

OFFICIAL NOTICE OF SALE

HORRY COUNTY, SOUTH CAROLINA

\$22,440,000*

GENERAL OBLIGATION BONDS

SERIES 2024A

DATE AND TIME OF SALE: Bids for the purchase of all but not part of the above bonds (the “Bonds”) will be received by Horry County, South Carolina (the “County”), until 11:00 a.m. (South Carolina Time) on Wednesday, February 7, 2024. The time as maintained by IHS Markit’s PARITY/BiDCOMP Competitive Bidding System (“PARITY®”) shall constitute the official time with respect to all proposals submitted.

BID SUBMISSION: Electronic proposals will be received via PARITY®, in the manner described below. Bids may be submitted electronically via PARITY® pursuant to this Official Notice of Sale (“Notice of Sale”), but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY® conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about PARITY®, potential bidders may contact Bond Counsel – Ray Jones or Emily Luther, Parker Poe Adams & Bernstein LLP, 1221 Main Street, Suite 1100, Columbia, South Carolina 29201, telephone (803) 255-8000 or i-Deal at 1359 Broadway, 2nd Floor, New York, New York 10018, telephone (212) 807-3800.

GOOD FAITH DEPOSIT: No good faith deposit will be required.

BONDS: The Bonds will be issued under the Depository Trust Company’s Book-Entry System in the form of single bonds in the aggregate principal amounts maturing in each year, registered in the name of Cede & Co., as the registered owner. Purchases of beneficial interests in the Bonds will be made in book-entry form only and will be available in denominations of \$5,000 each or any integral multiple thereof not exceeding the principal amount of each maturity. The Bonds will be dated the date of their delivery, which is expected to be February 15, 2024 (“Closing Date”), and will bear interest from their dated date (calculated on the basis of a 360-day year consisting of twelve 30-day months), payable on each March 1 and September 1, commencing March 1, 2024.

The Bonds will be numbered from RA-1 upward; and will mature serially in successive annual installments on March 1 in each of the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount*</u>	<u>Year</u>	<u>Principal Amount*</u>
2024	\$5,500,000	2030	\$1,520,000
2025	1,180,000	2031	1,595,000
2026	1,240,000	2032	1,670,000
2027	1,305,000	2033	1,750,000
2028	1,370,000	2034	1,835,000
2029	1,450,000	2035	2,025,000

ADJUSTMENT OF MATURITY SCHEDULE: If after final computation of the proposals, the County determines in its sole discretion that the funds necessary to accomplish the purposes for which the Bonds are being issued are either more or less than the proceeds of the sale of the amount of the Bonds as shown in this Notice of Sale, the County reserves the right, in its sole discretion, either to increase or decrease the principal

* Preliminary, subject to change as set forth herein.

amount of the Bonds maturing in any year (all calculations to be rounded to the nearest \$5,000) provided that the aggregate principal amount of the Bonds shall not exceed \$25,000,000.

As promptly as reasonably practicable after the bids are opened, the County will notify the bidder to whom the Bonds will be awarded, if and when such award is made, and such bidder, upon such notice, shall advise the County of the initial reoffering price and yield to the public of the Bonds. Such reoffering price and yield, among other things, will be used by the County to calculate the final aggregate principal amount of the Bonds. It is anticipated that the final aggregate principal amount of the Bonds will be communicated to the successful bidder within 24 hours of the sale. The dollar amount bid for principal by the successful bidder will be adjusted proportionately to reflect any reduction or increase in the aggregate principal amount of the Bonds, but the coupon rate specified by the successful bidder will not change. The successful bidder may not withdraw its bid as a result of any changes made within these limits.

PURPOSE: The Bonds are being issued to provide funds to defray all or a portion of the costs of: (1) the Capital Projects (as defined in the hereinafter defined Preliminary Official Statement) and (2) issuing the Bonds, all as authorized by an ordinance adopted by the County Council of the County on January 16, 2024.

NO REDEMPTION PROVISIONS: The Bonds are not subject to redemption prior to maturity.

INTEREST RATES: Bids must be unconditional and for the purchase of all of the Bonds. The reoffering price for the Bonds may not be less than 100% of the principal amount of the Bonds for any single maturity thereof. The aggregate purchase price, inclusive of original issue discount (“OID”), original issue premium (“OIP”) and underwriter’s discount may not be less than 100% of the principal amount of the Bonds. The County reserves the right to reject any and all bids and to waive informalities in any or all bids.

