
1 **2024-57 (1st READING):** A SUPPLEMENTAL ORDINANCE PROVIDING FOR THE
2 ISSUANCE AND SALE OF NOT EXCEEDING \$81,000,000 AGGREGATE PRINCIPAL
3 AMOUNT LIMITED OBLIGATION BONDS (HOSPITALITY FEE PLEDGE), IN TWO
4 SERIES, OF THE CITY OF MYRTLE BEACH, SOUTH CAROLINA,(THE “CITY”), FOR
5 THE PURPOSE OF RENOVATION OF THE CITY’S CONVENTION CENTER,
6 IMPROVEMENTS TO THE DOWNTOWN ARTS & INNOVATIONS DISTRICT AND
7 REFINANCING CERTAIN INDEBTEDNESS OF THE CITY; PRESCRIBING THE FORM
8 AND DETAILS OF SUCH BOND; PROVIDING FOR THE DISPOSITION OF THE
9 PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

10 **Applicant/Purpose:** Staff/ to authorize the issuance of Limited Obligation Bonds up to
11 \$81,000,000 in order to finance improvements to the MB Convention Center, A&I District
12 infrastructure & parking improvements, and to refund the principal amounts that remain
13 outstanding on the 2014A & B Series Bonds.

14
15 **Brief:**

- 16 • The Bonds will provide funds to finance Convention Center Façade Renovations (\$20
17 m) and A&I infrastructure and parking improvements (\$16.5m) and will refund the
18 remaining principal balances on the 2014 A&B Series Bond Issues (\$40m).
- 19 • New Improvements include:
 - 20 ○ Renovation of the Myrtle Beach Convention Center front facing façade to
21 include renovation of the building exterior and replacement of carpeting,
22 lighting, ceiling tiles and components of the mechanical system along the
23 interior of the front entryways;
 - 24 ○ Construction and replacement of transportation infrastructure in the Arts &
25 Innovation District including Phase 1B and improvements associated with the
26 realignment of Highway 501, to include underground utility relocation,
27 intersection improvements, parking improvements, streetscape and landscape
28 improvements.
- 29 • Refunding of the 2014A&B Bonds originally issued to fund construction of the Sports
30 Center, Infrastructure Improvements along Ocean Blvd, and defeasance of prior bonds
31 issued to fund the Convention Center Hotel. The recommended structure will extend
32 the term of the 2014B Bonds by 3 years, however doing so will result in \$1.3m in
33 additional cash flow savings.

34
35 **Public Notification:** Normal meeting notification.

36
37 **Alternatives:** Do not complete the projects or refund the existing revenue bonds.

38
39 **Financial Impact:**

- 40 • In the current Municipal Market, we expect to realize net present value savings of
41 \$4,381,511 (10.04%) on the refunding of the 2014 A&B Series Bonds and a cash flow
42 savings of \$5,592,566 throughout the life of the bonds.
- 43 • The recognized savings will offset a portion of the additional debt service generated on
44 the debt associated w/ the newly financed infrastructure projects (providing approx.
45 \$380k/ year).

46
47 **Manager’s Recommendation:**

- 48 • I recommend 1st reading (9.10.24).

49
50 **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 NOT EXCEEDING \$81,000,000
AGGREGATE PRINCIPAL AMOUNT LIMITED OBLIGATION
BONDS (HOSPITALITY FEE PLEDGE), IN TWO SERIES, OF
THE CITY OF MYRTLE BEACH, SOUTH CAROLINA (THE
“CITY”), FOR THE PURPOSES OF DEFRAYING THE COSTS
OF RENOVATIONS TO THE CITY’S CONVENTION CENTER,
IMPROVEMENTS TO THE DOWNTOWN ARTS &
INNOVATION DISTRICT AND REFINANCING CERTAIN
INDEBTEDNESS OF THE CITY; PRESCRIBING THE FORM
AND DETAILS OF SUCH BONDS; PROVIDING FOR THE
DISPOSITION OF THE PROCEEDS THEREOF; 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 Article I
of the hereinafter defined Bond Ordinance shall have the same meanings in this Ordinance (the
“2024 Supplemental Ordinance”) as such terms are prescribed to have in the Bond Ordinance.

