
1 **2018-65 (1ST READING): A SUPPLEMENTAL ORDINANCE PROVIDING FOR THE**
2 **ISSUANCE AND SALE OF CITY OF MYRTLE BEACH, SOUTH CAROLINA, TAX**
3 **INCREMENT REVENUE BONDS (MYRTLE BEACH AIR FORCE BASE REDEVELOPMENT**
4 **PROJECT AREA), SERIES 2018, IN THE AGGREGATE PRINCIPAL AMOUNT NOT**
5 **EXCEEDING \$15,000,000; PRESCRIBING THE FORM AND DETAILS OF SUCH**
6 **BONDS; AND OTHER MATTERS RELATING THERETO.**

7 **Applicant/Purpose:** City/to issue tax increment revenue bonds pursuant to the Air Base
8 Redevelopment Plan, as amended, (the "Plan") in order to finance public infrastructure
9 projects included under the Plan.

10
11 **Brief:**

- 12 • This ordinance provides for the issuance of bonds secured by the incremental tax
13 revenues of the Air Base Redevelopment District, as provided under the Plan.
- 14 • This would be the only new issue of debt authorized under the Plan.
- 15 • The authority to issue debt will expire in December 2020.
- 16 • Projects in the District proposed for funding in this issue, which may not exceed \$15
17 million in par value, include
 - 18 ○ addition of a third deck on the DeVille St. Parking Garage,
 - 19 ○ other improvements to parking facilities P1 and P2,
 - 20 ○ updating Howard Ave. Playground,
 - 21 ○ adding public restroom facilities in Valor Park, and
 - 22 ○ public infrastructure to support development of the hotel on the XYZ parcel;
 - 23 ○ Law Enforcement Center Expansion on Mustang Ave. facility; and
 - 24 ○ CCTV Cameras & supporting hardware for public streets and parking areas.

25
26 **Issues:**

- 27 • The Base Redevelopment Authority adopted its 2018 Plan amendment on May 15, 2018.
- 28 • The City concurred in the plan amendment on August 18, 2018.

29
30 **Public Notification:** Normal meeting notification.

31
32 **Alternatives:** Do not issue debt. Fund projects w/ current incremental revenues from district.
33 This would delay projects for 2 to 3 years & would delay the distribution of surplus funds to the
34 taxing districts.

35
36 **Financial Impact:**

- 37 • Amended Plan includes a Fiscal Impact statement showing impact on all taxing
38 jurisdictions if all projects implemented.
- 39 • Once debt has been issued & the 2 remaining projects from the 2006 TIF bond issue have
40 been closed out, City expects to request that the Redevelopment Authority begin to
41 distribute surplus funds annually in the approximate initial amounts of:
 - 42 ○ \$1.3 mm to City.
 - 43 ○ \$0.9 mm to County.
 - 44 ○ \$2.1 mm to schools.

45
46 **Manager's Recommendation:** I recommend 1st reading.

47
48 **Attachment(s):** Proposed Ordinance.

CITY OF MYRTLE BEACH
COUNTY OF HORRY
STATE OF SOUTH CAROLINA

A SUPPLEMENTAL ORDINANCE
PROVIDING FOR THE ISSUANCE AND SALE
OF CITY OF MYRTLE BEACH, SOUTH
CAROLINA, TAX INCREMENT REVENUE
BONDS (MYRTLE BEACH AIR FORCE BASE
REDEVELOPMENT PROJECT AREA),
SERIES 2018, IN THE AGGREGATE
PRINCIPAL AMOUNT OF NOT EXCEEDING
\$15,000,000; PRESCRIBING THE FORM
AND DETAILS OF SUCH BONDS; AND
OTHER MATTERS RELATING THERETO.

IT IS HEREBY ORDAINED BY THE CITY COUNCIL OF THE CITY OF MYRTLE BEACH,
SOUTH CAROLINA, IN MEETING DULY ASSEMBLED:

ARTICLE I

DEFINITIONS AND AUTHORITY

Section 1.01. Definitions.

(a) Except as provided in subsection (b) below, all terms which are defined in Section 1.1 of the hereinafter defined Bond Ordinance shall have the same meanings in this Ordinance (the "2018 Supplemental Ordinance") as such terms are prescribed to have in the Bond Ordinance.

(b) As used in this 2018 Supplemental Ordinance, unless the context shall otherwise require, the following terms shall have the following respective meanings:

"2018 Construction Fund" means the fund so established and designated pursuant to Section 4.03 hereof.

"2018 Debt Service Reserve Fund" means, if established, the fund designated pursuant to Section 4.01(b) hereof.

"2018 Redevelopment Projects" means public infrastructure improvements comprising (i) the addition of a third level to the DeVille Street parking structure, (ii) P1 and P2 parking structure modifications and improvements, (iii) construction of public restroom facilities at Valor Park, (iv) replacement of equipment and expansion of the Howard Street playground, (v) roads, sidewalks, drainage, water, sanitary sewer, landscaping and irrigation on the XYZ parcel; (vi) public safety projects to include renovation of the Police Annex, including expansion of current investigative and training activities, replacement of indoor shooting range facilities, and office space for additional forces needed in the former base area, and the installation of surveillance cameras and related information technology infrastructure for public streets and parking areas; and (vii) such other Redevelopment Projects that may be financed with the proceeds of Bonds under the Enabling Act as may be determined by the City.

"2018 Reserve Fund Requirement" means the amount, if any, determined by the City Manager pursuant to the authorization of Section 5.01 hereof.

1 **“Authority”** shall mean the Myrtle Beach Air Force Base Redevelopment Authority, also
2 known as the Myrtle Beach Airbase (Facilities) Redevelopment Authority.

3 **“Beneficial Owner”** shall mean any purchaser who acquires beneficial ownership
4 interest in a Series 2018 Bond held by the Depository. In determining any Beneficial Owner,
5 the City, the Registrar and the Paying Agent may rely exclusively upon written representations
6 made and information given to the City, the Registrar and the Paying Agent, as the case may
7 be, by the Depository or its Participants with respect to any Series 2018 Bond held by the
8 Depository or its Participants in which a beneficial ownership interest is claimed.

9 **“Bond Ordinance”** shall have the meaning given that term in Section 1.02 hereof.

10 **“Book-Entry Form”** or **“Book-Entry System”** shall mean with respect to the Series 2018
11 Bonds, a form or system, as applicable, under which (a) the ownership of beneficial interests
12 in the Series 2018 Bonds may be transferred only through a book-entry and (b) physical bond
13 certificates in fully-registered form are registered only in the name of the Depository or its
14 nominees as holder, with the physical bond certificates “immobilized” in the custody of the
15 Depository or its agent. The book-entry maintained by the Depository is the record that
16 identifies the owners of participatory interests in the Series 2018 Bonds, when subject to the
17 Book-Entry System.

18 **“City Manager”** shall mean the City Manager of the City, or in his absence, the Chief
19 Financial Officer of the City or any duly appointed Assistant City Manager.

