sole remedy for such failure to comply shall be that any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Section.

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

SECTION 21. Deposit and Use of Proceeds. The proceeds derived from the sale of each series of the Bonds shall be deposited in a special fund, separate and distinct from all other funds, and applied solely to the purposes for which the respective series of the Bonds are issued except that the premium, if any, shall be placed in the sinking fund established pursuant to the Municipal Bond Act, and the accrued interest, if any, shall be used to discharge in part the first interest to become due on each series of the Bonds. If any surplus remain, it shall be deposited in the sinking fund to be established for the payment of the respective series of the Bonds.

SECTION 22. Federal Tax Covenant. The City hereby covenants and agrees with the holders of the Bonds that, if any of the Bonds are issued as obligations the interest on which is excluded from gross income of the holders thereof for federal tax purposes (each, a "Tax Exempt Bond"), it will not take any action which will, or fail to take any action which failure will, cause interest on the Tax Exempt Bonds to become includable in the gross income of the bondholders for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder in effect on the date of original issuance of the Tax Exempt Bonds and that no use of the proceeds of the Tax Exempt Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Tax Exempt Bonds would have caused the Tax Exempt Bonds to be "arbitrage bonds", as defined in Section 148 of the Code, and to that end the City hereby shall:

(a) comply with the applicable provisions of Section 103 and Sections 141 through 150 of the Code and any regulations promulgated thereunder so long as the Tax Exempt Bonds are outstanding;

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

(c) make such reports of such information at the time and places required by the Code.

The Council previously adopted Resolution No. 2015-077, on August 18, 2015 (the "Reimbursement Resolution"), to declare the City's official intent to reimburse itself for certain expenditures related to the Bull Street Projects for federal tax purposes, from the proceeds of tax-exempt debt issued by or on behalf of the City (defined in the Reimbursement Resolution as the "Bonds"). The Council hereby amends the definition of "Bonds" in Section 1 of the Reimbursement Resolution to delete the text ", including but not limited to installment purchase revenue bonds" therefrom and as the term may be used throughout the Reimbursement Resolution.

SECTION 23. Notes Issued in Anticipation of Bonds. Pursuant to Title 11, Chapter 17 of the South Carolina Code, pending the issuance of the Bonds, the Council hereby authorizes the issuance of general obligation bond anticipation notes in an amount not to exceed $11,000,000 (the "Notes") for any of the purposes set forth in Section 2 herein and for costs of issuance of the Notes. In the event Notes are issued, (a) for the payment of principal of and interest, if necessary, on the Notes as they respectfully mature, there is hereby pledged the proceeds of the Bonds and the full faith, credit and taxing power of the City and (b) pending the issuance of the sale of the Bonds, the Council may determine it to be in the best interest of the City to refund or renew the outstanding Notes and, therefore, (1) the Council may authorize the Notes to be refunded or renewed and such authorization to be effected by a resolution of Council incorporating the terms of this Ordinance and (2) the principal amount of such refunded or renewed Notes may be increased by an amount sufficient to reflect interest owed and costs of issuance.

The City, at its option, may also utilize any other funds available therefore for the payment of the principal of and interest on the Notes. The Council hereby authorizes the Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any two of them acting together, to determine (a) the principal amount of the Notes; (b) the date, time and method of sale (which may be by public or private sale) of the Notes; (c) the maturity date and redemption provisions (if any) of the Notes; (d) the form of the Notes; and (e) and such other details of the Notes as may be deemed advisable. Unless the context requires otherwise, the authorizations provided in the Ordinance with respect to the Bonds or the issuance, sale and delivery thereof shall also apply with respect to any Notes issued in anticipation thereof.

SECTION 25. Miscellaneous. The Council hereby authorizes the Mayor, City Manager, City Clerk, Assistant City Manager for Finance and Economic Services and City Attorney to execute such documents and instruments as may be necessary to effect the issuance of the Bonds or make modifications in any documents including but not limited to the form of the Bond or Notice of Sale. The Mayor, the City Manager and the Assistant City Manager for Finance and Economic Services, or any of them acting alone, with the assistance of the Financial Advisor, are hereby authorized to negotiate the terms of, and execute in the name and on behalf of the City, investment agreements, forward delivery agreements, repurchase agreements and other agreements in connection with the Bonds, to prepare and solicit bids for providers of such agreements and to execute, in the name and on behalf of the City, written confirmations of any such agreements and other documents as may be necessary in connection therewith.