(b) As used in this 2024 Supplemental Ordinance, unless the context shall otherwise
require, the following terms shall have the following respective meanings:

“2024A Construction Fund” shall mean the fund so designated and established
pursuant to Section 4.02(b) hereof.

“2024A Cost of Issuance Fund” shall mean the fund so designated and established
pursuant to Section 4.02(b) hereof.

“2024A Projects” shall mean the (i) renovation of the Myrtle Beach Convention Center
front facing façade to include renovation of the building exterior and replacement of carpeting,
lighting, ceiling tiles and components of the mechanical system along the interior of the front
entryways, (ii) construction and replacement of transportation infrastructure in the Arts &
Innovation District, including Phase 1B and improvements associated with the realignment of
Highway 501, to include underground utility relocation, streetscape and landscape
improvements, and (iii) such other Projects that may be financed with the proceeds of Bonds
under the Bond Ordinance and the Act as may be determined by the City.

1 **“2024B Cost of Issuance Fund”** shall mean the fund so designated and established
2 pursuant to Section 4.02(c) hereof.

3 **“Beneficial Owner”** shall mean any purchaser who acquires beneficial ownership
4 interest in a Series 2024 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 2024 Bond held by the
8 Depository or its Participants in which a beneficial ownership interest is claimed.

9 **“Bond Ordinance”** shall mean Ordinance No. 2014-8 enacted February 11, 2014
10 authorizing the issuance and sale of the Series 2014 Bonds and additional Bonds on a parity
11 therewith, as more particularly defined in Section 1.02 hereof.

12 **“Bond Redemption Account”** shall mean, with respect to the Series 2024 Bonds, the
13 accounts so designated and established within the Bond Fund for the Series 2024A Bonds and
14 the Series 2024B Bonds pursuant to Section 4.02(a) hereof.

15 **“Book-Entry Form”** or **“Book-Entry System”** shall mean with respect to the Series 2024
16 Bonds, a form or system, as applicable, under which (a) the ownership of beneficial interests
17 in the Series 2024 Bonds may be transferred only through a book-entry and (b) physical bond
18 certificates in fully-registered form are registered only in the name of the Depository or its
19 nominees as holder, with the physical bond certificates “immobilized” in the custody of the
20 Depository. The book-entry maintained by the Depository is the record that identifies the
21 owners of participatory interests in the Series 2024 Bonds, when subject to the Book-Entry
22 System.

23 **“Continuing Disclosure Agreement”** shall mean the Disclosure Dissemination Agent
24 Agreement between the City and Digital Assurance Certification, L.L.C., as amended from time
25 to time in accordance with the provisions thereof, providing for the delivery and dissemination of
26 certain information with respect to the City and the Series 2024 Bonds.
27

28 **“County”** shall mean Horry County, South Carolina.
29

30 **“County Hospitality Payments”** shall have the meaning given such term in Section 1.02
31 hereof.
32

33 **“Date of Issue”** shall have the meaning given such term in Section 2.03(a) hereof.
34

35 **“Escrow Deposit Agreement”** shall mean each agreement of that name authorized
36 pursuant to Section 5.01 hereof between the City and U.S. Bank Trust Company, National
37 Association providing for the defeasance and/or redemption of Series 2014 Bonds.
38

39 **“Interest Account”** shall mean, with respect to the Series 2024 Bonds, the accounts
40 designated and established within the Bond Fund for the Series 2024A Bonds and the Series 2024B
41 Bonds pursuant to Section 4.02(a) hereof.
42

43 **“Interest Payment Date”** shall mean, with respect to the Series 2024 Bonds, June 1 and
44 December 1 of each year, commencing on the date determined by the City Manager pursuant to
45 Section 5.01 hereof.
46