20 **“Continuing Disclosure Agreement”** shall mean the Disclosure Dissemination Agent
21 Agreement between the City and Digital Assurance Certification, L.L.C., as amended from time
22 to time in accordance with the provisions thereof, providing for the delivery and dissemination of
23 certain information with respect to the City and the Series 2018 Bonds.
24

25 **“Date of Issue”** shall have the meaning given such term in Section 2.03(a) hereof.
26

27 **“Enabling Act”** shall mean Title 31, Chapter 12, Code of Laws of South Carolina 1976 (being
28 the Federal Defense Facilities Redevelopment Law), as amended from time to time.
29

30 **“Interest Payment Date”** shall mean, with respect to the Series 2018 Bonds, April 1 and
31 October 1 of each year commencing April 1, 2019.
32

33 **“Ordinance”** shall mean the Bond Ordinance as supplemented by the 2018 Supplemental
34 Ordinance.
35

36 **“Paying Agent”** shall mean the Trustee, as Paying Agent for the Series 2018 Bonds.

37 **“Principal Payment Date”** shall mean, with respect to the Series 2018 Bonds, October
38 1 of each year commencing on October 1 of the year determined by the City Manager pursuant
39 to Section 5.01 hereof.

40 **“Purchase Contract”** shall mean the Purchase Contract between the City and
41 Underwriter providing for the sale and purchase of the Series 2018 Bonds.

42 **“Record Date”** shall have the meaning given such term in Section 2.04(b) hereof.

1 **“Redevelopment Plan”** shall mean the Redevelopment and Financing Plan dated October
2 7, 1998 prepared by Seamon, Whiteside & Associates, Inc. and Communitas, LLC, as amended
3 and supplemented by the Redevelopment and Financing Plan for the Former Myrtle Beach Air
4 Force Base dated June 27, 2005, constituting a “redevelopment plan” under the Enabling Act,
5 as approved by resolutions of the Authority adopted October 7, 1998 and June 27, 2005,
6 respectively, and as concurred in by the City by Ordinance No. 2005-87 enacted on December
7 13, 2005, as amended by the Amendment to Redevelopment Plan, as approved by resolution of
8 the Authority adopted May 5, 2010 and as concurred in by the City by Ordinance No. 2010-68
9 enacted October 26, 2010, the 2015 Amendment to Redevelopment Plan, as approved by
10 resolution of the Authority adopted September 1, 2015 and as concurred in by the City by
11 Ordinance No. 2018-049 enacted August 14, 2018, and by the 2018 Amendment to
12 Redevelopment Plan, as approved by resolution of the Authority adopted June 19, 2018 and as
13 concurred in by the City by Ordinance No. 2018-049 enacted August 14, 2018, as the same may
14 be amended or supplemented from time to time.

15 **“Registrar”** shall mean the Trustee, as Registrar for the Series 2018 Bonds.

16 **“Series 2018 Bonds”** shall mean the Bonds of the City of the Series authorized by this
17 2018 Supplemental Ordinance and, subject to Section 2.01 hereof, designated “City of Myrtle
18 Beach, South Carolina Tax Increment Revenue Bonds (Myrtle Beach Air Force Base
19 Redevelopment Project Area), Series 2018.”

20 **“Underwriter”** shall mean Wells Fargo Bank, National Association.

21 **“Value”** shall have the meaning given such term in the Bond Ordinance.

22 **Section 1.02. Certain Findings and Determinations.**

23 The City hereby finds and determines:

24 (a) The City is an incorporated municipality located in Horry County, South Carolina
25 (the “County”), and as such possesses all powers granted to municipalities by Article X, Section
26 14, of the Constitution of the State of South Carolina, 1895, as amended (the “Constitution”)
27 and general laws of this State.

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

31 (c) Article X, Section 14, of the Constitution provides that the General Assembly may
32 authorize by general law that indebtedness for the purpose of financing or refinancing
33 redevelopment projects within incorporated municipalities may be incurred, and that the debt
34 service of such indebtedness be provided from the added increments of tax revenues to result
35 from such redevelopment projects.

36 (d) The General Assembly found at the time of enactment of the Enabling Act that:

37 (1) As a result of the closure, realignment, and drastic downsizing of federal
38 military installations and other federal defense sites in the United States, federal
39 property located in the State has and will become available for the State's use.
40 It is in the best interests of the citizens of this State for the State, municipalities,
41
42

1 and counties to work in concert and oversee and dispose of federal defense
2 facilities and other excess federal property in an orderly and cooperative
3 manner. It is the intent of the Enabling Act that redevelopment authorities may
4 be appointed to deal with federal defense facilities that have been scheduled
5 for closure, realignment, or drastic downsizing by the United States Congress and
6 to consult with the federal government pursuant to federal law in that
7 connection. If any other incidental excess federal property is included with a
8 scheduled closing, realignment, and drastic downsizing, that property also may
9 be dealt with by the authorities.

10
11 (2) The redevelopment of these facilities often may require substantial
12 periods of time and substantial investment in redevelopment of the properties,
13 including public infrastructure on the properties themselves and in the
14 communities immediately surrounding the properties in order to re-integrate the
15 former federal defense facilities into the surrounding communities, and all
16 reasonable means should be provided to assist the redevelopment authorities
17 created pursuant to the Enabling Act to fund improvements for redevelopment
18 including, in the case of properties located within incorporated municipalities,
19 tax increment financing as authorized by Section 14 of Article X of the
20 Constitution.

21
22 (e) Pursuant to the Enabling Act and the Executive Order, the Governor of the State
23 created the Authority.

24
25 (f) Prior to the creation of the Authority, the Air Force determined and declared
26 certain properties composing the Myrtle Beach Air Force Base to be surplus and excess to the
27 Air Force and the Department of Defense and scheduled the disposal of such properties.

28
29 (g) Upon the creation of the Authority, the properties scheduled for disposal within
30 the City, whether contiguous or not, including to the extent the State may then afterwards
31 have or acquire jurisdiction, all properties over which the State has ceded jurisdiction in whole
32 or in part to the United States of America, and including both real and personal property to be
33 disposed of by the Authority as well as any other properties disposed of directly by the federal
34 government to public or private persons or entities, other than disposal to the federal
35 government for other federal defense uses, in connection with the Myrtle Beach Air Force Base
36 closure, were constituted a tax increment finance district in accordance with the provisions of
37 the Enabling Act. Such properties compose the Redevelopment Project Area.

38
39 (h) The Authority has approved, and Council has concurred in, the Redevelopment
40 Plan. Each of the Redevelopment Projects constitute a "redevelopment project" within the
41 meaning of such terms in the Enabling Act.

42 (i) The Council has made general provision for the issuance of tax increment
43 revenue bonds (the "Bonds") of the City of Myrtle Beach, South Carolina (the "City"), through
44 the means of an ordinance enacted September 13, 2016, entitled, "AN ORDINANCE AUTHORIZING
45 THE ISSUANCE AND SALE OF NOT EXCEEDING \$50,000,000 TAX INCREMENT REVENUE REFUNDING
46 BONDS (MYRTLE BEACH AIR FORCE BASE REDEVELOPMENT PROJECT AREA), SERIES 2016, OF THE
47 CITY OF MYRTLE BEACH, SOUTH CAROLINA, FOR THE PURPOSE OF REFUNDING CERTAIN
48 OUTSTANDING TAX INCREMENT REVENUE BONDS; FIXING THE FORM AND DETAILS OF THE BONDS;
49 LIMITING THE PAYMENT OF THE BONDS FROM THE SOURCES PROVIDED HEREIN; PROVIDING FOR

1 THE DISPOSITION OF THE PROCEEDS THEREOF; PROVIDING FOR THE TERMS AND CONDITIONS UNDER
2 WHICH ADDITIONAL BONDS MAY BE ISSUED; AND OTHER MATTERS RELATING THERETO” (the “Bond
3 Ordinance”).