SECTION 26. Repeal of Conflicting Ordinances. All rules, regulations, ordinances, resolutions and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Bonds are, to the extent of such conflict, hereby repealed, and this Ordinance shall take effect and be in full force from and after its enactment.

[Signature page follows]

This Ordinance shall be forthwith codified in the Code of City Ordinances in the manner required by law.

ENACTED this 5th day of April, 2016.

CITY OF COLUMBIA, SOUTH CAROLINA

Mayor

(SEAL)

ATTEST:

Clerk

First Reading: March 15, 2016
Second Reading: April 5, 2016

[Signature page]

SCHEDULE I

LIST OF PROJECTS

The projects to be funded with the proceeds of the Bonds (the "Projects") include the following:

1. Acquisition, by construction or purchase, renovation and installation and equipment of certain improvements and other expenditures located or to be located on or relating to the approximately 181-acre tract of land, the main entrance to which is marked by the intersection of Elmwood Avenue and Bull Street, which has been historically used and dedicated to the treatment of the mentally ill by the South Carolina Department of Mental Health (generally known as the "Bull Street Campus"), more particularly consisting of road construction, paving, storm drainage, stormwater ponds and/or improvements (including parking facilities); water and sewer infrastructure and other utilities; landscaping, lighting, earthwork and erosion control, asbestos abatement and demolition and site clearing; stream daylighting and/or restoration; and development of parks, plazas, ponds and land acquisition related to the foregoing (collectively, the "Bull Street Projects").

2. Demolition, site clearing and related costs associated with the approximately 75-year old, 288-unit public housing complex known as "Gonzales Gardens," which is owned by the Columbia Housing Authority, to permit the construction and equipping of new public housing in replacement thereof (collectively, the "CHA Project").

EXHIBIT A

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement ("Disclosure Agreement"), dated as of _____, is executed and delivered by the City of Columbia, South Carolina ("Issuer") and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent ("Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (defined below) of the Bonds (defined below) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time ("Rule").

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute "advice" within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer's behalf regarding the "issuance of municipal securities" or any "municipal financial product" as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (defined below). The capitalized terms shall have the following meanings:

"Annual Report" means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

"Annual Filing Date" means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the Repositories.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

"Audited Financial Statements" means the financial statements (if any) of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

"Bonds" means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Voluntary Report, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary

Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Voluntary Report, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the Repositories under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

"Disclosure Representative" means the Finance Director or his designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

"Failure to File Event" means the Issuer's failure to file an Annual Report on or before the Annual Filing Date.

"Force Majeure Event" means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent's reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

"Holder" means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

"Information" means, collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Notice Event" means an event listed in Sections 4(a) of this Disclosure Agreement.

"Official Statement" means that Official Statement prepared by the Issuer in connection with

its $_____ General Obligation Bonds, Series _____ as listed on Appendix A.

"Voluntary Event Disclosure" means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

"Voluntary Financial Disclosure" means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than 30 days prior to the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than February 1 after the end of each fiscal year of the Issuer, commencing with the fiscal year ending June 30, _____. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification) no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Notice Event as described in Section 4(a)(12) has occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 12:00 noon on the first business day following the Annual Filing Date for the Annual Report, a Notice Event described in Section 4(a)(12) shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available,

provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certificate, together with a copy for the Trustee, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

(i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;

(iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

1. "Principal and interest payment delinquencies;"

2. "Non-Payment related defaults, if material;"

3. "Unscheduled draws on debt service reserves reflecting financial difficulties;"

4. "Unscheduled draws on credit enhancements reflecting financial difficulties;"

5. "Substitution of credit or liquidity providers, or their failure to perform;"

6. "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"

7. "Modifications to rights of securities holders, if material;"

