

ORDINANCE NO.: 2012-060

AN ORDINANCE TO APPROVE THE REFUNDING OF THE \$36,570,000 COLUMBIA PUBLIC FACILITIES CORPORATION CERTIFICATES OF PARTICIPATION EVIDENCING UNDIVIDED INTERESTS IN BASE FEE PAYMENTS UNDER AN INSTALLMENT SALE AGREEMENT (TOURISM DEVELOPMENT FEE PLEDGE), SERIES 2003, AND TO APPROVE THE FORM AND TERMS OF, AND AUTHORIZE THE EXECUTION OF, SUPPLEMENTS OR AMENDMENTS TO THE INSTALLMENT SALE AGREEMENT BETWEEN THE CITY OF COLUMBIA, SOUTH CAROLINA, AND COLUMBIA PUBLIC FACILITIES CORPORATION, THE TRUST AGREEMENT BETWEEN COLUMBIA PUBLIC FACILITIES CORPORATION AND U.S. BANK NATIONAL ASSOCIATION, AS SUCCESSOR TRUSTEE, AND OTHER AGREEMENTS AS NECESSARY OR DESIRABLE; AND OTHER MATTERS RELATED THERETO.

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

Section 1. Definitions. The terms defined in this Section for all purposes of this Ordinance shall have the respective meanings as set forth in this Section. The term:

"2003 Certificates" means the \$36,570,000 Columbia Public Facilities Corporation Certificates of Participation Evidencing Undivided Interests in Base Fee Payments Under an Installment Sale Agreement (Tourism Development Fee Pledge), Series 2003, presently outstanding in the principal amount of \$22,820,000 and maturing on June 1, in the years 2013 through 2022.

"2012 Certificates" means the Certificates to be issued by the Corporation pursuant to the Trust Agreement, for the purpose of advance refunding all of the outstanding 2003 Certificates.

"Assignment Agreement" means the Assignment Agreement dated as of March 1, 2003, among the City, the Corporation and the Trustee.

"Base Fee Payments" means that portion of the Fee Payments specified as Base Fee Payments in the Installment Sale Agreement.

"Base Lease" shall mean the Base Lease dated as of March 1, 2003, between the City and the Corporation, as amended and supplemented from time to time.

"Certificate" or "Certificates" means any one or all of the Certificates authorized by and secured under the Trust Agreement, including the 2003 Certificates and any Additional Certificates (as such terms are defined in the Trust Agreement).

"City" means the City of Columbia, South Carolina, a municipal corporation duly organized and existing under the laws of the State.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor internal revenue laws of the United States enacted by the Congress of the United States in

replacement thereof. References to the Code and sections of the Code include relevant applicable regulations, temporary regulations and proposed regulations thereunder and any successor provisions to those sections, regulations, temporary regulations or proposed regulations.

"Convention Center" means the Columbia Metropolitan Convention Center, more particularly defined as the "2003 Project" in the Installment Sale Agreement.

"Corporation" means Columbia Public Facilities Corporation, a nonprofit corporation organized and existing under the laws of the State and an instrumentality of the City, and its successors and assigns.

"Council" means the City Council of the City.

"Escrow Agent" shall mean U.S. Bank National Association (as successor to Wachovia Bank, National Association), in its capacity as Trustee for the 2003 Certificates.

"Installment Sale Agreement" means the Installment Sale Agreement dated as of March 1, 2003, between the Corporation and the City, as heretofore amended, and as amended or supplemented hereafter from time to time.

"Intergovernmental Agreement" means the Intergovernmental Agreement dated as of March 1, 2003, among the City, Richland County and Lexington County.

"Land" means the parcels of real property upon which the Convention Center is located, as more particularly described in Exhibit A of the Installment Sale Agreement.

"Lexington County" means Lexington County, South Carolina.

"Purchaser" means PNC Bank, as purchaser of the 2012 Certificates.

"Refunding Trust Agreement" shall mean the Refunding Trust Agreement dated the date of its execution between the Corporation and the Escrow Agent.

"Refunding Trust Fund" shall mean the fund of that name created pursuant to the Refunding Trust Agreement.

"Richland County" means Richland County, South Carolina.

"Trust Agreement" means the Trust Agreement dated as of March 1, 2003, between the Corporation and the Trustee, pursuant to which the 2003 Certificates were heretofore issued, as amended or supplemented hereafter from time to time.

"Trustee" means U.S. Bank National Association (as successor to Wachovia Bank, National Association), or any successor Trustee that may become the Trustee pursuant to the applicable provisions of the Trust Agreement.

**Section 2. Findings and Determinations.** The Council hereby finds and determines:

A. The City is an incorporated municipality located in Richland County and Lexington County and as such possesses all powers granted to municipalities by the Constitution and laws of this State.

B. Pursuant to Section 5-5-10, Code of Laws of South Carolina 1976, as amended (the "South Carolina Code"), the City has selected the Council-Manager form of government and is governed by a Council composed of a Mayor and six council members which constitute the governing body of the City.

C. Section 5-7-40 of the South Carolina Code empowers all municipalities to own and possess real and personal property.

D. In March 2003, the City undertook to develop, finance, construct and acquire the Convention Center, and in connection therewith, the Corporation was created to assist therewith.

E. The Corporation has heretofore issued the 2003 Certificates, pursuant to the Trust Agreement, and the City and the Corporation have heretofore entered into the Base Lease, the Installment Sale Agreement and the Assignment Agreement.

F. Pursuant to the Installment Sale Agreement, the City agreed to make Base Fee Payments and Additional Fee Payments, secured by Tourism Development Fees (as such terms are defined in the Installment Sale Agreement) imposed by the City pursuant to Ordinance No. 96-003 of the Council enacted on March 26, 1996, and Tourism Development Fees received from Richland County and Lexington County pursuant to the Intergovernmental Agreement in such amounts and at such times as will be specified in the Installment Sale Agreement, which Base Fee Payments would subsequently be used to pay debt service coming due on the Certificates.

G. The City has received a proposal from the Purchaser, a copy of which is attached hereto as Exhibit A (the "Proposal"), to provide funds to advance refund all of the outstanding 2003 Certificates (the "Refunded COPs"), and has been advised that the advance refunding of Refunded COPs could now be accomplished at a significant debt service savings to be accomplished through the issuance of Additional Certificates under the Trust Agreement. It is now in the best interest of the City for the Council to approve the issuance and sale by the Corporation to the Purchaser of the 2012 Certificates in the principal amount of not exceeding \$24,500,000, and the advance refunding of the Refunded COPs. The proceeds of the 2012 Certificates shall be used, together with other available moneys, for the purposes of (a) advance refunding the Refunded COPs; and (b) paying the costs of issuance of the 2012 Certificates.

H. The undertakings authorized by this Ordinance are necessary and in the best interest of the City and will assist the City by reducing the debt service requirements of the Certificates and, therefore, increasing the amount of Tourism Development Fees which are available to pay or provide for the operating and maintenance expenses and reserves of the Convention Center. The refinancing transaction authorized by this Ordinance for such purposes is necessary and desirable, and the proceeds therefrom will be issued for a corporate purpose and a public purpose of the City.

**Section 3. Approval of Transaction and Proposal.** The Proposal, a copy of which is attached hereto as Exhibit A, to purchase the 2012 Certificates is hereby accepted. In the event of a conflict in the terms and provisions of such Proposal and this Ordinance, the Supplement to

Installment Sale Agreement, the Supplemental Trust Agreement (as such terms are hereinafter defined) and any other documents authorized hereunder (collectively, the "Other Documents"), the terms and provisions of this Ordinance, the Supplement to Installment Sale Agreement, the Supplemental Trust Agreement and the Other Documents shall prevail.

The City represents that it currently owns the Land and all of such Land is located within the geographic boundaries of the City. The Council does hereby approve the purposes and activities of the Corporation with respect to the Corporation's actions consistent with this Ordinance and authorizes the consummation of the transactions authorized by this Ordinance.

**Section 4. Approval of Supplement No. 1 to Installment Sale Agreement.** The form, terms and provisions of the Supplement No. 1 to Installment Sale Agreement, between the City and the Corporation, a copy of which is attached as Exhibit B (the "Supplement to Installment Sale Agreement"), be and is hereby approved. The Mayor or the City Manager, or either one of them acting alone, be and is hereby authorized, empowered and directed to execute, acknowledge and deliver, and the Clerk of City be and is hereby authorized, empowered and directed to attest, the Supplement to Installment Sale Agreement in the name and on behalf of the City, and thereupon to cause the Supplement to Installment Sale Agreement to be delivered to the Corporation. The Mayor or the City Manager, or either one of them acting alone, with advice from the City Attorney, be and is hereby delegated the authority to approve such changes in the form, terms and provisions of the Supplement to Installment Sale Agreement as may be appropriate for the financing plan contemplated thereby. The execution of the Supplement to Installment Sale Agreement shall constitute conclusive evidence of approval of any and all changes or revisions therein from the form of Supplement to Installment Sale Agreement now before this meeting. Any amendment to the Supplement to Installment Sale Agreement shall be executed in the same manner.

**Section 5. Approval of Supplemental Trust Agreement.** The form of the Supplemental Trust Agreement No. 1, between the Corporation and the Trustee, a copy of which is attached as Exhibit C (the "Supplemental Trust Agreement"), is hereby approved. The City does hereby approve and consent to the Supplemental Trust Agreement with such changes in the form, terms and provisions thereof as the Mayor or the City Manager, or either one of them acting alone, with advice from the City Attorney, shall approve.

**Section 6. Authorization to Effect Refunding; Approval of Refunding Trust Agreement.**

(a) The refunding of the Refunded COPs (the "Refunding") shall be effected with a portion of the proceeds of the 2012 Certificates, which proceeds shall be used for the payment of the Refunded COPs at maturity and when called for redemption and, if necessary, for the payment of principal and interest coming due on the Refunded COPs up to and including such redemption date. Upon delivery of the 2012 Certificates, a portion of the principal proceeds thereof, together with other available amounts, shall be deposited with the Escrow Agent (as applicable) and held by it under the Refunding Trust Agreement (as defined herein) in the Refunding Trust Fund. Subject to the terms of the Refunding Trust Agreement, it shall be the duty of the Escrow Agent to keep such proceeds invested and reinvested to the extent that it shall be practical in obligations of the United States or any agency thereof and to apply the principal and interest of the trust so established in the manner prescribed in such Refunding Trust Agreement.

(b) The form of the Refunding Trust Agreement, between the Corporation and the Escrow Agent, a copy of which is attached as Exhibit D (the "Refunding Trust Agreement"), is hereby approved. The City does hereby approve and consent to the Refunding Trust Agreement with such changes in the form, terms and provisions thereof as the Mayor or the City Manager, or either one of them acting alone, with advice from the City Attorney, shall approve.