4 (j) It is provided in and by the Bond Ordinance that, upon enactment of a
5 Supplemental Ordinance there may be issued one or more Series of Bonds for the purpose of
6 securing funds to defray any Redevelopment Project Costs or to refund Bonds or obligations
7 issued for such purpose.

8 (k) In order to assist in the implementation of the Redevelopment Plan, the City has
9 determined to issue the Series 2018 Bonds in a principal amount not exceeding \$15,000,000,
10 pursuant to the Bond Ordinance, to finance the cost of certain of the Redevelopment Projects.
11 The City has determined that each of the 2018 Redevelopment Projects, as well as the Tax
12 Revenues pledged in connection therewith, will be used for a public purpose and that the
13 issuance of the Series 2018 Bonds is necessary and in the best interest of the City.

14 (l) Based on the foregoing findings and determinations by the Council, including
15 specifically the findings set forth in paragraph (k) above, the Council finds that the proceeds
16 of the Series 2018 Bonds authorized by this Ordinance, as well as the amounts on deposit from
17 time to time in the Special Tax Allocation Fund pledged to the Bonds and the payment of
18 Redevelopment Project Costs, will be used for a public purpose. The issuance of the Series
19 2018 Bonds will assist in the implementation of the Redevelopment Plan and is necessary and
20 in the best interest of the City. Each of the 2018 Redevelopment Projects financed with the
21 Series 2018 Bonds will be owned and operated by the City or the County.
22

23 (m) It is now in the best interest of the City for the Council to provide for the issuance
24 and sale of the Series 2018 Bonds of the City pursuant to the aforesaid provisions of the
25 Constitution and laws of the State of South Carolina. The proceeds of the Series 2018 Bonds
26 shall be used for the purposes of (a) defraying the cost of the 2018 Redevelopment Projects,
27 (b) if so determined by the City Manager pursuant to Section 5.01 hereof, funding the 2018 Debt
28 Service Reserve Fund, and (c) paying the Costs of Issuance of the Series 2018 Bonds.

29 (n) The Council, by reason of the foregoing, has determined to enact this 2018
30 Supplemental Ordinance in accordance with the terms and provisions of the Bond Ordinance.

31 **ARTICLE II**

32 **AUTHORIZATION AND TERMS OF THE SERIES 2018 BONDS**

33 **Section 2.01. Principal Amount; Designation of Series.** Pursuant to the provisions of
34 the Bond Ordinance, a Series of Bonds of the City entitled to the benefits, protection and
35 security of the provisions of the Bond Ordinance is hereby authorized in the aggregate principal
36 amount of not exceeding \$15,000,000. The Series of Bonds so authorized shall be designated
37 “City of Myrtle Beach, South Carolina Tax Increment Revenue Bonds (Myrtle Beach Air Force
38 Base Redevelopment Project Area), Series 2018,” or such other designation as may be
39 determined by the City Manager, and shall constitute Additional Bonds under the Bond
40 Ordinance. The Series 2018 Bonds shall be in substantially the form set forth in Exhibit “A”
41 hereto.

42 CUSIP identification numbers may be printed on the Series 2018 Bonds, but such numbers
43 shall not be deemed to be a part of the Series 2018 Bonds or a part of the contract evidenced

1 thereby and no liability shall hereafter attach to the City or any of the officers or agents thereof
2 because of or on account of said CUSIP identification numbers.
3

4 **Section 2.02. Purposes.** The Series 2018 Bonds are authorized for the purpose of
5 obtaining funds to (i) defray the cost of the 2018 Redevelopment Projects, (ii) if so determined
6 by the City Manager pursuant to Section 5.01 hereof, fund the 2018 Debt Service Reserve Fund,
7 and (iii) pay Costs of Issuance of the Series 2018 Bonds.

8 **Section 2.03. Date of Issue; Interest Rate; Maturity; Redemption and Sale.**

9 (a) The date of issuance of the Series 2018 Bonds (the "Date of Issue") shall be their
10 date of delivery, or such other date as the City Manager shall determine pursuant to Section
11 5.01 hereof, and the Series 2018 Bonds shall mature on the dates no more than 30 years from
12 the date of issuance thereof on October 1 in each of the years and in the principal amounts,
13 and bear interest payable on each April 1 and October 1 commencing April 1, 2019 at the rates
14 per annum, not exceeding six percent per annum, as determined by the City Manager pursuant
15 to Section 5.01 hereof. Interest on the Series 2018 Bonds shall be payable based upon a 360-
16 day year of twelve 30-day months.

17 (b) Such of the Series 2018 Bonds as the City Manager shall determine pursuant to
18 Section 5.01 hereof shall be subject to mandatory redemption at a redemption price equal to
19 the principal amount of the Series 2018 Bonds to be redeemed, together with interest accrued
20 from the date of redemption, in the years and in the amounts determined by the City Manager
21 pursuant to Section 5.01 hereof.

22 The amount of the mandatory sinking fund redemption for the Series 2018 Bonds of any
23 maturity shall be reduced to the extent Series 2018 Bonds of such maturity have been purchased
24 by the City or redeemed by the City pursuant to the optional redemption provisions set forth
25 below, in such manner as the City shall direct in writing, or, absent such direction, on a pro
26 rata basis.

27 (c) Such of the Series 2018 Bonds as the City Manager shall determine pursuant to
28 Section 5.01 hereof shall be subject to redemption prior to maturity, at the option of the City
29 upon the written direction of the City, in whole or in part at any time in such order of their
30 maturities as the City shall determine and by lot within a maturity, at the respective
31 redemption prices with respect to each Series 2018 Bond, as shall be determined by the City
32 Manager pursuant to Section 5.01 hereof, together, in each such case, with the interest accrued
33 on such principal amount to the date fixed for redemption.

34 (d) The Series 2018 Bonds shall be sold to the Underwriter pursuant to the Purchase
35 Contract.

36 **Section 2.04. Authentication.**

37 Each of the Series 2018 Bonds shall be authenticated on such date as it shall be
38 delivered. Each Series 2018 Bond shall bear interest from the later of (i) the Date of Issue, or
39 (ii) the date to which interest has been paid immediately preceding the authentication date
40 thereof, unless the authentication date thereof is an Interest Payment Date, in which event
41 each such Series 2018 Bond shall bear interest from the earlier of such authentication date, or
42 the date to which interest has been paid; provided that if the City shall fail to pay interest on

1 any Series 2018 Bond on April 1, 2019, then each such Series 2018 Bond shall bear interest from
2 the Date of Issue.

3 **Section 2.05. Numbering and Lettering.** The Series 2018 Bonds shall be numbered and
4 lettered from R-1 consecutively upwards by the Registrar in such a fashion as to reflect the fact
5 that it is one of the Series 2018 Bonds, and to identify the owner thereof on the books kept by
6 the Registrar.

7 **Section 2.06. Maintenance of Offices for Payment, Transfer, and Exchange of Bonds;**
8 **Registrar.** The Trustee is hereby designated as the Registrar and Paying Agent for the Series
9 2018 Bonds. The City shall cause Books of Registry to be kept at the offices of the Registrar for
10 the registration and transfer of the Bonds. Upon presentation at its office for such purpose the
11 Registrar shall register or transfer, or cause to be registered or transferred, on such Books of
12 Registry, the Bonds under such reasonable regulations as the Registrar may prescribe.