Bidders must specify the rate or rates of interest the Bonds shall bear according to the following restrictions: (1) no interest rate shall exceed 5.00%; (2) all Bonds within each series having the same maturity must bear the same rate of interest throughout their life; and (3) each interest rate specified must be a multiple of one-eighth (1/8) or one-one hundredth (1/100) of one percent (1%).

BASIS OF AWARD: The Bonds will be awarded to the responsive bidder whose bid results in the lowest true interest cost (TIC) to the County. True interest cost will be determined by doubling the semiannual interest rate (compounded semiannually and based on a 360-day year consisting of 12 months of 30 days each) necessary to discount the debt service payments on the Bonds from the payment dates to the dated date of the Bonds (i.e., February 15, 2024), such that the sum of such present values is equal to the price proposed, not including interest accrued to the date of delivery. If two or more bids provide for the same lowest TIC, the County shall award the bid to the bidder whose bid is in the best interest of the County to be determined by the County in its sole discretion, and such determination shall be final. The County reserves the right to reject any and all bids and to waive informalities in any or all bids. In order to calculate the yield on the Bonds for federal tax law purposes and as a condition precedent to the award of the Bonds, the successful bidder will be required to disclose to the County the price (or yield to maturity) at which the Bonds will be reoffered to the public. The Bonds will be awarded or all bids will be rejected within 24 hours of the sale.

SECURITY: The Bonds constitute general obligations of the County and the full faith, credit, resources and taxing power of the County are irrevocably pledged for the payment of the principal of and interest on the Bonds as they respectively mature and for the creation of such sinking funds as may be necessary therefor. There shall be levied and collected annually in the same manner as other County taxes are levied and collected, an *ad valorem* tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

RATING: Moody’s Investors Service, Inc., and S&P Global Ratings (each, a “Rating Agency”) have assigned the Bonds their municipal bond ratings of “Aaa” and “AA+,” respectively. Such ratings reflect only the views of the applicable Rating Agency and the County makes no representation as to the appropriateness of the ratings.

REGISTRAR/PAYING AGENT: U.S. Bank Trust Company, National Association will serve as Registrar/Paying Agent for the Bonds.

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

DELIVERY: The Bonds will be delivered under DTC’s Fast Automated Securities Transfer program to the Registrar/Paying Agent on behalf of DTC, on or about February 15, 2024, at the expense of the County. The balance of the purchase price then due (including premium and accrued interest) must be paid in Federal funds or other immediately available funds.

OFFICIAL STATEMENT: The County has distributed a preliminary Official Statement dated January 30, 2024, in connection with the sale of the Bonds (the “Preliminary Official Statement”). The County, by accepting the bid of the successful bidder, (a) certifies to such successful bidder as of the date of acceptance of such bid that the Preliminary Official Statement furnished prior to the date of such acceptance has been “deemed final” as of its date by the County within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), although subject to revision, amendment and completion; and (b) agrees to provide such successful bidder, in order to permit such successful bidder to comply with Rule 15c2-12, with up to 50 printed copies of the final Official Statement (the “Official Statement”) approved by the County in relation to the sale by the County of the Bonds within the period of time allowed under Rule 15c2-12, at the sole cost and expense of the County, with any additional printed copies which such successful bidder shall reasonably request to be provided at the sole cost and expense of the successful bidder. Such successful bidder, by executing its bid, agrees to provide two copies of the final Official Statement to the Electronic Municipal Market Access (“EMMA”) system within the meaning of Rule 15c2-12 upon receipt of the final Official Statement from the County and two copies of the final Official Statement (with any required forms) to the Municipal Securities Rulemaking Board (the “MSRB”) or its designee pursuant to MSRB Rule G 36 no later than ten (10) business days following the date of acceptance of its bid, and such successful bidder further agrees to comply with all other applicable provisions of Rule 15c2-12 and MSRB Rule G 36. Such successful bidder shall notify the County of (i) the date which is the “end of the underwriting period” within the meaning of Rule 15c2-12 and (ii) the date on which the final Official Statement is filed with EMMA. Copies of the Preliminary Official Statement may be obtained via the internet at finpressllc.com.