(c) The Mayor or the City Manager, or either one of them acting alone, is hereby authorized and directed for and on behalf of the City to negotiate and execute such agreements and give such directions as shall be necessary to carry out the provisions of this Ordinance, including the execution and delivery of the Refunding Trust Agreement, and the termination, amendment or modification of any forward delivery, repurchase or other investment agreement related to the Refunded COPs.

(d) The Mayor or the City Manager, or either one of them acting alone, is hereby authorized and directed to direct the paying agent or registrar for the Refunded COPs, to take such steps as may be necessary or desirable to call such Refunded COPs for redemption on the applicable redemption dates thereof, in accordance with the Trust Agreement, and to deliver such letter of instructions or other writing to the Escrow Agent to direct the payment of the principal of and interest on the Refunded COPs, when due from the moneys and obligations held thereby or otherwise deposited and invested in the Refunding Trust Fund.

**Section 7. Trustee, Registrar and Paying Agent; Custodian.** The City hereby confirms the appointment and consents to the appointment of U.S. Bank National Association (as successor to Wachovia Bank, National Association), as Trustee, Registrar and Paying Agent under the terms and conditions provided in the Trust Agreement. The Mayor or the City Manager, or either one of them acting alone, is hereby delegated the authority to determine a successor trustee or a replacement trustee if for any reason U.S. Bank National Association does not serve as Trustee under the Trust Agreement. The Mayor, the City Manager, the Finance Director and the Treasurer, or any two of them acting together, are hereby authorized to designate a financial institution to serve as custodian of a fund or account, into which a portion of the proceeds of the 2012 Certificates shall be deposited to be used to pay issuance costs related thereto.

**Section 8. Authorization.** The Mayor, the City Manager, the Finance Director and the Treasurer, or any two of them acting together, and the City Clerk (as applicable) are fully empowered and authorized to take such further action and to execute and deliver or consent to such additional documents as may be reasonably requested by the Corporation (including but not limited to amendments or replacements (if any) to the Base Lease, the Assignment Agreement or the Leasehold Mortgage dated as of March 1, 2003, of the Corporation in favor of the Trustee) and the Trustee to effect the delivery of the Supplement to Installment Sale Agreement and the Supplemental Trust Agreement in accordance with the terms and conditions therein set forth, and the transactions contemplated hereby and thereby, and the action of such officers in executing and delivering any of such documents, in such form as the Mayor or the City Manager, or either one of them acting alone, shall approve, is hereby fully authorized. The authorization conferred herein shall extend to and include, but not be limited to, the documents and certificates reasonably expected to be necessary for the closing of the refinancing transaction, including, but not limited to, federal tax certificates, deeds or other instruments of conveyance, a general certificate of the City, any designation of City representatives, and such other documents required to be executed in connection therewith.

**Section 9. Federal Tax Covenants.** The City agrees and covenants that it will comply with all applicable portions of the Code, as in effect or hereafter amended, including Sections 103 and 141 through 150 thereof, and the regulations of the Treasury Department thereunder, to maintain the exclusion from gross income for federal income tax purposes of the interest components of the Base Fee Payments under the Installment Sale Agreement pursuant to the terms of the Certificates, including without limitation the proper use and expenditure of proceeds of the Certificates, the observation of the applicable investment limitations provided in the Code, the filing of information reports with the Internal Revenue Service and the rebate of certain arbitrage earnings on such proceeds to the United States Government.

Section 10. Severability. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 11. Repeal of Inconsistent Ordinances and Resolutions. All ordinances and resolutions of the City, and any part of any ordinance or resolution, inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

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

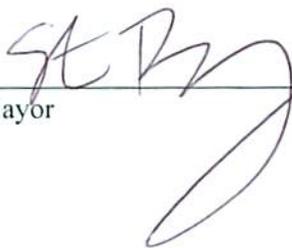
Section 12. Effective Date. This Ordinance shall be effective upon its adoption by the City Council for the City of Columbia, South Carolina.

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

ENACTED this 10<sup>th</sup> day of July 2012.



CITY OF COLUMBIA, SOUTH CAROLINA

  
\_\_\_\_\_  
Mayor

(SEAL)

ATTEST:  
  
\_\_\_\_\_  
Clerk

First Reading: June 26, 2012  
Second Reading: July 10, 2012

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**EXHIBIT A**  
**PROPOSAL OF PURCHASER**

**EXHIBIT B**

**SUPPLEMENTAL TRUST AGREEMENT NO. 1**

THIS SUPPLEMENTAL TRUST AGREEMENT NO. 1 (the "Supplement") is entered into and executed this \_\_\_ day of July, 2012, between Columbia Public Facilities Corporation (the "Corporation") and U.S. Bank National Association (as successor to Wachovia Bank, National Association), as trustee (the "Trustee").

WHEREAS, the parties have heretofore entered into the Original Trust Agreement (as defined herein), pursuant to which it was contemplated that the Corporation would issue Certificates from time to time; and

WHEREAS, the Corporation has heretofore issued its \$36,570,000 principal amount Certificates of Participation Evidencing Undivided Proportionate Interests in Base Fee Payments Under an Installment Sale Agreement (Tourism Development Fee Pledge), Series 2003 (the "Series 2003 Certificates"), presently outstanding in the principal amount of \$22,820,000, pursuant to the Trust Agreement dated as of March 1, 2003 (the "Original Trust Agreement"), between the Corporation and the Trustee, for the purpose of defraying the costs of the 2003 Project (as defined in the Original Trust Agreement); and

WHEREAS, the Corporation desires to issue its \$\_\_\_\_\_ principal amount Refunding Certificates of Participation Evidencing Undivided Proportionate Interests in Base Fee Payments Under an Installment Sale Agreement (Tourism Development Fee Pledge), Series 2012 (the "Series 2012 Certificates") pursuant to the Original Trust Agreement, as supplemented by this Supplement (as so supplemented, the "Trust Agreement"), in order to provide funds, together with other available amounts, to advance refund all of the outstanding principal amount of the Series 2003 Certificates (the "Refunded Certificates"), and pay certain costs and expenses relating to the issuance of the Series 2012 Certificates; and

WHEREAS, the parties hereto desire to execute this Supplement to make certain amendments to the Original Trust Agreement;

NOW THEREFORE, the parties heretofore agree as follows:

**ARTICLE I  
DEFINITIONS**

**SECTION 1.1. Definitions.** Capitalized terms not otherwise defined herein shall have the meanings given to them in the Original Trust Agreement. The following words and terms shall have the meanings set forth below unless the context or use clearly indicates another meaning or intent:

"Base Lease" means the Base Lease dated as of March 1, 2003, between the Corporation and the City, as the same may be further amended and supplemented from time to time.

"Federal Tax Certificate" shall, with respect to the Series 2012 Certificates, have the meaning set forth in Section 2.7 hereof.

"First Supplement to Installment Sale Agreement" means the Supplement No. 1 to Installment Sale Agreement dated of even date herewith, between the Corporation and the City.

"Original Trust Agreement" means the Trust Agreement dated as of March 1, 2003, between the Corporation and the Trustee.

"Purchaser" means PNC Bank, as purchaser of the Series 2012 Certificates.

"Installment Sale Agreement" means the Installment Sale Agreement dated as of March 1, 2003, as heretofore amended and as amended and supplemented by the First Supplement to Installment Sale Agreement, between the Corporation and the City, as the same may be further amended and supplemented from time to time.

"Supplement" means this Supplemental Trust Agreement No. 1 dated \_\_\_\_\_, 2012, between the Corporation and the Trustee.

"Trust Agreement" means the Original Trust Agreement, as amended and supplemented by this Supplement, as the same may be further amended and supplemented from time to time.

## **ARTICLE II AUTHORIZATION AND TERMS OF SERIES 2012 CERTIFICATES**

### **SECTION 2.1. Principal Amount of Series 2012 Certificates; Designation of Series 2012 Certificates; Conditions to Delivery.**

(a) Upon the execution and delivery hereof, there are hereby authorized a series of Certificates in the aggregate principal amount of \$ \_\_\_\_\_ to be designated "Refunding Certificates of Participation Evidencing Undivided Proportionate Interests in Base Fee Payments Under an Installment Sale Agreement (Tourism Development Fee Pledge), Series 2012." The Series 2012 Certificates are "Additional Certificates" within the meaning of the Original Trust Agreement. The Series 2012 Certificates shall be dated the date of initial delivery thereof.

(b) Upon the execution and delivery hereof, and satisfaction of the conditions established by the Original Trust Agreement and this Supplement, the Corporation shall execute and the Trustee shall authenticate and deliver the Series 2012 Certificates to, or to the order of, the Purchaser.

(c) Before the Trustee authenticates and delivers the Series 2012 Certificates, the Trustee shall have received a request and authorization from the Corporation, signed on its behalf by the Corporation Representative, respectively, to authenticate and deliver the Series 2012 Certificates to, or on the order of, the purchaser thereof upon payment to the Trustee of the amount specified therein, which amount shall be deposited as provided in Section 4.1 hereof, and executed copies of:

- (i) this Supplement;
- (ii) the First Supplement to Installment Sale Agreement;
- (iii) the Federal Tax Certificate;
- (iv) an opinion of Bond Counsel pursuant to Section 3.12(c) of the Original Trust Agreement;
- (v) a written order of a Corporation Representative, on behalf of the Corporation, to the Trustee, pursuant to Section 3.12(f) of the Original Trust Agreement;

(vi) an investor representation letter executed by the Purchaser, substantially in the form attached hereto as Appendix B (the "Investor Representation Letter").

**SECTION 2.2. Purposes.** The Series 2012 Certificates is authorized for the principal purposes of providing funds, together with other available amounts, to advance refund the Refunded Certificates, and pay certain costs and expenses relating to the issuance of the Series 2012 Certificates.

**SECTION 2.3. Principal Payment Schedule; Date; Interest Rate and Interest Payment Dates.** The Series 2012 Certificates shall be dated the date of their delivery, shall be payable as to principal on June 1 in the years and principal amounts set forth below and shall bear interest at a rate of \_\_\_\_\_% per annum (calculated on the basis of a 360-day year consisting of twelve 30-day months) payable on each June 1 and December 1, commencing December 1, 2012 (each, an "Interest Payment Date"). The interest rate applicable to the Series 2012 Certificates is subject to adjustment upon the occurrence of a Taxable Event, as more particularly defined and described in the form of Series 2012 Certificates attached hereto as Appendix A.

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2013		2018	
2014		2019	
2015		2020	
2016		2021	
2017		2022	

\* Final Maturity

**SECTION 2.4. Authentication.** The Series 2012 Certificates shall be authenticated, as provided in the Original Trust Agreement and Section 2.1 above, on such date as it shall be delivered and shall bear interest from the later of the date of this Supplement, or the date to which interest has been paid immediately preceding the authentication date thereof, unless the authentication date thereof is an Interest Payment Date, in which event, such Series 2012 Certificates shall bear interest from the earlier of such authentication date or the date to which interest has been paid or, in the event no interest has been paid, from the date of this Supplement.