13 **Section 2.07. Book-Entry Only System.** The Series 2018 Bonds will be eligible securities
14 for the purposes of the Book-Entry System of transfer maintained by the Depository, and
15 transfers of beneficial ownership of the Series 2018 Bonds shall be made only through the
16 Depository and its participants in accordance with rules specified by the Depository. Such
17 beneficial ownership must be of \$5,000 principal amount or any integral multiple of \$5,000.
18

19 The Series 2018 Bonds shall be issued in fully-registered form, as a single Series 2018
20 Bond for each maturity or interest rate within a maturity of the Series 2018 Bonds, in the name
21 of Cede & Co., as the nominee of the Depository. When any principal of, premium, if any, or
22 interest on the Series 2018 Bonds becomes due, the City shall transmit or cause the Paying
23 Agent to transmit to the Depository an amount equal to such installment of principal, premium,
24 if any, and interest. Such payments will be made to Cede & Co. or other nominee of the
25 Depository as long as it is owner of record on the applicable Record Date. Cede & Co. or other
26 nominee of the Depository shall be considered to be the owner of the Series 2018 Bonds so
27 registered for all purposes of the Ordinances, including, without limitation, payments as
28 aforesaid and receipt of notices. The Depository shall remit such payments to the beneficial
29 owners of the Series 2018 Bonds or their nominees in accordance with its rules and regulations.
30

31 Notices of redemption of the Series 2018 Bonds or any portion thereof shall be sent to
32 the Depository in accordance with the provisions of the Ordinances.
33

34 The Depository is expected to maintain records of the positions of Participants in the
35 Series 2018 Bonds, and the Participants and persons acting through Participants are expected
36 to maintain records of the Beneficial Owners in the Series 2018 Bonds. The City, the Trustee,
37 the Paying Agent and the Registrar make no assurances that the Depository and its Participants
38 will act in accordance with such rules or expectations on a timely basis, and the City, the
39 Trustee, the Paying Agent and the Registrar shall have no responsibility for any such
40 maintenance of records or transfer of payments by the Depository to its Participants, or by the
41 Participants or persons acting through Participants to the Beneficial Owners.
42

43 The City, the Trustee, the Paying Agent and the Registrar may treat the Depository (or
44 its nominee) as the sole and exclusive owner of the Series 2018 Bonds registered in its name for
45 the purpose of payment of the principal of, interest or premium, if any, on the Series 2018
46 Bonds, giving any notice permitted or required to be given to Bondholders under the
47 Ordinances, registering the transfer of Series 2018 Bonds, obtaining any consent or other action

1 to be taken by Bondholders and for all other purposes whatsoever, and shall not be affected by
2 any notice to the contrary. The City, the Trustee, the Paying Agent and the Registrar shall not
3 have any responsibility or obligation to any Participant, any person claiming a beneficial
4 ownership interest in the Series 2018 Bonds under or through the Depository or any Participant,
5 or any other person which is not shown on the registration books of the City maintained by the
6 Registrar as being a Bondholder, with respect to: the accuracy of any records maintained by
7 the Depository or any Participant; the payment by the Depository or any Participant of any
8 amount in respect of the principal of, interest or premium, if any, on the Series 2018 Bonds,
9 any notice which is permitted or required to be given to Bondholders thereunder or under the
10 conditions to transfers or exchanges adopted by the City or the Registrar; or any consent given
11 or other action taken by the Depository as a Bondholder.

12
13 **Section 2.08 Successor Depository.** If (a) the Depository determines not to continue
14 to act as Depository for the Series 2018 Bonds, or (b) the City has advised the Depository of the
15 City's determination that the Depository is incapable of discharging its duties, the City shall
16 attempt to retain another qualified securities depository to replace the Depository. Upon
17 receipt by the City or the Registrar of the Series 2018 Bonds together with an assignment duly
18 executed by the Depository, the City shall execute and deliver to the successor Depository, the
19 Series 2018 Bonds of the same principal amount, interest rate and maturity. If the City is
20 unable to retain a qualified successor to the Depository, or the City has determined that it is
21 in its best interest not to continue the Book-Entry System of transfer or that interests of the
22 beneficial owners of the Series 2018 Bonds might be adversely affected if the Book-Entry System
23 of transfer is continued (the City undertakes no obligation to make any investigation to
24 determine the occurrence of any events that would permit it to make any such determination),
25 and has made provision to so notify Beneficial Owners of the Series 2018 Bonds by mailing an
26 appropriate notice to the Depository, upon receipt by the City of the Series 2018 Bonds together
27 with an assignment duly executed by the Depository, the City shall execute, authenticate and
28 deliver to the Depository Participants Series 2018 Bonds of the applicable maturity in fully-
29 registered form, in substantially the form provided in this Ordinance in the denomination of
30 \$5,000 or any integral multiple thereof.

31
32 **ARTICLE III**

33 **EXECUTION; NO RECOURSE**

34 **Section 3.01. Execution of the Series 2018 Bonds.** The Series 2018 Bonds shall be
35 executed and authenticated in accordance with the applicable provisions of the Bond
36 Ordinance.

37 **Section 3.02. No Recourse on the Series 2018 Bonds.** All covenants, stipulations,
38 promises, agreements and obligations of the City contained in the Bond Ordinance or in this
39 2018 Supplemental Ordinance shall be deemed to be the covenants, stipulations, promises,
40 agreements and obligations of the City and not those of any officer or employee of the City in
41 his or her individual capacity, and no recourse shall be had for the payment of the principal or
42 redemption price of or interest on the Series 2018 Bonds or for any claim based thereon or on
43 the Bond Ordinance or in this 2018 Supplemental Ordinance, either jointly or severally, against
44 any officer or employee of the City or any person executing the Series 2018 Bonds.

45 **ARTICLE IV**

46 **ACCOUNTS, FUNDS AND APPLICATION OF**

1 **PROCEEDS; TAX COVENANTS; AND CONTINUING DISCLOSURE**

2
3 **Section 4.01. Establishment of Funds and Accounts.**

4 (a) There is hereby established, pursuant to Section 8.2 of the Bond Ordinance, with
5 respect to the Series 2018 Bonds, an Interest Account, a Principal Account and, if any Series
6 2018 Bonds are Term Bonds, a Bond Redemption Account, within the Special Tax Allocation
7 Fund for the purposes set forth in said Section 8.2.

8 (b) If so determined by the City Manager pursuant to Section 5.01 hereof, there shall
9 be established, with respect to the Series 2018 Bonds, a special fund of the City to be
10 designated as “City of Myrtle Beach - 2018 Debt Service Reserve Fund for Tax Increment
11 Revenue Bonds” (the “2018 Debt Service Reserve Fund”) to be held by the Trustee. If so
12 established, the 2018 Debt Service Reserve Fund shall be funded in the amount of the 2018
13 Reserve Fund Requirement at the time of issuance of the Series 2018 Bonds. If so determined
14 by the City Manager pursuant to Section 5.01 hereof, the 2018 Reserve Fund Requirement may
15 be satisfied through the purchase of the Reserve Policy.