8. "Bond calls, if material;"

9. "Defeasances;"

10. "Release, substitution, or sale of property securing repayment of the securities, if material;"

11. "Rating changes;"

12. "Tender offers;"

13. "Bankruptcy, insolvency, receivership or similar event of the obligated person;"

14. "Merger, consolidation, or acquisition of the obligated person, if material;" and

15. "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"

(v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide annual financial information as required" when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. "amendment to continuing disclosure undertaking;"

2. "change in obligated person;"

3. "notice to investors pursuant to bond documents;"

4. "certain communications from the Internal Revenue Service;"

5. "secondary market purchases;"

6. "bid for auction rate or other securities;"

7. "capital or other financing plan;"

8. "litigation/enforcement action;"

9. "change of tender agent, remarketing agent, or other on-going party;"

10. "derivative or other similar transaction;" and

11. "other event-based disclosures;"

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. "quarterly/monthly financial information;"

2. "change in fiscal year/timing of annual disclosure;"

3. "change in accounting standard;"

4. "interim/additional financial information/operating data;"

5. "budget;"

6. "investment/debt/financial policy;"

7. "information provided to rating agency, credit/liquidity provider or other third party;"

8. "consultant reports;" and

9. "other financial/operating data."

(viii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including the information provided in the Official Statement as follows:

(1) Financial information relating to the City's General Fund revenues and expenditures for the previous fiscal year, prepared substantially in the form of and updating the table of the Official Statement under the heading, "FINANCIAL INFORMATION—General Fund – Five-Year Summary."

(2) Information concerning the City's budget for the fiscal year in which the Annual Report is issued, prepared substantially in the form of the summary shown in the Official Statement under the heading, "FINANCIAL INFORMATION—General Fund Budget."

(3) Information concerning the assessed value of taxable real and personal property in the City for the previous fiscal year and, if available from the office of the Auditor of Richland County and Lexington County, an estimate for the fiscal year in which the Annual Report is issued, prepared substantially in the form of and updating the tables shown in the Official Statement under the heading, "TAX INFORMATION—Assessed Value of Taxable Property."

(4) (A) Information concerning the *ad valorem* property taxes collected for the City for the five previous fiscal year prepared substantially in the form of and updating the table shown in the Official Statement under the heading, "TAX INFORMATION—Tax

Collections"; and (B) information concerning the ten largest taxpayers in the City and the amounts of City taxes paid during the previous fiscal year, prepared substantially in the form of the table shown in the Official Statement under the heading, "TAX INFORMATION — Ten Largest Taxpayers."

(5) Information showing the legal debt limit of the City as of June 30 of the previous fiscal year, substantially in the form shown in the Official Statement under the heading, "DEBT STRUCTURE — Legal Debt Limit of the City," and (ii) information showing the outstanding indebtedness of the City, including long-term lease obligations and other long-term liabilities, as of June 30 of the previous fiscal year, substantially in the form of and updating the table and information in the Official Statement under the heading, "DEBT STRUCTURE–Outstanding Indebtedness – Description of General Obligation Indebtedness by Issue – Capital Lease Obligations – Other City Debt," and the composite debt service table in the Official Statement under the heading, "DEBT STRUCTURE – Composite Debt Service."

(b) Audited Financial Statements prepared in accordance with GAAP as described in the Official Statement will be included in the Annual Report.

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events, if material, with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. Modifications to rights of Bond holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Issuer shall, in a timely manner not in excess of ten business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB in accordance with Section 2 (e)(iv) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, Notice Event notices, Failure to File Event notices, Voluntary Event Disclosures and Voluntary Financial Disclosures, the Issuer shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the failure of the Disclosure Dissemination Agent to so advise the Issuer shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Reports.

(a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall

promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(c) The parties hereto acknowledge that the Issuer is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance

with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated in this Disclosure Agreement.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of South Carolina (other than with respect to conflicts of laws).