**SECTION 2.5. Denomination and Numbering; Registration, Transfer and Exchange.** The Series 2012 Certificates shall be issued initially as one fully registered certificate in the entire principal amount thereof, registered in the name of the Purchaser and numbered "R-1." The Series 2012 Certificates shall not be initially issued or held under a book-entry system. Subject to Sections 3.07 and 3.08 of the Trust Agreement, the Series 2012 Certificates shall only be transferred if the transferee executes and delivers to the Trustee an investor representation letter in substantially the form of the Investor Representation Letter (provided, however, that (1) the Trustee shall be entitled to, and shall conclusively rely upon, any approval in writing of the Corporation to any changes to such form of Investor Representation Letter and (2) upon such transfer, any references herein to "Purchaser" shall be interpreted to mean such transferee).

**SECTION 2.6. Form of Series 2012 Certificates.** The Series 2012 Certificates, together with the certificate of authentication and assignment to appear thereon, shall be in substantially the form attached hereto as Exhibit A with necessary and appropriate variations, omissions and insertions as permitted or required by the Trust Agreement.

**SECTION 2.7. Tax Covenants of Corporation.** The Corporation will not take or permit, or omit to take or cause to be taken, any action that would adversely affect the exclusion from gross income for federal income tax purposes of the interest evidenced by or paid on the Series 2012 Certificates and, if it should take or permit, or omit to take or cause to be taken, any such action, the Corporation will take or cause to be taken all lawful actions within its power necessary to rescind or correct such actions or omissions promptly on having knowledge thereof. The Corporation acknowledges that the continued exclusion of interest evidenced by or paid on the Series 2012 Certificates from a Holder's gross income for federal income tax purposes depends, in part, on compliance with the arbitrage limitations imposed by Section 148 of the Code. To that end, the Corporation covenants that it will comply with the Federal Tax Certificate dated of even date herewith, of the Corporation and the City (the "Federal Tax Certificate"), relating to the Series 2012 Certificates.

### **ARTICLE III REDEMPTION OF SERIES 2012 Certificates**

#### **SECTION 3.1. Redemption of Series 2012 Certificates.**

(a) Optional Redemption of Series 2012 Certificates. In the event the City makes a voluntary prepayment under Section 4.3 of the Installment Sale Agreement, the Series 2012 Certificates may be redeemed by the Corporation, in whole or in part on any date, at a redemption price equal to [100% of the outstanding principal amount thereof plus accrued interest to the redemption date].

The Series 2012 Certificates shall be redeemed in accordance with this paragraph (a) only by written notice from the City or the Corporation to the Trustee of the redemption of the Series 2012 Certificates and directing the Trustee to give notice thereof to the Holders in accordance with Section 4.02 of the Original Trust Agreement. Such notice shall specify the redemption date on which the Series 2012 Certificates is to be redeemed, and shall be given to the Trustee at least 45 days prior to the redemption date or such shorter period as shall be acceptable to the Trustee.

(b) Extraordinary Redemption of Series 2012 Certificates. In the event the Facilities are partially or totally destroyed, damaged or condemned, and (i) the Net Proceeds are inadequate to pay in full the costs of rebuilding, repairing or restoring the Facilities and (ii) the City fails to provide funds from other sources in amounts sufficient to complete such rebuilding, repair or restoration of the Facilities, the Series 2003 Certificates shall be subject to mandatory extraordinary redemption prior to their stated maturities, at a redemption price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, in whole at any time, from such Net Proceeds together with other moneys of the City, if any, made available for that purpose.

### **ARTICLE IV PROVISIONS AS TO FUNDS AND PAYMENTS**

**SECTION 4.1. Deposit and Application of Sales Proceeds.** In order to assure that the Refunded Certificates will be refunded without delay and that the Facilities will continue to be available for lease and occupancy by the City without delay, \$\_\_\_\_\_ (representing a portion of the proceeds received from the sale of the Series 2012 Certificates), together with amounts on deposit in the Fee Payment Account of the Certificate Fund related to the Series 2003 Certificates (\$\_\_\_\_\_), shall be deposited with the Escrow Agent and used to advance refund the Refunded Certificates. The remaining portion of the proceeds from the sale of the Series 2012 Certificates shall be transferred to or upon the order of the Corporation, to be used for payment of costs of issuance of the Series 2012 Certificates.

**ARTICLE V  
AMENDMENTS TO TRUST AGREEMENT**

**SECTION 5.1. Amendments to Original Trust Agreement.**

(a) The Original Trust Agreement is hereby amended to delete the definitions of “AMBAC Assurance” and “Financial Guaranty Insurance Policy” from Section 1.01. therein, and the provisions of Article XIII in its entirety. Notwithstanding anything herein or in the Original Trust Agreement to the contrary, all provisions of the Original Trust Agreement which require the approval, consent or direction of AMBAC Assurance to be given or obtained, any notice to be given to AMBAC Assurance or which give rights, extend benefits or otherwise relate to AMBAC Assurance or the Financial Guaranty Insurance Policy, shall be deleted from the Original Trust Agreement without further action of the parties hereto and shall not be given or construed to have any force of law, effect and/or meaning.

(b) The Original Trust Agreement is hereby amended to delete the definition of “Eligible Investments” and replace it with the following text:

“Eligible Investments” means (a) any one or more of the investments now or hereafter permitted by applicable State law, including but not limited to Sections 6-5-10 or 11-1-60, Code of Laws of South Carolina 1976, as amended and in effect from time to time (with respect to the investment of funds of a political subdivision); (b) the South Carolina Pooled Investment Fund or similar State administered pool investment fund; and (c) such other investments as may be permitted pursuant to a Supplemental Agreement.

(c) The Original Trust Agreement is hereby amended to add the following definition:

“Favorable Opinion of Bond Counsel” means, with respect to any requested action under the Trust Agreement, a written legal opinion of Bond Counsel, addressed to the Corporation, the Trustee and the City, to the effect that such action is authorized or permitted under the Trust Agreement.

(d) The Original Trust Agreement is hereby amended to delete the definition of “Reserve Requirement” and replace it with the following text:

“Reserve Requirement” means, with respect to the Series 2003 Certificates, the least of (a) ten percent of the principal amount of the Series 2003 Certificates (less any original issue discount when such original issue discount represents more than a de minimis amount); (b) the greatest remaining Base Fee Payments with respect to the Series 2003 Certificates in any Fiscal Year; or (c) 125 percent of the average remaining Base Fee Payments with respect to the Series 2003 Certificates in any Fiscal Year; and, with respect to any series of Additional Certificates issued hereunder, the amount set forth in the Supplemental Agreement related thereto.

(e) Section 4.03 of the Original Trust Agreement is hereby amended to delete the last sentence of the first paragraph thereof in its entirety.

(f) Section 5.03 of the Original Trust Agreement is hereby deleted in its entirety and replaced with the following text:

Section 5.03    Creation of Certificate Fund; Fee Payment Account and Reserve Account.

(a) There is created by the Trustee as a separate fund in the custody of the Trustee a trust fund to be designated with the name of "Tourism Development Fee – Certificate Fund" (hereinafter the "Certificate Fund"). Within the Certificate Fund there shall be a Fee Payment Account and a Reserve Account and one or more subaccounts of the foregoing pursuant to the provisions hereof. There shall be deposited in the Certificate Fund (and credited, as required by this Agreement or the Installment Sale Agreement, to appropriate Accounts and subaccounts therein), proceeds of the sale of the Series 2003 Certificates set forth in Section 5.01, amounts transferred from the Construction Fund under Section 5.02 during construction of a Project and after the Completion Date, any Tourism Development Fees or Net Proceeds received by the Trustee after the Completion Date and the Base Fee Payments to be made by the City to the Trustee under the terms of the Installment Sale Agreement.

Upon the issuance of each series of Additional Certificates hereunder (including the Series 2012 Certificates), a separate subaccount of the Fee Payment Account shall be established therein to provide for the payment of principal and premium, if any, of and interest on such series of Certificates, with the intent being that such series of Certificates shall only be payable from the subaccount of the Fee Payment Account established with respect to such series of Certificates.

Upon the issuance of any series of Additional Certificates hereunder, one or more separate subaccounts may be created in the Reserve Account of the Bond Fund to provide for any Reserve Requirement with respect to such Additional Certificates with the intent being that any series of Certificates for which a subaccount of the Reserve Account has been established shall only be payable from the subaccounts of the Reserve Account established with respect to such series of Certificates upon the issuance thereof. For purposes of clarification, no subaccount of the Reserve Account is being established with respect to the Series 2012 Certificates.

(b) Amounts on deposit to the Certificate Fund (and the Accounts and subaccounts therein) and the moneys and Eligible Investments therein shall be used solely and exclusively for making Certificate Payments as they become due, except as otherwise provided in this Agreement; provided, however, that amounts in a subaccount of the Certificate Fund established for a particular series of Certificates shall be used solely and exclusively for such series of Certificates.

(c) The Trustee shall as Paying Agent set aside from moneys in the Certificate Fund, amounts sufficient to make timely payments of Certificate Payments.

(d) Payments on Certificates shall be payable as they become due in the following order, (i) first, proceeds from the sale of Certificates and amounts deposited to the applicable subaccount of the Fee Payment Account from the Construction Fund, (ii) second, from Net Proceeds, but only to the extent and on the occasions set forth in Section 3.4 of the Installment Sale Agreement, (iii) third, from the Base Fee Payments to be paid directly by the City to the Trustee from Pledged Revenues pursuant to the Installment Sale Agreement and deposited in the applicable subaccount of the Fee Payment Account, (iv) fourth, if those Base Fee Payments are not made or the Pledged Revenues are not sufficient to make the

Certificate Payments, then from the moneys on deposit in the applicable subaccount of the Reserve Account of the Certificate Fund as provided in subsection (f) below, (v) fifth, if moneys then on deposit in the applicable subaccount of the Certificate Fund, including the Reserve Account, and available for that purpose are not sufficient to make the Certificate Payments, then from other Revenues to the extent then available, and (vi) finally, from any other source lawfully available under this Agreement to the Trustee.

(e) Payments of Base Fee Payments under the Installment Sale Agreement, Net Proceeds received after the Completion Date and all other moneys derived from the reletting or other disposition of the Facilities, and such other amounts as may be required to be deposited by the Trustee to the applicable subaccounts of the Fee Payment Account shall be deposited by the Trustee in the applicable subaccounts of the Fee Payment Account of the Certificate Fund.

(f) If on the fifth day prior to any Interest Payment Date the amount in the applicable subaccounts of the Fee Payment Account of the Certificate Fund is less than the amount of Certificate Payments due and payable with respect to the applicable series of Certificates on such Interest Payment Date, the Trustee shall immediately transfer from the Reserve Account (if any) to the applicable subaccounts of the Fee Payment Account an amount sufficient to make up such deficiency. In the event of any such transfer, the Trustee shall promptly give telephonic notice of such transfer to the Corporation and the City and, within ten days after making the transfer, provide written notice to the Corporation and the City of the amount and date of such transfer.