1 **“Ordinances”** shall mean the Bond Ordinance and this 2024 Supplemental Ordinance.
2
3 **“Paying Agent”** shall mean the Trustee, as Paying Agent for the Series 2024 Bonds.
4
5 **“Pledged Fees”** shall mean the Hospitality Fees and the County Hospitality Payments.
6
7 **“Principal Account”** shall mean, with respect to the Series 2024 Bonds, the accounts
8 designated and established within the Bond Fund for the Series 2024A Bonds and the Series
9 2024B Bonds pursuant to Section 4.02(a) hereof.
10
11 **“Principal Payment Date”** shall mean, with respect to the Series 2024 Bonds, June 1 of
12 each year commencing on June 1 of the year determined by the City Manager pursuant to
13 Section 5.01 hereof.
14
15 **“Purchase Contract”** shall mean the Purchase Contract between the City and
16 Underwriter providing for the sale and purchase of the Series 2024 Bonds.
17
18 **“Record Date”** shall mean with respect to the Series 2024 Bonds the fifteenth day
19 (whether or not a Business Day) of the calendar month immediately preceding each Interest
20 Payment Date on the Series 2024 Bonds.
21
22 **“Registrar”** shall mean the Trustee, as Registrar for the Series 2024 Bonds.
23
24 **“Series 2014 Bonds”** shall mean the Series 2014A Bonds and the Series 2014B Bonds.
25
26 **“Series 2014A Bonds”** shall mean the City’s \$17,400,000 original principal amount
27 Limited Obligation Bonds (Hospitality Fee Pledge), Taxable Series 2014A.
28
29 **“Series 2014B Bonds”** shall mean the City’s \$44,515,000 original principal amount
30 Limited Obligation Bonds (Hospitality Fee Pledge), Series 2014B.
31
32 **“Series 2017A Bonds”** shall mean the City’s \$9,575,000 original principal amount
33 Limited Obligation Bonds (Hospitality Fee Pledge), Series 2017A.
34
35 **“Series 2024 Bonds”** shall mean the Series 2024A Bonds and Series 2024 Bonds.
36
37 **“Series 2024 Escrow Deposit Fund”** shall mean each of one or more escrow deposit
38 funds to be created pursuant to an Escrow Deposit Agreement, wherein a portion of the
39 proceeds of the Series 2024 Bonds shall be deposited to be used to effect the defeasance and/or
40 redemption of Series 2014 Bonds.
41
42 **“Series 2024A Bonds”** shall mean the Bonds of the City authorized by this 2024
43 Supplemental Ordinance and, subject to Section 2.01 hereof, designated “City of Myrtle Beach,
44 South Carolina, Limited Obligation Bonds (Hospitality Fee Pledge), Series 2024A.”
45
46 **“Series 2024B Bonds”** shall mean the Bonds of the City authorized by this 2024
47 Supplemental Ordinance and, subject to Section 2.01 hereof, designated “City of Myrtle Beach,
48 South Carolina, Limited Obligation Bonds (Hospitality Fee Pledge), Taxable Series 2024B.”
49
50 **“Settlement Agreement”** means the Class Action Settlement Agreement dated
51 February 12, 2021, by and between Plaintiff City of Myrtle Beach, individually and as class

1 representative on behalf of the class members named therein, certain participating
2 municipalities named therein, and Defendant Horry County, as the same may be amended and
3 modified from time to time.

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

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

6 The City of Myrtle Beach, South Carolina (the “City”) hereby finds and determines:

7 (a) The City is an incorporated municipality located in Horry County, and as such
8 possesses all powers granted to municipalities by the Constitution of the State of South Carolina
9 1895, as amended (the “Constitution”), and general laws of this State.