16 **Section 4.02. Use and Disposition of Bond Proceeds.** Upon the delivery of the Series
17 2018 Bonds, the net proceeds thereof shall be disposed of as determined and directed in writing
18 by a City Representative, shall be deposited with the Custodian at the written direction of the
19 City Manager into the 2018 Construction Fund established in Section 4.03 hereof, to be used
20 and applied as provided in that Section.

21 **Section 4.03. Construction Fund for Series 2018 Bonds.**

22 (a) There is hereby created the “City of Myrtle Beach, Redevelopment Projects 2018
23 Construction Fund” (the “2018 Construction Fund”) to be held by the Trustee, as Custodian,
24 into which proceeds from the sale of the Series 2018 Bonds in the amount directed by the City
25 Manager shall be deposited. The moneys on deposit in the 2018 Construction Fund shall be
26 used and applied to the payment of the Redevelopment Project Costs of the 2018
27 Redevelopment Projects and Costs of Issuance of the Series 2018 Bonds.

28 (b) Payments from the 2018 Construction Fund shall be made by the Custodian only
29 upon receipt of a requisition in the form below described.

30 With respect to payments from the 2018 Construction Fund, a requisition in substantially
31 the form set forth in Exhibit B hereto signed by a City Representative, with respect to each
32 payment:

33 (1) The amount to be paid;

34 (2) The nature and purpose of the obligation for which such payment is requested;

35 (3) The person, firm or corporation to whom such obligation is owed or to whom a
36 reimbursable advance has been made; and

37 (4) That such obligation has been properly incurred and is a proper payment under
38 this Ordinance and has not been the basis of any previous advance.

1 In making any such payment from the 2018 Construction Fund, the Custodian may rely
2 on such directions, requisitions and certifications delivered to it pursuant to this Section and
3 the Custodian shall have no liability with respect to making such payments in accordance with
4 such directions, requisitions and certifications for any liability with respect to the proper
5 application hereof by the City.

6 If after the payment in full of all Redevelopment Project Costs with respect to the 2018
7 Redevelopment Projects any moneys remain in the 2018 Construction Fund, such excess shall
8 be transferred to the Trustee by the Custodian and deposited (a) into the Interest Account for
9 the Series 2018 Bonds and used for the payment of interest on the Series 2018 Bonds or (b) into
10 the Principal Account or Bond Redemption Account for the Series 2018 Bonds and used for the
11 payment of principal of the Series 2018 Bonds upon the redemption thereof, all as directed in
12 writing by the City Manager.

13 **Section 4.04. Tax Covenants.** The City hereby covenants and agrees that it shall not
14 make any use, and it shall direct the Trustee and each fiduciary not to make any use, of the
15 proceeds of the Series 2018 Bonds which, if such use had been reasonably expected on the date
16 of the issuance of the Series 2018 Bonds would have caused such Series 2018 Bonds to be
17 “arbitrage bonds” within the meaning of Section 148 of the Code and will observe and not
18 violate the requirements of Section 148 of the Internal Revenue Code of 1986, as amended (the
19 “Code”), and it shall:

20
21 (a) establish such funds, make such calculations and pay such amounts, in the
22 manner and at the times required in order to comply with the requirements of the Code,
23 relating to required rebates of certain amounts to the United States;

24 (b) make such reports of such information at the times and places required by the
25 Code; and

26 (c) take such other action as may be required in order that the Series 2018 Bonds
27 and the use of the proceeds thereof comply with the provisions of the Code.

28 **Section 4.05. Continuing Disclosure.** Pursuant to Section 11-1-85 of the Code of Laws
29 of South Carolina 1976, as amended (“Section 11-1-85”), the City hereby covenants and agrees
30 that it will file with a nationally recognized municipal securities information depository for
31 availability in the secondary market when requested, an annual independent audit within 30
32 days of receipt of the audit and event-specific information within 30 days of an event adversely
33 affecting more than five percent of its revenue base. The only remedy for failure by the City
34 to comply with the covenant of this paragraph shall be an action for specific performance of
35 this covenant. The City specifically reserves the right to amend or delete this covenant to
36 reflect any change in Section 11-1-85, without the consent of any Bondholder. Notwithstanding
37 any other provisions of this 2018 Supplemental Ordinance, failure of the City to comply with
38 the provisions of this paragraph shall not be considered an Event of Default, and no liability for
39 damages shall attach therefor.

40 Notwithstanding any other provision of this 2018 Supplemental Ordinance, failure of the
41 City to comply with the Continuing Disclosure Agreement shall not be considered an Event of
42 Default; however, the Trustee may (and, at the request of any “participating underwriter” (as
43 defined in Rule 15c2-12 of the Securities and Exchange Commission under the Securities
44 Exchange Act of 1934, as amended, and upon receipt of satisfactory indemnification for its
45 fees, costs and expenses) or the Holders of at least 25 percent aggregate principal amount of

1 Outstanding Series 2018 Bonds and upon receipt of satisfactory indemnification for its fees,
2 costs and expenses, shall) or any Holder of Series 2018 Bonds may take such actions as may be
3 necessary and appropriate, including seeking specific performance by court order, to cause the
4 City to comply with its obligations hereunder and under the Continuing Disclosure Agreement.

5 **ARTICLE V**

6 **PURCHASE CONTRACT; CONTINUING DISCLOSURE AGREEMENT;**
7 **OTHER INSTRUMENTS**

8 **Section 5.01. Sale of Series 2018 Bonds; Authorization of Purchase Contract and**
9 **Continuing Disclosure Agreement.** The City Manager is hereby authorized and empowered to
10 determine the aggregate principal amount of the Series 2018 Bonds, the principal amount of
11 each maturity of the Series 2018 Bonds, the interest rates for the Series 2018 Bonds, the Series
12 2018 Bonds to be subject to mandatory and optional redemption, the redemption prices of the
13 Series 2018 Bonds subject to optional redemption, whether to establish the 2018 Debt Service
14 Reserve Fund, the 2018 Reserve Fund Requirement and whether to satisfy the 2018 Reserve
15 Fund Requirement through the purchase of the Reserve Policy, and the price at which the Series
16 2018 Bonds will be sold and the amount of Underwriter's discount in such sale. The Purchase
17 Contract (in the form presented at this meeting) and the Continuing Disclosure Agreement in
18 substantially the form attached hereto as Exhibit "C", with such changes as the City Manager
19 shall approve (his execution to be conclusive evidence of such approval) are hereby approved,
20 and the City Manager is hereby authorized to execute and deliver the Purchase Contract and
21 the Continuing Disclosure Agreement on behalf of the City.

22 **Section 5.02. Approval of Preliminary Official Statement; Authorization of Official**
23 **Statement.** The City hereby approves the form, distribution and use, of a Preliminary Official
24 Statement of the City relating to the Series 2018 Bonds, in the form filed with the minutes of
25 the meeting of Council at which this 2018 Supplemental Ordinance is enacted, with such
26 changes, additions and modifications as the City Manager may approve. The Council authorizes
27 the City Manager to designate the Preliminary Official Statement, with such changes, additions
28 and modifications to the form presented at this meeting as he shall approve, as "final" as of its
29 date for purposes of Rule 15c2-12 of the Securities Exchange Commission. The Council hereby
30 authorizes the preparation and distribution of the Official Statement with respect to the Series
31 2018 Bonds, substantially in the form of the Preliminary Official Statement, with such
32 modifications as the City Manager approves. The final Official Statement shall be approved on
33 behalf of the City by the City Manager, such approval to be evidenced by the City Manager's
34 execution of the Official Statement, which execution is hereby authorized.