(g) Moneys in a particular subaccount of the Reserve Account of the Certificate Fund shall be used solely to make payments with respect to the applicable series of Certificates as follows: (i) to the extent necessary to make up deficiencies in the applicable subaccounts of the Fee Payment Account as provided in subsection (f) above; (ii) as provided in Section 5.04(d); and (iii) if all Base Fee Payments by the City are then current, to be credited against the last remaining required installments of Base Fee Payments and for that purpose any remaining amounts in a particular subaccount of the Reserve Account shall be transferred as Base Fee Payments to the applicable subaccounts of the Fee Payment Account by the Trustee on or before the final Interest Payment Date for the Certificates. In the event the Reserve Requirement is satisfied in part, but not in whole, by a Reserve Surety, then any transfer from the Reserve Account to the Lease Rental Account shall be made first from money in the Reserve Account before a demand or drawing is made on the Reserve Surety.

(h) If a deficiency exists in a particular subaccount of the Reserve Account, any moneys received by the Trustee from the City and designated by the City Representative as a payment made pursuant to Section 4.1(d) of the Installment Sale Agreement shall be deposited in the applicable subaccount of the Reserve Account and any moneys received by the Trustee under the Installment Sale Agreement shall be deposited first to such subaccount of the Reserve Account.

(i) In lieu of the required deposits into a subaccount of the Reserve Account established for a particular series of Certificates, the Corporation may cause to be deposited therein a surety bond, an insurance policy, a letter of credit or other credit facility (each, a "Reserve Surety"), payable to the Trustee that in each case shall be in an amount equal to the difference between the Reserve Requirement applicable to such

series of Certificates and the sums, if any, then on deposit to the credit of the applicable subaccount of the Reserve Account; provided, however, that (1) any Reserve Surety (other than a letter of credit) shall have a term of no less than five years or the maturity date of such series of Certificates (whichever is less), (2) any Reserve Surety in the form of a letter of credit shall have a term of no less than one year or the maturity date of such series of Certificates (whichever is less), and (3) as a condition to the substitution of such surety bond, insurance policy, letter of credit or other credit facility in lieu of the required deposits to the applicable subaccount of the Reserve Account, there shall be delivered to the Trustee (i) a Favorable Opinion of Bond Counsel, and (ii) an executed original of such surety bond, insurance policy, letter of credit or other credit facility in lieu of the required deposit prior to the acceptance thereof by the Trustee. On or prior to the expiration of a surety bond, insurance policy, letter of credit or other credit facility which do not by their terms expire prior to the maturity date of the Certificates of such series, a replacement surety bond, insurance policy, letter of credit or other credit facility prior to such expiration date must have been received or the applicable subaccount of the Reserve Account must be fully funded. In no event may the issuer of the insurance policy, letter of credit or other credit facility have pledged or assigned to it any interest in the Trust Estate granted hereunder unless subordinate to the interest of the Trustee. Any such letter of credit, surety bond or insurance policy shall be issued in the name of or for the benefit of the Trustee and shall contain no restrictions on the ability of the Trustee to receive payment thereunder other than a certification by the Trustee that the funds drawn thereunder are to be used for the purposes set forth in the preceding paragraph. If the Corporation elects to deposit a surety bond, insurance policy, letter of credit or other credit facility in the applicable subaccount of the Reserve Account in lieu of moneys on deposit therein, upon any such deposit, the Trustee shall release to the Corporation from the applicable subaccount of the Reserve Account cash in an amount equal to, or Permitted Investments held therein having a market value equal to, the face amount of the surety bond, insurance policy, letter of credit or other credit facility then being deposited, except that moneys on deposit in such fund which were originally proceeds of any series of Certificates shall be transferred to the applicable subaccount of the Fee Payment Account or for any other use specified by the Corporation.

(g) The granting clauses of the Original Trust Agreement are hereby amended to add the following text after clause (i) thereof: “; provided, however, that amounts in a subaccount of the Certificate Fund established for a particular series of Certificates shall be held solely and exclusively for, and secure the payment of, such series of Certificates,”

(h) Section 6.07 of the Original Trust Agreement is hereby amended to add the following text as a new subsection (c) thereof:

(c) Notwithstanding subsections (a) or (b) above, for so long as no Event of Default has occurred and is continuing, the Corporation may remove the Trustee without cause or for no cause. The removal of the Trustee shall become effective upon the appointment of such successor Trustee pursuant to Section 6.08 hereof.

## **ARTICLE VI MISCELLANEOUS**

**SECTION 6.1. Limitation of Rights.** With the exception of rights conferred expressly herein, nothing expressed or mentioned in or to be implied from the Base Lease, the Installment Sale

Agreement or the Series 2012 Certificates is intended or shall be construed to give to any Person and the parties hereto and the Holders of the Series 2012 Certificates any legal or equitable right, remedy, power or claim under or with respect hereto or any covenants, agreements, conditions and provisions contained herein. This Supplement and all of those covenants, agreements, conditions and provisions are intended to be, and are, for the sole and exclusive benefit of the parties hereto and the Holders of the Series 2012 Certificates as provided herein.

**SECTION 6.2. Severability.** In case any section or provision hereof, or any covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken hereunder, or any application thereof, is held to be illegal or invalid for any reason, or is inoperable at any time, that illegality, invalidity or inoperability shall not affect the remainder thereof or any other section or provision hereof or any other covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken hereunder, all of which shall be construed and enforced at the time as if the illegal, invalid or inoperable portion were not contained therein and shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the full extent permitted by law from time to time.

**SECTION 6.3. Binding Effect.** This Supplement shall inure to the benefit of and shall be binding upon the Corporation and upon the Trustee, and their respective successors and assigns, subject, however, to the limitations contained herein.

**SECTION 6.4. Counterparts.** This Supplement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

**SECTION 6.5. Governing Law.** This Supplement and the Series 2012 Certificates shall be deemed to be contracts made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State.

WITNESS the due execution of this Supplemental Trust Agreement No. 1 to be effective as of the date first above written.

(SEAL)

**COLUMBIA PUBLIC FACILITIES  
CORPORATION**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**U.S. BANK NATIONAL ASSOCIATION, as  
successor to Wachovia Bank, National  
Association, as Trustee**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT A**

**FORM OF SERIES 2012 CERTIFICATES**

**TRANSFER RESTRICTED**

**THIS BOND MAY BE SOLD OR TRANSFERRED IN WHOLE OR IN PART ONLY TO A PURCHASER OR TRANSFEREE DELIVERING TO THE CITY AN INVESTMENT LETTER IN THE FORM REQUIRED UNDER THE HEREINAFTER DEFINED TRUST AGREEMENT**

NO. R-1

**COLUMBIA PUBLIC FACILITIES CORPORATION  
REFUNDING CERTIFICATE OF PARTICIPATION  
EVIDENCING UNDIVIDED PROPORTIONATE INTERESTS  
IN BASE FEE PAYMENTS UNDER AN INSTALLMENT SALE AGREEMENT  
(TOURISM DEVELOPMENT FEE PLEDGE),  
SERIES 2012**

**INTEREST COMPONENT  
RATE PER ANNUM:**

**PRINCIPAL COMPONENT  
MATURITY DATE:**

**DATED:**  
\_\_\_\_\_, 2012

**REGISTERED OWNER:** \_\_\_\_\_

**PRINCIPAL AMOUNT:** \_\_\_\_\_

THIS IS TO CERTIFY THAT the Registered Owner (the "Owner") identified above, or registered assigns, as the Owner of this Certificate is the owner of an undivided proportionate interest in the Base Fee Payments (as defined in the hereafter defined Installment Sale Agreement) to be paid by the City of Columbia, South Carolina (the "City"), a municipal corporation organized and existing under the laws of the State of South Carolina (the "State"), under an Installment Sale Agreement dated as of March 1, 2003, as heretofore amended and as amended and supplemented by a Supplement No. 1 to Installment Sale Agreement dated \_\_\_\_\_, 2012 (as so amended, the "Installment Sale Agreement"), between Columbia Public Facilities Corporation, a nonprofit corporation organized and existing under the laws of the State (the "Corporation"), and the City. The Corporation's right, title and interest in the Base Fee Payments and Additional Fee Payments (as defined in the Installment Sale Agreement; collectively, "Fee Payments") and the Corporation's rights under the Installment Sale Agreement have been assigned, with certain exceptions, to U.S. Bank National Association, as successor to Wachovia Bank, National Association, as trustee (the "Trustee") under the Trust Agreement dated as of March 1, 2003, as amended and supplemented by a Supplemental Trust Agreement dated \_\_\_\_\_, 2012 (as so amended, the "Trust Agreement"), between the Corporation and the Trustee, pursuant to the Trust Agreement.

The Owner named above is entitled to receive, subject to the terms of the Installment Sale Agreement and the Trust Agreement, on the Principal Component Maturity Date stated above, the Principal

Amount stated above, representing a portion of the Base Fee Payments designated as principal, and interest thereon at the Interest Component Rate Per Annum stated above on June 1 and December 1 of each year (the "Interest Payment Dates"), commencing December 1, 2012, until the Principal Amount is paid or duly provided for, representing the Owner's proportionate share of the Base Fee Payments designated as interest coming due during the six months immediately preceding each of the Interest Payment Dates (except for the first Interest Payment Date, at which time interest coming due from the date hereof will be paid). Interest on this Certificate shall be payable from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or provided for, from the date of this Certificate.

Principal, interest and premium, if any (the "Certificate Payments"), are payable in lawful money of the United States of America and without deduction for the services of the Trustee as Registrar and Paying Agent. The principal components of and premium, if any, on this certificate are payable when due upon presentation and surrender hereof at the principal corporate trust office of the Trustee in St. Paul, Minnesota; and the interest component of Base Fee Payments payable on each Interest Payment Date will be paid by check or draft mailed by the Trustee to the Owner as shown on the registration and transfer books (the "Registrar") maintained by the Trustee as Registrar at the close of business on the 15th day of the calendar month next preceding the Interest Payment Date (the "Regular Record Date"), at the address appearing thereon. Any Owner of \$1,000,000 or more of Certificates (as defined herein) shall be entitled to direct that any payments of interest components of Base Fee Payments due with respect thereto be made to such Owner by wire transfer to an account within the continental United States at the address as such Owner shall specify in a written notice requesting payment in such manner and delivered no later than the Regular Record Date.

THE CITY IS NOT A PARTY TO THE CERTIFICATES OR THE TRUST AGREEMENT. THE CERTIFICATES, THE INSTALLMENT SALE AGREEMENT AND THE AGREEMENT TO MAKE FEE PAYMENTS DO NOT CONSTITUTE A DEBT OF OR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY OR THE STATE. THE CORPORATION HAS NO OBLIGATION TO MAKE CERTIFICATE PAYMENTS OR ANY FEE PAYMENTS. THE CERTIFICATES DO NOT CONSTITUTE A DEBT OR GENERAL OBLIGATION OF THE TRUSTEE.