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature page follows]

The Disclosure Dissemination Agent and the Issuer have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent

By:_____
Name:_____
Title:_____

City of Columbia, South Carolina, as Issuer

By:_____
Name: _____
Title: _____

EXHIBIT A
NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer	City of Columbia, South Carolina
Obligated Person(s)	same
Name of Bond Issue:	$_____ General Obligation Bonds, Series _____
Date of Issuance:	_____, ____
Date of Official Statement	_____, ____
CUSIP Number:	_____

EXHIBIT B
NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer	City of Columbia, South Carolina
Obligated Person(s)	same
Name of Bond Issue:	$_____ General Obligation Bonds, Series _____
Date of Issuance:	_____, ____
Date of Official Statement	_____, ____

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Agreement, dated as of _____, between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by: _____.

Dated: _____

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent,
on behalf of the Issuer

By:_____
Name:_____
Title:_____

cc: Issuer
Obligated Person

EXHIBIT C-1
EVENT NOTICE COVER SHEET

This cover sheet and material event notice should be sent to the Municipal Securities Rulemaking Board or to all Nationally Recognized Municipal Securities Information Repositories, and the State Information Depository, if applicable, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name:

_____

Issuer's Six-Digit CUSIP Number:

_____

_____

or Nine-Digit CUSIP Number(s) of the bonds to which this material event notice relates:

_____

Number of pages of attached material event notice: _____

____ Description of Notice Events (Check One):

1. ___ "Principal and interest payment delinquencies;"
2. ___ "Non-Payment related defaults, if material;"
3. ___ "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. ___ "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. ___ "Substitution of credit or liquidity providers, or their failure to perform;"
6. ___ "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7. ___ "Modifications to rights of securities holders, if material;"
8. ___ "Bond calls, if material;"
9. ___ "Defeasances;"
10. ___ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. ___ "Rating changes;"
12. ___ "Tender offers;"
13. ___ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
14. ___ "Merger, consolidation, or acquisition of the obligated person, if material;" and
15. ___ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material."

____ Failure to provide annual financial information as required.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

_____

_____

Name: _____ Title: _____

Employer: Digital Assurance Certification, L.L.C.

390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

EXHIBIT C-1
VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and material event notice should be sent to the Municipal Securities Rulemaking Board or to all Nationally Recognized Municipal Securities Information Repositories, and the State Information Depository, if applicable, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name:

_____

Issuer's Six-Digit CUSIP Number:

_____

_____

or Nine-Digit CUSIP Number(s) of the bonds to which this material event notice relates:

_____

Number of pages of attached material event notice: _____

____ Description of Voluntary Event Disclosure (Check One):

1. ___ "amendment to continuing disclosure undertaking;"
2. ___ "change in obligated person;"
3. ___ "notice to investors pursuant to bond documents;"
4. ___ "certain communications from the Internal Revenue Service;"
5. ___ "secondary market purchases;"
6. ___ "bid for auction rate or other securities;"
7. ___ "capital or other financing plan;"
8. ___ "litigation/enforcement action;"
9. ___ "change of tender agent, remarketing agent, or other on-going party;"
10. ___ "derivative or other similar transaction;" and
11. ___ "other event-based disclosures."

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

_____

_____

Name: _____ Title: _____

Employer: Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

EXHIBIT C-1
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and material event notice should be sent to the Municipal Securities Rulemaking Board or to all Nationally Recognized Municipal Securities Information Repositories, and the State Information Depository, if applicable, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name:

_____

Issuer's Six-Digit CUSIP Number:

_____

_____

or Nine-Digit CUSIP Number(s) of the bonds to which this material event notice relates:

_____

Number of pages of attached material event notice: _____

____ Description of Voluntary Financial Disclosure (Check One):

1. ___ "quarterly/monthly financial information;"
2. ___ "change in fiscal year/timing of annual disclosure;"
3. ___ "change in accounting standard;"
4. ___ "interim/additional financial information/operating data;"
5. ___ "budget;"
6. ___ "investment/debt/financial policy;"
7. ___ "information provided to rating agency, credit/liquidity provider or other third party;"
8. ___ "consultant reports;" and
9. ___ "other financial/operating data."

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

_____

_____

Name: _____ Title: _____

Employer: Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100