35 **Section 5.03. Information Report.** The City Manager or such officer of the City as he
36 designates is hereby authorized to execute, deliver and file such information reports with
37 respect to the Series 2018 Bonds, on Form 8038-G or such other form as may be prescribed by
38 the United States Department of Treasury, as shall be required or desirable in order to comply
39 with Section 149(e) of the Code.

40 **Section 5.04. Other Instruments and Actions.** In order to secure the Series 2018 Bonds
41 and in order to effect the issuance and delivery of the Series 2018 Bonds and to give full effect
42 to the intent and meaning of this 2018 Supplemental Ordinance and the agreements and actions
43 herein authorized, the Mayor and the City Manager and the Clerk are hereby authorized to
44 execute and deliver such certificates, showings, instruments and agreements and to take such
45 further action as the Mayor and City Manager, respectively, shall deem necessary or desirable.

1 **ARTICLE VI**

2 **MISCELLANEOUS**

3 **Section 6.01. Severability.** If any one or more of the covenants or agreements provided
4 in this 2018 Supplemental Ordinance on the part of the City or the Trustee to be performed
5 should be contrary to law, then such covenant or covenants or agreement or agreements shall
6 be deemed severable from the remaining covenants and agreements, and shall in no way affect
7 the validity of the other provisions of this 2018 Supplemental Ordinance.

8 **Section 6.02. Section Headings Not Controlling.** The Headings of the several Articles
9 and Sections of this 2018 Supplemental Ordinance have been prepared for convenience of
10 reference only and shall not control, affect the meaning of, or be taken as an interpretation of
11 any provision of this 2018 Supplemental Ordinance.

12 **Section 6.03. Effectiveness of Ordinance; Codification.** This 2018 Supplemental
13 Ordinance shall be in full force and effect from and after its enactment as provided by law.
14 This 2018 Supplemental Ordinance shall be forthwith indexed by title and a summary thereof
15 codified in the Code of City Ordinances in the manner required by law and shall be indexed
16 under the general heading "Bond Issue - Not Exceeding \$15,000,000 Tax Increment Revenue
17 Bonds (Myrtle Beach Air Force Base Redevelopment Project Area), Series 2018," and shall be
18 made available for public inspection at the office of the Clerk of the City.

19 This Ordinance shall become effective upon enactment.

20 **(SEAL)**

21 _____
22 Mayor, City of Myrtle Beach, South
23 Carolina

24 **ATTEST:**

25 _____
26
27 Clerk, City Council of the City of
28 Myrtle Beach, South Carolina

29
30 First Reading: _____, 2018

31 Second Reading: _____, 2018

[FORM OF SERIES 2018 Bond]

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, New York, New York ("DTC"), to the issuer or its agent for registration of transfer, exchange, or payment and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
CITY OF MYRTLE BEACH
TAX INCREMENT REVENUE BONDS
(MYRTLE BEACH AIR FORCE BASE REDEVELOPMENT PROJECT AREA),
SERIES 2018

No. R-

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL ISSUE DATE</u>	<u>CUSIP</u>
--------------------------	--------------------------	--------------------------------	--------------

Registered Holder:

Principal Amount: DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that the City of Myrtle Beach, South Carolina (the "City"), is justly indebted and, for value received, hereby promises to pay to the Registered Holder named above, or registered assigns, but solely from the special sources hereinafter mentioned and not otherwise, the Principal Amount shown above on the Maturity Date shown above (unless the within bond shall be subject to prior redemption and shall have been duly called for previous redemption and payment of redemption price made or provided for), upon presentation and surrender of this bond at the office of U.S. Bank National Association, as paying agent (the "Paying Agent"), and to pay interest, but solely from the special sources hereinafter mentioned and not otherwise, on such Principal Amount from the date hereof at the Interest Rate per annum shown above (calculated on the basis of a 360-day year consisting of twelve 30-day months) until the City's obligation with respect to the payment of such Principal Amount shall be discharged. Interest on this bond is payable April 1, 2019, and semiannually thereafter on April 1 and October 1 of each year (each, an "Interest Payment Date"), until this bond matures or is earlier paid, and shall be payable by check or draft drawn upon the Paying Agent mailed to the person in whose name this bond is registered on the registration books of the City maintained by the Registrar,

1 presently U.S. Bank National Association (the "Registrar"), in Columbia, South Carolina, at the
2 close of business on the fifteenth (15th) day (whether or not a Business Day (as defined in the
3 hereinafter defined Ordinance)) of the calendar month next preceding each Interest Payment
4 Date, or by wire transfer to the Registered Holder of \$1,000,000 or more in principal amount of
5 Bonds of the Series of which this bond is one upon request to an account within the continental
6 United States as provided in the hereinafter defined Ordinances. The principal and interest on
7 this bond are payable in lawful money of the United States of America.
8

9 This bond shall not be entitled to any benefit under the Ordinance, nor become valid or
10 obligatory for any purpose, until the certificate of authentication hereon shall have been duly
11 executed by the Registrar.
12

13 This bond is one of an authorized Series of Bonds of like tenor and effect, except as to date
14 of original issue, numeration, Registered Holder, date of maturity, redemption provisions, and
15 rate of interest, aggregating _____ Dollars (\$_____) in principal amount
16 designated "Tax Increment Revenue Bonds (Myrtle Beach Air Force Base Redevelopment Project
17 Area), Series 2018" (the "Series 2018 Bonds"), issued pursuant to and in accordance with the
18 Constitution and laws of the State of South Carolina, including Article X, Section 14, of the
19 Constitution of the State of South Carolina, 1895, as amended; Title 31, Chapter 12, Code of Laws
20 of South Carolina 1976, as amended (the "Act"), Ordinance No. 2016-66 duly enacted by the City
21 Council of the City of Myrtle Beach, South Carolina ("City Council") on September 13, 2016 (the
22 "Bond Ordinance") and Ordinance No. 2018-__ duly enacted on _____, 2018 (the
23 "Supplemental Ordinance") (the Bond Ordinance and the Supplemental Ordinance are hereinafter
24 collectively referred to as the "Ordinances"). Capitalized terms not otherwise defined herein
25 shall have the meanings set forth in the Ordinances.
26

27 The Series 2018 Bonds are being issued for the purpose of (i) defraying the cost of the 2018
28 Redevelopment Projects, [(ii) funding the 2018 Debt Service Reserve Fund,] and [(ii)][iii] paying
29 the Costs of Issuance of the Series 2018 Bonds.
30

31 The Series 2018 Bonds and the interest thereon are special obligations of the City payable
32 solely from, and secured by a pledge of certain funds in and to be deposited in the Special Tax
33 Allocation Fund created pursuant to the Ordinances.
34

35 THE FULL FAITH, CREDIT AND TAXING POWERS OF THE CITY ARE NOT PLEDGED FOR THE
36 PAYMENT OF THIS BOND AND THE INTEREST HEREON.
37

38 Additional Bonds (as defined in the Ordinances) on a parity with the Series of Bonds of
39 which this bond is one may hereafter be issued under terms and conditions set forth in the
40 Ordinances. Such Additional Bonds shall be equally and ratably secured with the pledge of the
41 funds in and to be deposited to the Special Tax Allocation Fund with the Series 2018 Bonds.
42