This certificate is one of a series of Refunding Certificates of Participation Evidencing Undivided Proportionate Interests in Base Fee Payments Under an Installment Sale Agreement (Tourism Development Fee Pledge), Series 2012, of like tenor and effect, except as to maturity, interest rate, registered owner, redemption provisions, and denomination, aggregating in principal amount of \$\_\_\_\_\_ (the "Certificates"), and executed and delivered pursuant to the Trust Agreement. The Certificates are equally and ratably secured and entitled to the protection given by the Trust Agreement. Reference is hereby made to the Trust Agreement, to all the provisions of which each Owner, by its acceptance hereof, thereby assents. A copy of the Trust Agreement is on file at the corporate trust office of the Trustee in Columbia, South Carolina, and contains a more complete description of the provisions, among others, with respect to the nature and extent of security for the Certificates, the rights, duties and obligations of the Trustee and Owners, and the terms and conditions upon which the Certificates are executed, delivered and secured.

Certificate Payments are payable solely from Base Fee Payments to be paid by the City during the term of the Installment Sale Agreement to the Trustee pursuant to the Installment Sale Agreement and the Trust Agreement, including Base Fee Payments made from the proceeds of the sale of the Certificates and other moneys representing or derived from payments made by the City under the Installment Sale Agreement, all as pledged to payment of the Certificates by the Trust Agreement.

The Installment Sale Agreement provides for the City's payment of Base Fee Payments in an amount sufficient, together with other money on deposit with the Trustee to be credited as Base Fee Payments, for the payment of the interest component, principal component, or premium, if any, on the Certificates when due during the term of the Installment Sale Agreement.

The Certificates are subject to payment prior to their scheduled maturities as follows:

(a) The Certificates are subject to redemption at the option of the Corporation at the direction of the City prior to maturity in whole or in part on any date, at a redemption price equal to the principal amount thereof, without premium, plus accrued to the redemption date. [insert optional redemption provisions]

(b) In the event the Facilities (as defined in the Trust Agreement) are partially or totally destroyed, damaged or condemned, and (i) the Net Proceeds (as defined in the Trust Agreement) are inadequate to pay in full the costs of rebuilding, repairing or restoring the Facilities and (ii) the City fails to provide funds from other sources in amounts sufficient to complete such rebuilding, repair or restoration of the Facilities, the Certificates shall be subject to mandatory extraordinary redemption prior to their stated maturities, at a redemption price equal to the principal component thereof, without premium, plus accrued interest to the redemption date, in whole at any time, from such Net Proceeds together with other moneys of the City, if any, made available for that purpose.

In the event of any redemption of less than all of the Certificates, the Trustee shall select the particular Certificates to be redeemed as directed by the City and within a maturity by lot or such other means as the Trustee deems appropriate.

The Trustee shall give notice of redemption by first class mail, postage prepaid, at least 30 and not more than 60 days prior to the date fixed for redemption to the Owner of each Certificate subject to redemption at the Owner's address shown on the Register on the 15<sup>th</sup> day preceding that mailing. Failure to receive any notice by mailing or otherwise or any defect in such notice regarding any Certificate, however, shall not affect the validity of the proceedings for the redemption of any Certificate for which notice was properly given.

In addition to the foregoing, the Trust Agreement and the Installment Sale Agreement contain provisions that enable the Trustee to accelerate the payment of all amounts due in respect hereof under the circumstances set forth therein.

If the Certificates are called for redemption and if on the redemption date moneys for the redemption thereof are held by the Trustee, thereafter those Certificates shall cease to bear interest, and shall cease to be secured by, and shall not be deemed to be outstanding under, the Trust Agreement.

The Owners of Certificates shall not be entitled to enforce the provisions of the Installment Sale Agreement or the Trust Agreement or to institute, appear in, or defend, any suit, action or proceeding at law or in equity, to enforce any rights, remedies or covenants granted by the Trust Agreement or take any action with respect to any event of default under the Trust Agreement except as provided in the Trust Agreement.

The Trust Agreement permits certain amendments to the Trust Agreement and the Installment Sale Agreement and to other related agreements to be made without the consent of the Owners, and other amendments to the Trust Agreement and to the Installment Sale Agreement to be made with the consent of the Owners of not less than a majority of the aggregate principal amount of the applicable Certificates then outstanding.

The Trustee has no obligation or liability to the Owners for the payment of principal, interest, or premium, with respect to the Certificates, except from amounts on deposit for such purposes with the Trustee; the Trustee's sole obligations are to authenticate and deliver the Certificates, to maintain the various funds and accounts established under the Trust Agreement for the purposes stated therein, and to exercise on behalf of

the Owners the remedies provided in the Trust Agreement and the Installment Sale Agreement under the terms and conditions stated therein.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things necessary to be done or performed or to have happened precedent to and in the issuing of the Certificates in accordance with their terms, and precedent to and in the execution and delivery of the Trust Agreement, have happened, been done, and performed in regular and due form as required by law; and that payment in full for the Certificates has been received.

IN WITNESS WHEREOF, Columbia Public Facilities Corporation has caused this certificate to be executed in its name by the manual or facsimile signature of the Vice President of the Corporation, attested by the manual or facsimile signature of the Secretary/Treasurer of the Corporation, all as of the date first above written.

COLUMBIA PUBLIC FACILITIES  
CORPORATION

(SEAL)

By: \_\_\_\_\_  
Its: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary/Treasurer

FORM OF CERTIFICATE OF AUTHENTICATION

This Certificate is one of the Certificates of the issue designated herein and issued under the provisions of the within-mentioned Trust Agreement.

WACHOVIA BANK, NATIONAL  
ASSOCIATION, as Registrar

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Date of Authentication: \_\_\_\_\_

FORM OF ASSIGNMENT

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

Dated: \_\_\_\_\_

Signature Guaranteed

(Authorized Officer)

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

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

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

\_\_\_\_\_  
(Cust) Custodian \_\_\_\_\_  
(Minor)

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

under Uniform Gifts to  
Minors Act \_\_\_\_\_  
(State)

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

APPENDIX B

FORM OF INVESTOR REPRESENTATION LETTER

[Date of Delivery]

Columbia Public Facilities Corporation  
Columbia, South Carolina

City of Columbia, South Carolina  
Columbia, South Carolina

McNair Law Firm, P.A.  
Columbia, South Carolina

§ \_\_\_\_\_  
COLUMBIA PUBLIC FACILITIES CORPORATION  
REFUNDING CERTIFICATE OF PARTICIPATION  
EVIDENCING UNDIVIDED PROPORTIONATE INTERESTS  
IN BASE FEE PAYMENTS UNDER AN INSTALLMENT SALE AGREEMENT  
(TOURISM DEVELOPMENT FEE PLEDGE),  
SERIES 2012

In connection with the offering for sale by Columbia Public Facilities Corporation (the "Issuer") of its \$ \_\_\_\_\_ Refunding Certificates of Participation Evidencing Undivided Proportionate Interests in Base Fee Payments Under an Installment Sale Agreement (Tourism Development Fee Pledge), Series 2012 (the "Certificates"), dated \_\_\_\_\_, 2012, PNC Bank (the "Bank") hereby represents to you as follows:

1. The Bank has agreed to purchase the Certificates and hereby acknowledges receipt of the Certificates.
2. The Bank had an opportunity to make inquiries of, and receive answers from such officials, employees, agents and attorneys of the Issuer and the City of Columbia, South Carolina (the "City").
3. The Bank is acquiring the Certificates as a vehicle for making a commercial loan without a present view to the distribution or resale thereof (subject, nevertheless, to any requirement of law that the deposition of this property at all times be under its control) within the meaning of the Federal securities laws.
4. The Bank is acquiring the Certificates solely for its own account and no other person now has any direct or indirect beneficial ownership or interest therein.
5. The Bank acknowledges that no official statement or other offering material has been furnished to it. The Bank has had an opportunity to make inquiries of, and receive answers from, such officers, employees, agents and attorneys of the Issuer and the City as it considers appropriate in connection with its purchase of the Certificates.

6. The Bank acknowledges it has such knowledge and experience in financial and business matters and that it is capable of evaluating the merits and risks of its prospective investment in the Certificates, and is financially able to bear the economic risk of its investment in the Certificates.

7. The Bank understands that the scope of engagement of McNair Law Firm, P.A., as Certificates Counsel with respect to the Certificates has been limited to matters set forth in its opinion based on their review of such legal proceedings as they deem necessary.

8. The Bank hereby covenants that it will not voluntarily dispose of all or any portion of the Certificates unless it procures from the assignee thereof representations and covenants in form and content substantially the same as those made by the Bank.

PNC BANK

By: \_\_\_\_\_

Its: \_\_\_\_\_

## EXHIBIT C

### SUPPLEMENT NO. 1 TO INSTALLMENT SALE AGREEMENT

THIS SUPPLEMENT NO. 1 TO INSTALLMENT SALE AGREEMENT (the "Supplement") is entered into and executed this \_\_\_\_ day of \_\_\_\_, 2012, by the City of Columbia, South Carolina (the "City") and Columbia Public Facilities Corporation (the "Corporation"), to modify the Installment Sale Agreement dated as of March 1, 2003, as heretofore amended (as so amended, the "Original Installment Sale Agreement"), between the City and the Corporation.

WHEREAS, the Corporation heretofore entered into the Trust Agreement dated as of March 1, 2003 (the "Original Trust Agreement"), with Wachovia Bank, National Association (predecessor to U.S. Bank National Association), as trustee (the "Trustee"), relating to the issuance from time to time of Certificates (as defined in the Original Trust Agreement); and

WHEREAS, in connection therewith, the City and the Corporation entered into the Original Installment Sale Agreement, whereby the Corporation agreed to lease the Facilities (as defined in the Original Installment Sale Agreement) to the City, and the City agreed to pay Base Fee Payments (as defined in the Original Installment Sale Agreement), subject to Section 4.7 thereof, to the Corporation, as more particularly set forth therein; and

WHEREAS, the Corporation issued its \$36,570,000 principal amount Certificates of Participation Evidencing Undivided Proportionate Interests in Base Fee Payments Under an Installment Sale Agreement (Tourism Development Fee Pledge), Series 2003 (the "Series 2003 Certificates"), presently outstanding in the principal amount of \$22,820,000, pursuant to the Original Trust Agreement; and

WHEREAS, the Corporation intends to issue its \$\_\_\_\_\_ principal amount Refunding Certificates of Participation Evidencing Undivided Proportionate Interests in Base Fee Payments Under an Installment Sale Agreement (Tourism Development Fee Pledge), Series 2012 (the "Series 2012 Certificates"), pursuant to a Supplemental Trust Agreement dated of even date herewith (the "First Supplemental Trust Agreement"), between the Corporation and the Trustee, in order to advance refund all of the outstanding principal amount of the Series 2003 Certificates (the "Refunded Certificates") and pay costs of issuance related to the Series 2012 Certificates; and

WHEREAS, the Series 2012 Certificates are issued as "Additional Certificates" within the meaning of the Original Trust Agreement; and

WHEREAS, the Corporation intends to issue and sell the Series 2012 Certificates on the date hereof to \_\_\_\_\_, as the initial purchaser and registered owner of the Series 2012 Certificates (the "Purchaser"); and

WHEREAS, as permitted by Section 8.4 of the Original Installment Sale Agreement and Section 3.12 and Article XI of the Original Trust Agreement, the parties hereto desire to modify the Base Fee Payments payable under the Original Installment Sale Agreement, and make other amendments to the Original Installment Sale Agreement.

