

**OFFICIAL NOTICE OF SALE**  
**\$80,000,000\* TAX ANTICIPATION NOTES, SERIES 2021**  
**SCHOOL DISTRICT OF BEAUFORT COUNTY, SOUTH CAROLINA**

Time and Place of Sale: NOTICE IS HEREBY GIVEN that electronic bids only will be received on behalf of the School District of Beaufort County, South Carolina (the "School District") until 11:00 a.m., South Carolina time, on Wednesday, January 27, 2021, for the purchase of \$80,000,000\* Tax Anticipation Notes, Series 2021, of the School District (the "Notes").

**THE SALE MAY BE CANCELLED OR POSTPONED OR ANY OTHER PROVISION OF THIS OFFICIAL NOTICE OF SALE MAY BE AMENDED BY THE SCHOOL DISTRICT UPON NO LESS THAN TWO HOURS PRIOR NOTICE COMMUNICATED ELECTRONICALLY. IF SUCH A POSTPONEMENT, CHANGE OR AMENDMENT OCCURS, BIDS WILL BE RECEIVED IN ACCORDANCE WITH THIS OFFICIAL NOTICE OF SALE, AS MODIFIED BY SUCH NOTICE.**

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

Book-Entry-Only Notes: The Notes will be issued in fully-registered form. One Note representing each maturity will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as registered owner of the Notes and each such Note will be immobilized in the custody of DTC. DTC will act as securities depository for the Notes. Individual purchases will be made in book-entry-only form, in denominations of \$5,000 or any integral multiple thereof. Purchasers will not receive physical delivery of certificates representing their interest in the Notes purchased. The winning bidder, as a condition to delivery of the Notes, will be required to deposit the Note certificates representing each maturity with DTC.

Principal and interest on the Notes will be payable at maturity on June 30, 2021. The Notes will be dated their date of delivery.

Redemption Provisions: The Notes will not be subject to optional redemption.

Registrar/Paying Agent: Regions Bank, Atlanta, Georgia will serve as Registrar/Paying Agent for the Notes.

Bid Requirements: Bidders shall specify the rate or rates of interest per annum which the Notes are to bear, to be expressed in multiples of 1/20 or 1/8 of 1. A bid for less than all the Notes or a bid at a price less than par will not be considered.

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

Good Faith Deposit: No good faith deposit is required.

Official Statement: Upon the award of the Notes, the School District will prepare an official statement (the “Official Statement”) in substantially the same form as the preliminary official statement subject to minor additions, deletions and revisions as required to complete the Official Statement. Within seven (7) business days after the award of the Notes, the School District will deliver the Official Statement to the successful bidder in sufficient quantity to comply with Rule G-32 of the Municipal Securities Rulemaking Board. The successful bidder agrees to supply to the School District all necessary pricing information and any Underwriter identification necessary to complete the Official Statement within 24 hours after the award of the Notes.

Security: For the payment of the principal of and interest on the Notes, there are hereby pledged (a) the ad valorem taxes to be levied; (b) the State Reimbursement (as defined in the Resolution); (c) the State Appropriations (as defined in the Resolution”); and (d) the full faith, credit and taxing power of the School District.

Constitutional and Statutory Intercepts. The Notes are subject to Article X, Section 15(4) of the Constitution of the State of South Carolina, 1895, as amended, which states if at any time any school district shall fail to effect the punctual payment of the principal and interest of its general obligation debt, the South Carolina (the “State”) Treasurer shall withhold from such school district sufficient moneys from any state appropriation to which such school district may be entitled and apply so much as shall be necessary to the payment of the principal and interest on the indebtedness of the school district then due. Further, the Notes are subject to Section 59-71-155 of the Code of Laws of South Carolina, 1976 as amended, which establishes a mechanism for the timely advance of funds from the General Fund of the State to provide funds to a County Treasurer to make payments of principal and interest due on general obligation bonds of a school district.

Continuing Disclosure: In accordance with Rule 15c2-12 (the “Rule”) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, the School District has covenanted for the benefit of the holders of the Notes to provide notice of the occurrence of certain enumerated events within 10 business days of their occurrence (the “Event Notices”). Any Event Notices will be filed by the School District as described in a Continuing Disclosure Certificate to be executed by the School District.

Legal Opinion: The School District shall furnish upon delivery of the Notes the final approving opinion of Burr & Forman LLP, Columbia, South Carolina, which opinion shall accompany each Note, together with the usual closing documents, including a certificate that no litigation is pending affecting the Notes.

Issue Price Certificate: The winning bidder shall assist the School District in establishing the issue price of the Notes and shall execute and deliver to the School District at delivery an “issue price” certificate setting forth the reasonably expected initial offering price to the public, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the School District and Bond Counsel. A sample copy of the certificate may be obtained from Burr & Forman LLP.