The Preliminary Official Statement has been deemed final by the County for purposes of paragraph (b)(1) of Rule 15c2-12 but is subject to revision, amendment and completion in a final Official Statement as provided in Rule 15c2-12. Within seven (7) business days of the bid opening date, the County will deliver the final Official Statement to the successful bidder in sufficient quantity to comply with Rule 15c2-12.

BLUE SKY LAWS: The County has not undertaken to register the Bonds under the securities laws of any state, nor has the County investigated the eligibility of any institution or person to purchase or participate in the underwriting of the Bonds under any applicable legal investment, insurance, banking or other laws. By submitting a bid for the Bonds, the winning bidder represents that the sale of the Bonds in states other than the

State of South Carolina (the “State”) will be made only under exemptions from registration or, wherever necessary, the winning bidder will register the Bonds in accordance with the securities laws of the state in which Bonds are offered or sold. The County agrees to cooperate with the winning bidder, at the winning bidder’s written request and expense, in registering the Bonds or obtaining an exemption from registration in any state where such action is necessary, but shall not be required to consent to service of process in any such state.

POSTPONEMENT: The County reserves the right to postpone from time to time the date established for receipt of bids. The County will communicate any such change in the sale date through the Bloomberg Wire or the Bond Buyer Wire prior to the time bids are to be received. If any date fixed for the receipt of bids and the sale of the Bonds is postponed, any alternative sale date will be announced through the Bloomberg Wire or the Bond Buyer Wire at least 48 hours prior to such alternative sale date. On any such alternative sale date, any bidder may submit a sealed bid for the purchase of the Bonds in conformity in all respects with the provisions of this Notice of Sale, except for the date of sale and except for the changes announced through the Bloomberg Wire or the Bond Buyer Wire at the time the sale date and time are announced.

CONTINUING DISCLOSURE: In the Ordinance, the County has committed to provide certain annual information and notices of material events as required by Rule 15c2-12 and as described in the Preliminary Official Statement.

A description of the County’s undertaking with respect to its continuing disclosure obligations is set forth in the Preliminary Official Statement.

The successful bidder’s obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, in form and substance reasonably satisfactory to the successful bidder, a copy of the continuing disclosure undertaking set forth above, which shall constitute a written agreement for the benefit of the Holders of the Bonds as required by Rule 15c2-12.

LEGAL OPINIONS: The issuance of the Bonds is subject to the favorable opinion of Parker Poe Adams & Bernstein LLP, as Bond Counsel, as to the validity of the issuance of the Bonds under the constitution and laws of the State and the exclusion from gross income of the interest on Bonds, which opinion shall accompany the Bonds, together with the usual closing documents, including a certificate that no litigation is pending affecting the Bonds. Parker Poe Adams & Bernstein LLP, as Disclosure Counsel, will issue an opinion advising that no facts have come to Disclosure Counsel’s attention that causes them to believe that the Official Statement (less and excepting certain sections thereof) contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading.

ISSUE PRICE CERTIFICATE: The winning bidder shall assist the County in establishing the issue price of the Bonds and shall execute and deliver to the County at delivery an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the County and Bond Counsel. A sample copy of the certificate may be obtained from Parker Poe.

The County 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 Bonds) will apply to the initial sale of the Bonds (the “Competitive Sale Requirements”) because:

- (1) the County 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 County may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the County anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds 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 Bonds, as specified in the bid.

In the event that the competitive sale requirements are not satisfied, the County shall so advise the winning bidder. The County may determine to treat (i) the first price at which 10% of a maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the County if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The County shall promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the County determines to apply the hold-the-offering-price rule to any maturity of the Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.

By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity 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 (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the County promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the County the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the winning bidder’s reporting obligation

after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the County or Bond Counsel.

The County acknowledges that, in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The County further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, 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 third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

By submitting a bid, each bidder confirms that:

- (1) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds 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 third-party distribution agreement, as applicable:
 - (A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the winning bidder that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires,
 - (B) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and
 - (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

- (2) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) 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 County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds 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 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
- (3) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 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 Bonds are awarded by the County to the winning bidder.

ADDITIONAL INFORMATION: 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 Bonds.

HORRY COUNTY, SOUTH CAROLINA