NOW THEREFORE, the parties heretofore agree as follows:

1. Definitions. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Original Installment Sale Agreement. For purposes of this Supplement, the following words

and terms shall have the meanings set forth below unless the context or use clearly indicates another meaning or intent:

“Base Lease” means the Original Base Lease, as the same may be amended and supplemented from time to time.

“Installment Sale Agreement” means the Original Installment Sale Agreement, as amended and supplemented by this Supplement, as the same may be further amended and supplemented from time to time.

“Original Base Lease” means the Base Lease dated as of March 1, 2003, between the Corporation and the City.

"Trust Agreement" means the Original Trust Agreement, as amended and supplemented by the First Supplemental Trust Agreement, as the same may be further amended and supplemented from time to time.

2. The City makes the following representations and warranties:

(a) The City is a municipal corporation duly organized and existing under the laws of the State of South Carolina. The City had, as of the date of the Original Installment Sale Agreement, full power and legal right to enter into the Original Installment Sale Agreement and the Original Base Lease and to perform its obligations thereunder, and presently has full power and legal right to enter into this Supplement and to perform its obligations under the Installment Sale Agreement and the Base Lease. The City's actions in making and performing the Installment Sale Agreement have been duly authorized by all necessary governmental action and did not, do not and will not violate or conflict with any law or governmental rule or regulation, or any mortgage, agreement, instrument or other document by which the City or its properties were or are bound.

(b) The City has caused or will cause (as applicable) the application of the Certificate Proceeds solely for the payment of, or reimbursement to the City for, the Costs of the 2003 Project, to purchase a debt service reserve policy to satisfy the Reserve Requirement with respect to the Series 2003 Certificates and to pay the costs of issuance with respect to the Series 2003 Certificates, including the premium for the Financial Guaranty Insurance Policy (as defined in the Original Trust Agreement).

(c) Except as have been disclosed to the Purchaser, there are no proceedings pending or, to the knowledge of the City, threatened against or affecting the City, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the properties, operations, prospects or condition (financial or otherwise) of the City, or the existence or powers or ability of the City to enter into and perform its obligations under the Installment Sale Agreement.

(d) The execution and delivery of the Installment Sale Agreement, and the consummation of the transactions provided for therein and herein, and compliance by the City with the provisions of the Installment Sale Agreement

(1) were and continue to be within the powers and have been and continue to be duly and validly authorized by all necessary governmental and other action on the part of the City; and

- (2) did not, do not and will not conflict with or result in any material breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon, any property or assets of the City pursuant to any indenture, loan agreement or other agreement or instrument (other than the Installment Sale Agreement) or any governmental restriction to which the City was or is a party or by which the City, its properties or operations were or may be bound or with the giving of notice or the passage of time or both were or would constitute such a breach or default or result in the creation or imposition of any such lien, charge or encumbrance, which breach, default, lien, charge or encumbrance could materially and adversely affect the validity or the enforceability of the Installment Sale Agreement or the City's ability to perform fully its obligations under the Installment Sale Agreement; nor did, do or will such action result in any violation of any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the City or its properties or operations were or are subject.

(e) No event has occurred and no condition exists that constitutes an Event of Default or which, upon the execution and delivery of the Installment Sale Agreement and/or the passage of time or giving of notice or both, would constitute an Event of Default. The City is not in violation in any material respect, and has not received notice of any claimed material violation (except such violations as do not, and shall not, have any material adverse effect on the transactions contemplated herein and the compliance by the City with the terms hereof) of any terms of any court order, statute, regulation, ordinance, agreement or other instrument to which it is a party or by which it, its properties or its operations may be bound.

(f) The Installment Sale Agreement is a legal, valid and binding obligation and agreement of the City, enforceable against the City in accordance with its terms except as such enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

3. The Corporation makes the following representations and warranties:

(a) The Corporation is a nonprofit corporation duly organized and existing under the laws of the State of South Carolina. The Corporation had, as of the date of the Original Installment Sale Agreement, full power and legal right to enter into the Original Trust Agreement, the Original Installment Sale Agreement and the Original Base Lease and to perform its obligations thereunder, and presently has full power and legal right to enter into this Supplement and the First Supplemental Trust Agreement and to perform its obligations under the Trust Agreement, the Installment Sale Agreement and the Base Lease. The Corporation's actions in making and performing the Trust Agreement and the Installment Sale Agreement have been duly authorized by all necessary governmental action and did not, do not and will not violate or conflict with any law or governmental rule or regulation, or any mortgage, agreement, instrument or other document by which the Corporation or its properties were or are bound.

(b) The Corporation has applied or will apply (as applicable), the Certificate Proceeds solely for the payment of, or reimbursement to the City for, the Costs of the 2003 Project, to purchase a debt service reserve policy to satisfy the Reserve Requirement with respect to the Series 2003 Certificates and to pay the costs of issuance with respect to the Series 2003 Certificates, including the premium for the Financial Guaranty Insurance Policy (as defined in the Original Trust Agreement).

(c) Except as have been disclosed to the Purchaser, there are no proceedings pending or, to the knowledge of the Corporation, threatened against or affecting the Corporation, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the properties, operations, prospects or condition (financial or otherwise) of the Corporation, or the existence or powers or ability of the Corporation to enter into and perform its obligations under the Installment Sale Agreement or the Trust Agreement.

(d) The execution and delivery of the Installment Sale Agreement and the Trust Agreement, and the consummation of the transactions provided for therein and herein, and compliance by the Corporation with the provisions of the Installment Sale Agreement and the Trust Agreement:

- (1) were and continue to be within the powers and have been and continue to be duly and validly authorized by all necessary governmental and other action on the part of the Corporation; and
- 2) did not, do not and will not conflict with or result in any material breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon, any property or assets of the Corporation pursuant to any indenture, loan agreement or other agreement or instrument (other than the Installment Sale Agreement or the Trust Agreement) or any governmental restriction to which the Corporation was or is a party or by which the Corporation, its properties or operations were or may be bound or with the giving of notice or the passage of time or both were or would constitute such a breach or default or result in the creation or imposition of any such lien, charge or encumbrance, which breach, default, lien, charge or encumbrance could materially and adversely affect the validity or the enforceability of the Installment Sale Agreement or the Trust Agreement or the Corporation's ability to perform fully its obligations under the Installment Sale Agreement or the Trust Agreement; nor did, do or will such action result in any violation of any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the Corporation or its properties or operations were or are subject.

(e) No event has occurred and no condition exists that constitutes an Event of Default or which, upon the execution and delivery of the Installment Sale Agreement or the Trust Agreement and/or the passage of time or giving of notice or both, would constitute an Event of Default. The Corporation is not in violation in any material respect, and has not received notice of any claimed material violation (except such violations as do not, and shall not, have any material adverse effect on the transactions contemplated herein and the compliance by the Corporation with the terms hereof) of any terms of any court order, statute, regulation, ordinance, agreement or other instrument to which it is a party or by which it, its properties or its operations may be bound.

(f) Each of the Installment Sale Agreement and the Trust Agreement is a legal, valid and binding obligation and agreement of the Corporation, enforceable against the Corporation in accordance with its terms except as such enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

4. The Original Installment Sale Agreement is hereby amended by deleting Exhibit C thereof in its entirety and replacing such exhibit as is attached hereto as Appendix A. Section 4.1(b) of the Original Installment Sale Agreement is hereby amended by deleting the reference therein to "May 15, 2003" and replacing it with "November 15, 2012".

5. The Original Installment Sale Agreement is hereby amended by deleting Section 4.1(d) thereof in its entirety and replacing it with the following text:

(d) Payment of Additional Fee Payments. The City agrees to pay to the Corporation the following amounts, if and whenever applicable, as Additional Fee Payments:

(i) Section 5.03(f) of the Trust Agreement requires the Trustee to notify the City of any transfers from a subaccount (if any) created within the Reserve Account for a particular series of Certificates (other than transfers of surplus investment income) to the applicable subaccount of the Fee Payment Account made in the case of moneys in such subaccount of the Fee Payment Account on the fifth day prior to any Interest Payment Date for such series of Certificates being less than the amount then required to be in such subaccount of the Fee Payment Account. The City shall, prior to the date on which the next ensuing Base Fee Payment is due, pay to the Trustee as assignee of the Corporation as Additional Fee Payments, for deposit by the Trustee in the particular subaccount of the Reserve Account, an aggregate amount equal to the amount transferred from such subaccount of the Reserve Account to the applicable subaccount of the Fee Payment Account (less any credits for amounts then on deposit in such subaccount of the Reserve Account).

(ii) Section 5.04(f) of the Trust Agreement requires the Trustee to notify the City when the amount that exists in a subaccount (if any) created within the Reserve Account for a particular series of Certificates at the time of valuation of the Reserve Account is less than the applicable Reserve Requirement. The City shall, prior to the date on which the next ensuing Base Fee Payment is due (or, in the case of a shortfall resulting from a decline in market value, prior to the next succeeding valuation date as described in Section 5.04(f) of the Trust Agreement), pay to the Trustee as assignee of the Corporation as Additional Fee Payments, for deposit by the Trustee in the particular subaccount of the Reserve Account, an amount equal to the amount needed to cause the amount on hand in such subaccount of the Reserve Account to equal the applicable Reserve Requirement.

(iii) The City shall pay as Additional Fee Payments all deposits required on its part to be made to each subaccount (if any) of the Reserve Account under Section 5.03(i) of the Trust Agreement within the time periods specified in the Trust Agreement.

(iv) The City will pay to or at the request of the Corporation as Additional Fee Payments all reasonable costs and expenses incurred or to be paid by the Corporation or the Trustee under this Agreement or the Trust Agreement, including (a) the periodic fees and reasonable expenses from time to time of the Trustee and any Paying Agent or Registrar incurred in administering the Trust Agreement and the Certificates, (b) any reasonable expenses, including reasonable attorneys' fees, incurred by the Corporation or Trustee to compel full and punctual performance of this Agreement in accordance with the terms hereof and (c) the amounts required to be paid on its part under Section 4.2(a). In the event the City shall fail (1) to pay any taxes, assessments and other governmental charges with respect to the Facilities as and when the same become due, (2) to discharge any

mechanics' or other liens relating to the Facilities, (3) to obtain and maintain insurance for the Facilities and pay premiums therefor, or (4) to make other payments or take any other action resulting in the incurrence of expense as required hereby, then the Corporation or the Trustee may, but shall be under no obligation to, advance the moneys necessary therefor all of which such advances shall become Additional Fee Payments hereunder.