43 The Ordinances contain provisions defining terms; sets forth the moneys, funds and
44 revenues pledged for the payment of the principal of and interest on the Series of Bonds of which
45 this bond is one, and the bonds of other Series which may hereafter be issued on a parity herewith;
46 sets forth the nature, extent and manner of enforcement of the security of this bond and of such
47 pledge, and the rights and remedies of the Holder hereof with respect thereto; sets forth the
48 terms and conditions upon which this bond is issued and upon which other Bonds may be hereafter
49 issued payable as to principal, premium, if any, and interest on a parity with this bond and equally
50 and ratably secured herewith; sets forth the rights, duties and obligations of the City thereunder;

1 and sets forth the terms and conditions upon which the pledge made in the Ordinances for the
2 security of this bond and upon which the covenants, agreements and other obligations of the City
3 made therein may be amended or discharged at or prior to the maturity or redemption of this
4 bond with provision for the payment thereof in the manner set forth in the Ordinances. Reference
5 is hereby made to the Ordinances, to all of the provisions of which any Holder of this bond by the
6 acceptance hereof thereby assents. The provisions of the Enabling Act and the Ordinances shall
7 be a contract with the Holder of this bond.
8

9 [Optional Redemption. The Series 2018 Bonds are subject to redemption prior to maturity
10 at the option of the City, as a whole at any time or in part at any time on or after October 1,
11 20___, at a price equal to the principal amount of the Series 2018 Bonds to be redeemed, plus
12 accrued interest thereon to the date set for redemption.]
13

14 [Mandatory Sinking Fund Redemption. The Series 2018 Bonds due October 1, 20__ (the
15 “Term Bonds”) are subject to redemption prior to maturity at a redemption price equal to the
16 principal amount thereof plus accrued interest thereon to the date set for redemption from
17 mandatory sinking fund installments on October 1 of the following years in the following principal
18 amounts:]
19

20 [At its option, to be exercised on or before the sixtieth (60th) day prior to any mandatory
21 sinking fund redemption date, the City may (i) deliver to the Paying Agent for cancellation Series
22 2018 Bonds which are subject to mandatory sinking fund redemption in any aggregate principal
23 amount desired or (ii) receive a credit in respect of its mandatory sinking fund redemption
24 obligation for any such Series 2018 Bonds which, prior to such date, have been purchased or
25 redeemed (otherwise than through the operation of the mandatory sinking fund redemption
26 requirement) by the City and cancelled by the Paying Agent and not theretofore applied as a credit
27 against any mandatory sinking fund redemption obligation. Each Series 2018 Bond so delivered or
28 previously purchased or redeemed shall be credited by the Paying Agent, at 100% of the principal
29 amount thereof, to the obligation of the City on those respective mandatory sinking fund
30 redemption obligations in such a manner as the City shall direct, or absent such direction, on a
31 pro rata basis, and the principal amount of the Series 2018 Bonds to be redeemed by operation of
32 the mandatory sinking fund redemption requirement shall be accordingly reduced.]
33

34 [If less than all of the Series 2018 Bonds of any maturity are called for redemption, the
35 Series 2018 Bonds of such maturity to be redeemed shall be selected by lot by the Registrar. In
36 the event the Series 2018 Bonds or a portion thereof is redeemable as aforesaid, and shall be
37 called for redemption, notice of the redemption, describing such Series 2018 Bonds and specifying
38 the redemption date and the redemption price payable upon such redemption, shall be given by
39 first-class mail, postage prepaid, to the Holder thereof as shown on the Books of Registry of the
40 City not less than thirty (30) days and not more than sixty (60) days prior to the redemption date
41 at its last address appearing upon the registration books of the City. If the Series 2018 Bonds or a
42 portion thereof be redeemable and shall have been duly called for redemption and notice of the
43 redemption mailed as aforesaid, and if on or before the date fixed for such redemption, payment
44 thereof shall be duly made or provided for, interest thereon shall cease to accrue from and after
45 the redemption date thereof.]
46

47 This bond is transferable as provided in the Ordinances, only upon the Books of Registry of
48 the City kept for that purpose at the designated office of the Registrar by the Registered Holder
49 in person or by his duly authorized attorney upon surrender of this bond together with a written
50 instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his

1 duly authorized attorney with signature guaranteed as provided for in the Ordinances. Thereupon
2 a new fully registered bond or bonds of the same Series, aggregate principal amount, interest rate,
3 and maturity shall be issued to the transferee in exchange therefor as provided in the Ordinances.
4 The City, the Registrar and the Paying Agent may deem and treat the person in whose name this
5 bond is registered as the absolute owner hereof for the purpose of receiving payment of or on
6 account of the principal hereof and interest due hereon and for all other purposes.
7

8 Under the laws of the State of South Carolina, this bond and the income herefrom are
9 exempt from all State, county, municipal, school district and all other taxes or assessments,
10 except estate or other transfer taxes, direct or indirect, general or special, whether imposed for
11 the purpose of general revenue or otherwise.
12

13 It is hereby certified and recited that all acts, conditions and things required by the
14 Constitution and laws of the State of South Carolina to exist, to happen and to be performed
15 precedent to or in the issuance of this bond exist, have happened and have been performed in
16 regular and due time, form and manner as required by law; that the Series of Bonds of which this
17 bond is a part does not exceed any constitutional or statutory limitation of indebtedness; and that
18 provision has been made for the payment of the principal of and interest on this bond and the
19 Series of Bonds of which it is a part, as provided in the Ordinances.
20

21 IN WITNESS WHEREOF, THE CITY OF MYRTLE BEACH, SOUTH CAROLINA, has caused this
22 bond to be signed with the manual or facsimile signature of the Mayor of the City, attested by the
23 manual or facsimile signature of the Clerk of the City, and the seal of the City impressed, imprinted
24 or reproduced hereon.
25

26 CITY OF MYRTLE BEACH, SOUTH CAROLINA
27

28
29 By: _____
30 Mayor

31 (SEAL)

32 ATTEST:

33
34
35 By: _____
36 Clerk

37 Registrar's Certificate of Authentication
38

39 Date of Authentication:
40

41 This bond is one of the Series 2018 Bonds described in the within mentioned
42 Ordinances of the City of Myrtle Beach, South Carolina.
43

44 U.S. BANK NATIONAL ASSOCIATION,
45 as Registrar
46

47 _____
48 Authorized Officer
49

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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.

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

TEN COM - as tenants in common

UNIF GIFT MIN ACT -

TEN ENT - as tenants by the entireties

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

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

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

CERTIFICATE

A copy of the final approving legal opinion to be rendered shall be attached to the back of each Series 2018 Bond and preceding the same a certificate shall appear, which shall be signed on behalf of the City with a facsimile signature of the Clerk of the City. Said certificate shall be in substantially the following form:

IT IS HEREBY CERTIFIED that the following is a true and correct copy of the final legal opinion (except for date and letterhead) of Pope Flynn, LLC, Columbia, South Carolina, approving the issue of bonds of which the within bond is one, the original of which opinion was manually executed, dated and issued as of the date of delivery of and payment for the bonds, and a copy of which is on file with the City Council of the City of Myrtle Beach, South Carolina.