The School District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the “Competitive Sale Requirements”) because:

- (1) the School District shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the School District may receive bids from at least three underwriters of municipal Notes who have established industry reputations for underwriting new issuances of municipal Notes; and
- (4) the School District anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in the bid.

In the event that the Competitive Sale Requirements are not satisfied, the School District shall so advise the winning bidder. The School District may determine to treat the initial offering price to the public as of the sale date of the Notes as the issue price of the Notes (the “Hold-the-Offering-Price Rule”). The School District shall promptly advise the winning bidder, at or before the time of award of the Notes, that the Notes shall be subject to the Hold-the-Offering-Price Rule. Bids will not be subject to cancellation in the event that the School District determines to apply the Hold-the-Offering-Price Rule to the Notes. Bidders should prepare their bids on the assumption that the Notes will be subject to the Hold-the-Offering-Price Rule in order to establish the issue price of the Notes.

By submitting a bid, the winning bidder shall (1) confirm that the underwriters have offered or will offer the Notes to the public on or before the date of award at the offering price (the “Initial Offering Price”), or at the corresponding yield, set forth in the bid submitted by the winning bidder and (2) agree, on behalf of the underwriters participating in the purchase of the Notes, that the underwriters will neither offer nor sell unsold Notes to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5<sup>th</sup>) business day after the sale date; or that maturity of the Notes to the public at a price that is no higher than the Initial Offering Price to the public (the “10% Test”).

The winning bidder will advise the School District promptly after the close of the fifth (5th) business day after the sale date whether it has when the underwriters have sold 10% of the Notes to the public at a price that is no higher than the Initial Offering Price to the public.

The School District acknowledges that, in making the representation set forth above, the winning bidder will rely on (1) the agreement of each underwriter to comply with the Hold-the-Offering-Price Rule, as set forth in an agreement among underwriters and the related pricing wires, (2) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the Hold-the-Offering-Price Rule, as set forth in a selling group agreement and the related pricing wires, and (3) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is a party to such agreement to

comply with the Hold-the-Offering-Price Rule, as set forth in the retail distribution agreement and the related pricing wires. The School District further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the Hold-the-Offering-Price Rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the Hold-the-Offering-Price Rule as applicable to the Notes.

By submitting a bid, each bidder confirms that: (1) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (a) report the prices at which it sells to the public the unsold Notes allotted to it until it is notified by the winning bidder that either the 10% Test has been satisfied as to the Notes or all Notes allotted to it have been sold to the public and (b) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (2) any agreement among underwriters relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such retail distribution agreement to (a) report the prices at which it sells to the public the unsold Notes allotted to it until it is notified by the winning bidder or such underwriter that either the 10% Test has been satisfied as to the Notes or all Notes have been sold to the public and (b) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Notes to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (1) “public” means any person other than an underwriter or a related party,
- (2) “underwriter” means (a) any person that agrees pursuant to a written contract with the School District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (a) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the public),
- (3) a purchaser of any of the Notes is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (a) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (b) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (c) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

- (4) “sale date” means the date that the Notes are awarded by the School District to the winning bidder.

CUSIP Numbers: CUSIP identification numbers and CUSIP Service Bureau charges for assignment of the numbers will be the responsibility of the successful bidder and should be provided to the School District within five (5) days of being selected as the winning bidder, but any delay, error or omission with respect thereto shall not constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Notes in accordance with the terms of this Official Notice of Sale. The successful bidder shall also be responsible for securing DTC eligibility.

Financial Advisor: Hilltop Securities Inc. (“Hilltop”) is acting as Financial Advisor (the “Financial Advisor”) to the School District in connection with the issuance of the Notes. The Financial Advisor’s fee for services rendered with respect to the sale of the Notes is contingent upon the issuance and delivery of the Notes. Hilltop, in its capacity as Financial Advisor, has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Notes, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies or rating agencies.

Delivery: The Notes will be delivered on or about February 4, 2021, through DTC in New York, New York, at the expense of the School District. The balance of the purchase price then due (including the amount of accrued interest) must be paid in federal funds or other immediately available funds.

Additional Information: The Preliminary Official Statement of the School District with respect to the Notes is available via the internet at <http://www.idealprospectus.com>. The Preliminary Official Statement shall be reviewed by bidders prior to submitting a bid. Bidders may not rely on this Notice of Sale as to the complete information concerning the Notes. Persons seeking information should communicate with the School District’s Bond Counsel, Francenia B. Heizer, Esquire, Burr & Forman LLP, telephone (803) 799-9800, e-mail: [fheizer@burr.com](mailto:fheizer@burr.com) or with the School District’s Financial Advisor, Chad Cowan, Director, Hilltop Securities, Inc., telephone (704) 654-3454; e-mail: [chad.cowan@hilltopsecurities.com](mailto:chad.cowan@hilltopsecurities.com).

SCHOOL DISTRICT OF BEAUFORT COUNTY,  
SOUTH CAROLINA