(v) For point of clarification only, no subaccount of the Reserve Account of the Certificate Fund has been or will be established for the payment or security of Series 2012 Certificates.

6. Section 4.2(c) of the Original Installment Sale Agreement is hereby amended to delete the words "The City" and replace them in their entirety with the following text: "To the extent permitted by applicable law, the City".

7. Section 5.4 of the Original Installment Sale Agreement is hereby amended to delete subsection (a) thereof in its entirety and replace it with the following text:

(a) Until all amounts due under this Agreement have been paid in full, the City shall deliver to the Trustee, within ten days of receipt thereof, an annual report prepared in accordance with generally accepted accounting principles, and certified by an independent certified public accountant (or accounting firm) which shall include a balance sheet and statement of revenues, expenses and changes in fund balances for the prior Fiscal Year in reasonable detail and which report shall show collections and expenditures of the Tourism Development Fees. The City shall require such independent certified public accountant (or accounting firm) to deliver the annual report to it, together with a certificate of the City Manager, Finance Director or other similar officer of the City, stating that no Event of Default under this Agreement has occurred and is continuing as of the end of the prior Fiscal Year, within 210 days of the end of the prior Fiscal Year.

8. Section 5.8 of the Original Installment Sale Agreement is hereby amended to delete the first paragraph thereof in its entirety.

9. Each of the City and the Corporation make the following covenants with respect to the Series 2012 Certificates:

(1) It will not take any action or permit any action to be taken on its behalf, or cause or permit any circumstance within its control to arise or continue, if such action or circumstance, or its expectation on the date of this Supplement would prevent the interest component of the Base Fee Payments paid pursuant to Section 4.1 of the Installment Sale Agreement from being excludable from gross income under the Code with respect to the Owners of the Series 2012 Certificates.

(2) Notwithstanding any other provision of the Installment Sale Agreement or any other instrument, it will neither make nor cause to be made any investment or other use of moneys which would cause the Series 2012 Certificates to be "arbitrage bonds" under Section 148 of the Code and the regulations thereunder, and that it will comply with the requirements of such Section and regulations throughout the term of the Series 2012 Certificates.

(3) It will take all actions necessary on its part to enable compliance with the rebate provisions of Section 148(f) of the Code in order to preserve the tax-exempt status of the Series 2012 Certificates.

10. The Original Installment Sale Agreement is hereby amended to delete any provisions thereof which require the approval, consent or direction of AMBAC Assurance to be given or obtained, any notice to be given to the AMBAC Assurance or which give rights, extend benefits or otherwise relate to AMBAC Assurance or the Financial Guaranty Insurance Policy; notwithstanding anything herein to the contrary, any such provisions shall not be given or construed to have any force of law, effect and/or meaning.

WITNESS the due execution of this Supplement No. 1 to Installment Sale Agreement to be effective as of the date first above written.

**COLUMBIA PUBLIC FACILITIES CORPORATION**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

(SEAL)

**CITY OF COLUMBIA, SOUTH CAROLINA**

By: \_\_\_\_\_  
Mayor

Attest:

By: \_\_\_\_\_  
Clerk, City Council

**APPENDIX A**

**EXHIBIT C**

**Schedule of Base Fee Payments**

<b><u>Year</u></b>	<b>Principal Component <u>(June 1)</u></b>	<b>Interest Component <u>(June 1)</u></b>	<b>Interest Component <u>(December 1)</u></b>
2013			
2014			
2015			
2016			
2017			
2018			
2019			
2020			
2021			
2022			

**EXHIBIT D**

**REFUNDING TRUST AGREEMENT**

REFUNDING TRUST AGREEMENT

City of Columbia, South Carolina, Columbia Public Facilities Corporation,  
Refunding Certificates of Participation Evidencing Undivided Proportionate Interests in Base Fee Payments  
Under an Installment Sale Agreement (Tourism Development Fee Pledge), Series 2012

This Refunding Trust Agreement by and between the Columbia Public Facilities Corporation, South Carolina (hereinafter referred to as the "Corporation"), and U.S. Bank National Association, as successor to Wachovia Bank, National Association, as escrow agent (hereinafter referred to as the "Escrow Agent").

WITNESSETH :

The Corporation has heretofore issued its \$36,570,000 original principal amount City of Columbia, South Carolina, Columbia Public Facilities Corporation, Certificates of Participation Evidencing Undivided Proportionate Interests in Base Fee Payments Under an Installment Sale Agreement (Tourism Development Fee Pledge), Series 2003 (the "2003 Certificates") dated March 1, 2003, pursuant to a Trust Agreement dated as of March 1, 2003 (the "Trust Agreement"), between the Corporation and U.S. Bank National Association (as successor to Wachovia Bank, National Association), as trustee (the "Trustee").

Pursuant to a Resolution adopted by the Board of Directors of the Corporation on July \_\_, 2012, and the Trust Agreement, as supplemented by a Supplemental Trust Agreement No. 1 dated July \_\_, 2012, between the Corporation and the Trustee, the Corporation has issued its \$\_\_\_\_\_ original principal amount Refunding Certificates of Participation Evidencing Undivided Proportionate Interests in Base Fee Payments Under an Installment Sale Agreement (Tourism Development Fee Pledge), Series 2012, dated July \_\_, 2012 (the "Series 2012 Certificates"), a portion of the proceeds of which[, together with other available amounts,] will be deposited with the Escrow Agent in order to pay at maturity on June 1, 2013, a portion of the 2003 Certificates (the "Maturing 2003 Certificates") and to refund in advance of maturity the remaining portion of the 2003 Certificates maturing on June 1 in the years 2014 to and including 2022 (the "Refunded 2003 Certificates"). The Corporation wishes to enter into this Agreement to carry out such purposes;

WHEREAS, the Escrow Agent is the paying agent for the 2003 Certificates;

WHEREAS, in order to effectuate the deposit of the moneys to be provided for the payment of the principal of and interest on the Maturing 2003 Certificates and the Refunded 2003 Certificates, the parties hereto deem it necessary and advisable to enter into this Escrow Agreement.

NOW, THEREFORE, in consideration of the covenants and agreement contained in this Escrow Agreement, the receipt and sufficiency of which is hereby acknowledged, it is agreed between the Corporation, and the Escrow Agent as follows:

SECTION 1. In order to secure the payment of the principal of and interest on the 2003 Certificates, the Corporation hereby pledges and sets over to the Escrow Agent for deposit in the refunding trust fund (the "Refunding Trust Fund") created pursuant to Section 2 hereof, in trust for the benefit and security of the holders of the 2003 Certificates, subject to the terms and conditions hereinafter

set forth, the sum[s] of [(a)] \$\_\_\_\_\_ derived from a portion of the proceeds of the sale of the Series 2012 Certificates[; and (b) \$\_\_\_\_\_, which was transferred from the 2003 Certificate Fund applicable to the 2003 Certificates]. The Corporation represents that [the total of] such sum[s] (\$\_\_\_\_\_) is an amount which is sufficient to pay the principal of and interest coming due on the Maturing Certificates until their maturity (June 1, 2013) and to pay the principal of and interest on the Refunded 2003 Certificates up to and upon the redemption thereof on June 1, 2013. Such amount shall be deposited by the Escrow Agent in the Refunding Trust Fund hereinafter referred to. The Escrow Agent acknowledges receipt of the foregoing amounts.

**SECTION 2.** There is hereby created and established with the Escrow Agent a special and irrevocable trust fund designated "Columbia Public Facilities Corporation Refunding Trust Fund for 2003 Certificates" (the "Refunding Trust Fund") to be held in the custody of the Escrow Agent as a trust fund separate and apart from all other funds of the Corporation or of the Escrow Agent for the purposes set forth in Section 1 hereof.

Except as provided in Section 5 hereof with respect to funds remaining after the payment of the Maturing Certificates and the Refunded 2003 Certificates, funds on deposit in the Refunding Trust Fund shall be used solely for the purposes set forth in Section 1 hereof.

**SECTION 3.** Concurrently with the execution of this Agreement, the Escrow Agent shall invest the amount (\$\_\_\_\_\_) deposited to purchase from the Bureau of Public Debt on July \_\_, 2012, the obligations shown on Exhibit A hereto. The remaining \$\_\_\_ shall be held in cash and not invested.

All obligations purchased and held hereunder as shown on Exhibit A or any direct, non-callable United States Treasury obligations substituted therefor in accordance with the provisions of this Agreement are collectively referred to as "Government Obligations". Government Obligations shall not be deemed to include unit investment trusts and money market mutual funds.

**SECTION 4.** Upon the written direction of the Corporation subject to the conditions and limitations herein set forth, the Escrow Agent shall sell, transfer and request the redemption of or otherwise dispose of any of the Government Obligations purchased hereunder or reinvest the maturing principal of and interest on Government Obligations, provided that there are substituted therefor, or such reinvestment is made in, other Government Obligations as hereinafter provided. The Corporation hereby covenants and agrees that it will not request that the Escrow Agent exercise any of the powers described in the preceding sentence in any manner which cause any of the Series 2012 Certificates to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations thereunder.

As directed in writing by the Corporation, the Escrow Agent shall purchase such substituted Government Obligations with the proceeds derived from the sale, transfer, redemption or other disposition of Government Obligations held hereunder or with the maturing principal and interest of Government Obligations held hereunder. Any such sale, transfer, redemption or other disposition of Government Obligations or a purchase of Government Obligations with maturing principal or interest, and substitution under the provisions of this Section may be effected only by a simultaneous transaction, which shall mean the order to dispose of existing Government Obligations and the order to purchase substitute Government Obligations will occur on the same business day, and only if (a) an independent certified public accountant shall certify that the Government Obligations to be substituted, together with the Government Obligations which will continue to be held in the Refunding Trust Fund and cash on deposit in the Refunding Trust Fund, will earn interest and mature in such amounts and at such times together with any other funds held therein to provide sufficient moneys from such interest and maturing

principal to pay when due, all principal of, applicable redemption premium, and interest on the 2003 Certificates which have not previously been paid, and (b) the Escrow Agent shall receive an unqualified opinion of McNair Law Firm, P.A., or its successor, or the current bond counsel to the Corporation, to the effect that such sale, transfer, redemption or other disposition or purchase, and substitution of, Government Obligations is permitted under the provisions of this Agreement has been duly authorized by the Corporation and will not cause the 2003 Certificates to be arbitrage bonds within the meaning of Section 148 of the Code, and the regulations thereunder or otherwise cause the interest on the 2003 Certificates or the Series 2012 Certificates to be included in gross income under Section 103 of the Code.