CITY OF MYRTLE BEACH, SOUTH CAROLINA

By: (Exhibit)
Clerk

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EXHIBIT B

[FORM OF REQUISITION]

Request No: _____

Date: _____

To: _____, as Custodian

Re: \$_____ City of Myrtle Beach, South Carolina Tax Increment Revenue Bonds
(Myrtle Beach Air Force Base Redevelopment Project Area), Series 2018

You are hereby requested and directed as Custodian (as such term is defined in Ordinance No. 2016-66 and Ordinance No. 2018-__ (the "Ordinances") enacted by the City Council of the City of Myrtle Beach, South Carolina (the "City"), on September 13, 2016 and _____, 2018, respectively, to pay, pursuant to the Ordinances, to the following payees the following amounts in payment or reimbursement for the following Redevelopment Project Costs of the 2018 Redevelopment Projects (as such terms are defined in the Ordinances):

(1) The amount to be paid: _____;

(2) The nature and purpose of the obligation for which such payment is requested:
_____ ; and

(3) The person, firm or corporation to whom such obligation is owed or to whom a reimbursable advance has been made: _____.

IN WITNESS WHEREOF, the undersigned does hereunto set forth his hand this ___ day of _____, _____.

CITY OF MYRTLE BEACH, SOUTH CAROLINA

By: _____

Title: _____

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the "Disclosure Agreement"), dated as of _____, 2018, is executed and delivered by the City of Myrtle Beach, South Carolina (the "Issuer") and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to assist the Issuer in processing certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule").

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute "advice" within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer's behalf regarding the "issuance of municipal securities" or any "municipal financial product" as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary. DAC is not a "Municipal Advisor" as such term is defined in Section 15B of the Securities Exchange Act of 1934, as amended, and related rules.

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

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

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

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

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

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

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the

full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

“Disclosure Representative” means the Chief Financial Officer of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

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

“Failure to File Event” means the Issuer’s failure to file an Annual Report on or before the Annual Filing Date.

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

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

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

“MSRB” means the Municipal Securities Rulemaking Board, or any successor thereto, established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Notice Event” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

“Obligated Person” means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

“Official Statement” means that Official Statement prepared by the Issuer in connection with the Bonds, as listed on Appendix A.

“Trustee” means the institution, if any, identified as such in the document under which the Bonds were issued.

“Voluntary Event Disclosure” means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that

is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

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

SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than seven months after the end of each fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2019. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

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

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide at such time an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, if any, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

- (i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;
- (ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;

- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;
- (iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) hereof (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:
 - 1. "Principal and interest payment delinquencies;"
 - 2. "Non-Payment related defaults, if material;"
 - 3. "Unscheduled draws on debt service reserves reflecting financial difficulties;"
 - 4. "Unscheduled draws on credit enhancements reflecting financial difficulties;"
 - 5. "Substitution of credit or liquidity providers, or their failure to perform;"
 - 6. "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
 - 7. "Modifications to rights of securities holders, if material;"
 - 8. "Bond calls, if material;"
 - 9. "Defeasances;"
 - 10. "Release, substitution, or sale of property securing repayment of the securities, if material;"
 - 11. "Rating changes;"
 - 12. "Tender offers;"
 - 13. "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
 - 14. "Merger, consolidation, or acquisition of the obligated person, if material;" and
 - 15. "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide annual financial information as required" when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;
- (vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) hereof with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to

Section 7(a) of this Disclosure Agreement:

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

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

1. "quarterly/monthly financial information;"
2. "Timing of annual disclosure (120/150 days);"
3. "change in fiscal year/timing of annual disclosure;"
4. "change in accounting standard;"
5. "interim/additional financial information/operating data;"
6. "budget;"
7. "investment/debt/financial policy;"
8. "information provided to rating agency, credit/liquidity provider or other third party;"
9. "consultant reports;" and
10. "other financial/operating data."

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

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

(g) Anything in this Disclosure Agreement to the contrary notwithstanding, any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any Business Day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same Business Day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including information comparable to the information provided in the Official Statement under the tables contained in the sections entitled “THE TAX INCREMENT DISTRICT—Incremental Taxes Received in the Redevelopment Project Area” and “—Ten Largest Taxpayers in the Redevelopment Project Area” to the extent that such items are not included in the Audited Financial Statements referred to in Section 3(a) of the Disclosure Certificate.

(b) Audited Financial Statements prepared in accordance with generally accepted accounting principles (“GAAP”) as described in the Official Statement will be included in the Annual Report. If audited financial statements are not available, then, unaudited financial statements, prepared in accordance with GAAP as described in the Official Statement will be included in the Annual Report. In such event, Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

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

Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events.

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

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with

respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. Modifications to rights of Bond holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

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

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

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the

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

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

SECTION 5. CUSIP Numbers. The Issuer will provide the Dissemination Agent with the CUSIP numbers for (i) new bonds at such time as they are issued or become subject to the Rule and (ii) any Bonds to which new CUSIP numbers are assigned in substitution for the CUSIP numbers previously assigned to such Bonds.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing.

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

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement),

include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

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

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

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

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

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other

document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

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

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

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

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

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

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

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

such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

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

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

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

[Remainder of page intentionally left blank.]

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

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

By:

Name:

Title:

**THE CITY OF MYRTLE BEACH, SOUTH
CAROLINA, as Issuer**

By:

Name:

Title:

EXHIBIT A
NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer	City of Myrtle Beach, South Carolina		
Obligated Person(s)	City of Myrtle Beach, South Carolina		
Name of Bond Issue:	Tax Increment Revenue Bonds (Myrtle Beach Air Force Base Redevelopment Project Area), Series 2018		
Date of Issuance:	_____	, 2018	
Date of Official Statement	_____	, 2018	
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____

EXHIBIT B
NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer	City of Myrtle Beach, South Carolina
Obligated Person(s)	City of Myrtle Beach, South Carolina
Name of Bond Issue:	Tax Increment Revenue Bonds (Myrtle Beach Air Force Base Redevelopment Project Area), Series 2018
Date of Issuance:	_____, 2018
Date of Disclosure Agreement:	_____, 2018
CUSIP Number:	_____

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

Dated: _____

Digital Assurance Certification, L.L.C., as
Disclosure Dissemination Agent, on behalf of
the Issuer

cc: Obligated Person
Issuer

EXHIBIT C-1
EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" will be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

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

Issuer's Six-Digit CUSIP Number:

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

Number of pages attached: ____

Description of Notice Events (Check One):

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

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

Signature:

Name: _____

Title: _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street, Suite 300
Orlando, FL 32801
407-515-1100

Date: _____

**EXHIBIT C-2
VOLUNTARY EVENT DISCLOSURE COVER SHEET**

This cover sheet and accompanying "voluntary event disclosure" will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of _____ between the Issuer and DAC.

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

Issuer's Six-Digit CUSIP Number:

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

Number of pages attached: ____

Description of Voluntary Event Disclosure (Check One):

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

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

Signature:

Name: _____

Title: _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street, Suite 300
Orlando, FL 32801
407-515-1100

Date: _____

**EXHIBIT C-3
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET**

This cover sheet and accompanying "voluntary financial disclosure" will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of _____ between the Issuer and DAC.

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

Issuer's Six-Digit CUSIP Number:

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

Number of pages attached: ____

Description of Voluntary Financial Disclosure (Check One):

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

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

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street, Suite 300
Orlando, FL 32801
407-515-1100

Date: _____