In the event that as a result of any such substitution, amounts available from the maturing principal of and income on the Government Obligations together with other funds on deposit in the Refunding Trust Fund exceed the amount required to pay the principal of, applicable redemption premium, and interest on the 2003 Certificates, such excess amounts shall be paid over to the Corporation upon receipt by the Escrow Agent of a certificate from an independent certified public accountant which shall set forth:

- (i) the amounts of any excess;
- (ii) the date on which such amounts become excess; and
- (iii) that if such excess amounts are withdrawn from the Refunding Trust Fund, the Government Obligations, income therefrom, and other funds held in the Refunding Trust Fund shall be sufficient to pay the principal of, applicable redemption premium, and interest on the 2003 Certificates, as and when the same become due and payable. Upon receipt of such certificate, the Escrow Agent shall pay at such time and from time to time the amounts certified to be excess on the dates such amounts become excess in accordance with such certificate.

SECTION 5. The Escrow Agent shall collect on the respective due dates thereof the principal and interest on the Government Obligations on deposit with it and shall transfer on or before the respective due dates thereof, to the Escrow Agent, in its capacity as Paying Agent for the 2003 Certificates sufficient moneys from the principal and interest so received and other funds held in the Refunding Trust Fund to the payment of the principal of and interest on the Maturing Certificates up to and at maturity on June 1, 2013, and to the payment of the principal of, redemption premium, and interest on the Refunded 2003 Certificates up to and upon redemption thereof on June 1, 2013.

SECTION 6. The Escrow Agent, in its capacity as Paying Agent for the 2003 Certificates, acknowledges receipt of a Direction to Escrow Agent dated July \_\_, 2012, from the Corporation irrevocably instructing the Paying Agent to call all of the 2003 Certificates for redemption on June 1, 2013. The Escrow Agent, as Paying Agent for the 2003 Certificates agrees to cause notice of such redemption (in substantially the form attached hereto as Exhibit B) to be given in accordance with the Trust Agreement and certifies that the provision made for the giving of such notice is satisfactory to it.

SECTION 7. The Government Obligations, moneys representing principal of and interest earned on Government Obligations and funds on deposit in the Refunding Trust Fund shall be subject to an express lien and trust for the benefit of the holders of the 2003 Certificates until used and applied in accordance with this Agreement.

SECTION 8. The liability of the Escrow Agent to make the payments required by this Agreement with respect to the 2003 Certificates shall be limited to the principal of and interest on the Government Obligations and other funds on deposit in the Refunding Trust Fund. The Escrow Agent shall not be liable

for any loss resulting from any investment made pursuant to this Agreement in compliance with the provisions hereof. The Escrow Agent shall have no responsibility to any person in connection herewith except those persons specifically provided herein.

In the event of the Escrow Agent's failure to account for any of the Government Obligations or funds received by it, the Government Obligations or funds shall be and remain the property of the Corporation in trust for the holders of the 2003 Certificates as herein provided; and if for any reason such Government Obligations or funds cannot be identified, the assets of the Escrow Agent shall be impressed with a trust for the amount thereof and, to the fullest extent permitted by law, the Corporation shall be entitled to a preferred claim upon such assets until such identification is made.

SECTION 9. The trust created hereby shall be irrevocable. This Agreement shall terminate when the moneys on deposit therein have been transferred to the Escrow Agent as Paying Agent for the 2003 Certificates. The Escrow Agent shall thereupon be released and discharged with respect thereto. Any amounts held by the Escrow Agent after June 1, 2013, and not required to pay or to provide for the payment of the principal of, redemption premium, and interest on the 2003 Certificates shall be paid over to the Corporation.

SECTION 10. The Corporation shall pay fees, compensation and expenses of the Escrow Agent and the Paying Agent for the 2003 Certificates as set forth in a separate agreement between the Corporation and the Escrow Agent. Neither the Corporation nor the Paying Agent shall have any lien or claim whatsoever upon moneys in the Refunding Trust Fund for the payment of any such fees, compensation or expenses. The Corporation shall pay to the Escrow Agent for any extraordinary services or expenses performed or incurred by the Escrow Agent in connection with its duties under this Agreement if notified in writing prior to the performance of those services or the incurring of those expenses so as to allow the Corporation to appropriate sufficient funds for their payment.

SECTION 11. The Escrow Agent shall have no responsibility to the Corporation or any other person in connection herewith except those responsibilities specifically provided herein and shall not be responsible for anything done or omitted to be done by it except for its own negligence or willful misconduct. The Escrow Agent, except as herein specifically provided for, is not a party to, nor is it bound by or need give consideration to the terms or provisions of any other agreement or undertaking between the Corporation and any other person, and the Escrow Agent assents to and is to give consideration only to the terms and provisions of this Agreement. Unless specifically provided herein, the Escrow Agent has no duty to determine to inquire into the happenings or occurrence of any event or contingency or the performance or failure of performance of the Corporation with respect to arrangements or contracts with others, the Escrow Agent's sole duty hereunder being to safeguard the Refunding Trust Fund and to dispose of and deliver the same in accordance with this Agreement. If, however, the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any such event or contingency, the Escrow Agent may request from the Corporation or any other person such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may inquire and consult with the Corporation, among others, at any time. The Escrow Agent may consult with legal counsel, and the opinion of such counsel shall be full and complete authority and protection to the Escrow Agent as to any action taken or omitted by it in good faith and in accordance with such opinion, and the reasonable fees and expenses of such counsel shall be paid by the Corporation. The Escrow Agent may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents or receivers, and shall be entitled to advice of counsel concerning all matters of trusts hereof and duties hereunder. The Escrow Agent shall be protected in acting and relying upon any notice order, requisition, request, consent, certificate, order, opinion (including an opinion of independent counsel), affidavit, letter, telegram or other paper or documents in good faith deemed by it to be genuine and correct and to have been signed or sent by the proper person or persons. None of the provisions of this Agreement

shall require the Escrow Agent to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it.

**SECTION 12.** The Escrow Agent agrees to perform only those duties and obligations expressly imposed upon it by this Agreement and no implied obligations shall be read into this Agreement.

The Escrow Agent may resign and thereby become discharged from the duties and obligations hereby created, by notice in writing given to the Corporation and published once in a newspaper of general circulation in the State of South Carolina, and by first-class mail, postage pre-paid, to the respective holders of the 2003 Certificates, not less than 60 days before such resignation is scheduled to take effect. Such resignation shall take effect only upon the appointment of a new escrow agent, and such new escrow agent must be appointed by the Corporation before the time scheduled by such notice, and such new escrow agent must then take over the duties and obligations thereof. If no successor Escrow Agent shall have been so appointed and accepted appointment within sixty (60) days of such resignation, removal, incapability or the occurrence of a vacancy in the office of Escrow Agent, in the manner herein provided, the Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor Escrow Agent, until a successor shall have been appointed as above provided.

The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, executed by the holders of not less than 51% in aggregate principal amount of the 2003 Certificates then outstanding, such instruments to be filed with the Corporation and notice in writing given by such holders to the Corporation and (unless all of the bondholders have consented to such removal) published once in a newspaper of general circulation in the State of South Carolina, and by first-class mail, postage pre-paid, to the respective holders of the 2003 Certificates, not less than 60 days before such removal is to take effect as stated in such instrument or instruments.

The Escrow Agent may also be removed at any time for any material breach of trust or for acting or proceeding in material violation of, or for failing to act or proceed in accordance with, any provisions of this Agreement with respect to the duties and obligations of the Escrow Agent, by any court of competent jurisdiction upon the application of the Corporation the holders of not less than 10% in aggregate principal amount of the 2003 Certificates to be then outstanding. Such removal shall take effect only upon the appointment of a new escrow agent and such new escrow agent must be appointed by the Corporation before the time scheduled by such notice and such new escrow agent may then take over the duties and obligations thereof.

If U.S. Bank National Association shall cease to be the Escrow Agent under this Agreement, then, upon appointment of a successor escrow agent, if requested by the Corporation, such Escrow Agent shall execute such agreements, assignments and other documents as shall be reasonably necessary to vest in such successor escrow agent all the title, rights, duties and obligations of the Escrow Agent under this Agreement and in the Government Obligations and other funds deposited or to be deposited or received by the Escrow Agent under this Agreement, and upon acceptance by such successor escrow agent of the trusts created hereunder, all further title, rights, duties and obligations of the Escrow Agent under this Agreement shall cease and determine and be discharged, saving rights or liabilities thereto accrued to or by the Corporation or the Escrow Agent.

Any corporation or association into which the Escrow Agent may be merged or with which it may be consolidated, or any corporation or association resulting from any merger, or any corporation or association

succeeding to the business of the Escrow Agent, shall be the successor of the Escrow Agent hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto.

SECTION 13. If any one or more of the covenants or agreements provided in this Agreement on the part of the Corporation or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 14. This Agreement may be amended to (a) correct language or to cure any ambiguity or defective provisions, omission, mistake or manifest error herein contained; (b) to provide for the deposit of additional cash and for securities in the Refunding Trust Fund.

SECTION 15. This Agreement shall be construed under the laws of the State of South Carolina.

SECTION 16. This Agreement may be executed in several counterparts, all or any of such shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed and attested as of the date first above written.

COLUMBIA PUBLIC FACILITIES CORPORATION

By: \_\_\_\_\_  
\_\_\_\_\_

[Corporation Signature Page for Escrow Agreement]

**U.S. BANK NATIONAL ASSOCIATION,  
as Escrow Agent**

**By:** \_\_\_\_\_

**Its:** \_\_\_\_\_

**[Escrow Agent Signature Page for Escrow Agreement]**

**EXHIBIT A**

**GOVERNMENT OBLIGATIONS**

*See attached.*

EXHIBIT B

**NOTICE OF REDEMPTION**

City of Columbia, South Carolina  
Columbia Public Facilities Corporation  
Certificates of Participation (Tourism Development Fee Pledge), Series 2003  
("2003 COPs")

Notice is hereby given as follows:

The above referenced 2003 COPs maturing on June 1, 2014 to and including June 1, 2022 are being called for redemption in whole on June 1, 2013, at a redemption price equal to 100% of the principal amount thereof, together with interest accrued thereon to the date of redemption.

Interest on the 2003 COPs will cease to accrue from and after June 1, 2013.

Payment of the 2003 COPs so called will be made to each of the owners thereof upon presentation and surrender thereof to U.S. Bank National Association, as Paying Agent, at the following address:

U.S. Bank National Association

All holders submitting their 2003 COPs must also submit Form W-9. Failure to provide a completed Form W-9 will result in 31% backup withholding to bondholders pursuant to the Interest and Dividend Tax Compliance Act of 1983. Form W-9 may be obtained from the Internal Revenue Service.

No representation is made as to the accuracy of the CUSIP numbers either as printed on the 2003 COPs or as contained herein.

U.S. BANK NATIONAL ASSOCIATION