10
11 (b) Pursuant to Section 5-5-10, Code of Laws of South Carolina 1976, as amended,
12 the City has selected the Council-Manager form of government and is governed by a Council
13 composed of a Mayor and six council members which constitute the governing body of the City.
14

15 (c) On February 13, 1996 (as amended on April 23, 1996), the Council of the City
16 enacted the Hospitality Fee Ordinance, imposing a one-percent uniform fee on all gross
17 proceeds derived from (1) the rental or charges for any rooms, campground spaces, lodgings or
18 sleeping accommodations furnished to transients by any hotel, inn, tourist court, tourist camp,
19 motel, campground, residence or any place in which rooms, lodgings or sleeping
20 accommodations are furnished to transients for a consideration, (2) the sale of all food and
21 beverages, served by a restaurant, hotel, motel or other food service facility within the City or
22 prepared or modified by convenience stores or grocery stores within the City and (3) paid
23 admissions to places of amusement within the City (collectively, the “Hospitality Fees”).
24

25 (d) Pursuant to the Act, the City is authorized to issue bonds pursuant to Article X,
26 Section 14(10) of the Constitution, utilizing the procedures of Section 4-29-68, Section 6-17-10
27 and related sections or Section 6-21-10 and related sections, Code of Laws of South Carolina
28 1976, as amended, for the purposes enumerated in Section 6-1-530 of the Code of Laws of South
29 Carolina 1976, as amended, which bonds may be payable from and secured by the proceeds of
30 accommodations fees imposed under Title 6, Chapter 1, Article 5, Code of Laws of South
31 Carolina 1976, as amended, hospitality fees imposed under Title 6, Chapter 1, Article 7, Code
32 of Laws of South Carolina 1976, as amended, state accommodations fees allocated pursuant to
33 Section 6-4-10(1), (2) and (4), Code of Laws of South Carolina 1976, as amended, or any
34 combination thereof, and the pledge of such other nontax revenues as may be available for
35 those purposes for capital projects to attract and support tourists. Portions of the Hospitality
36 Fee constitute both “accommodations fees” and “hospitality fees” for purposes of the Act, and
37 the imposition of the Hospitality Fees pursuant to the Hospitality Fees Ordinance is hereby
38 confirmed for purposes of the Act. Article X, Section 14(10) of the Constitution permits the
39 issuance by political subdivisions of the State of indebtedness payable solely from a revenue-
40 producing project or from a special source, which source does not involve revenues from any
41 tax or license.
42

43 (e) The Council has made general provision for the issuance of Bonds through the
44 means of Ordinance No. 2014-8 enacted February 11, 2014, entitled, “AN ORDINANCE AMENDING
45 AND RESTATING CERTAIN PRIOR ORDINANCES PROVIDING FOR AUTHORIZING THE ISSUANCE AND
46 SALE OF NOT EXCEEDING \$65,000,000 AGGREGATE PRINCIPAL AMOUNT LIMITED OBLIGATION

1 BONDS (HOSPITALITY FEE PLEDGE), TAXABLE SERIES 2014A AND LIMITED OBLIGATION BONDS
2 (HOSPITALITY FEE PLEDGE), SERIES 2014B, OF THE CITY OF MYRTLE BEACH, SOUTH CAROLINA, FOR
3 THE PURPOSES OF DEFRAYING THE COST OF AN INDOOR SPORTS COMPLEX AND RELATED
4 IMPROVEMENTS AND REFINANCING CERTAIN INDEBTEDNESS OF THE CITY OF MYRTLE BEACH, SOUTH
5 CAROLINA; FIXING THE FORM AND DETAILS OF THE BONDS; LIMITING THE PAYMENT OF THE BONDS
6 FROM THE SOURCES PROVIDED HEREIN; PROVIDING FOR THE DISPOSITION OF THE PROCEEDS
7 THEREOF; PROVIDING FOR THE TERMS AND CONDITIONS UNDER WHICH ADDITIONAL BONDS MAY BE
8 ISSUED; AND OTHER MATTERS RELATING THERETO” (the “Bond Ordinance”).
9

10 (f) It is provided in and by the Bond Ordinance that, upon enactment of a
11 Supplemental Ordinance there may be issued one or more Series of Bonds for the purpose of
12 securing funds to defray any Costs of Acquisition and Construction of one or more Projects or
13 to refund Bonds or Other Obligations.

14 (g) Section 6.2.4 of the Settlement Agreement provides, inter alia, that the County
15 may levy and collect certain County-imposed hospitality fees (the “County Hospitality Fees”)
16 within the County, including within the corporate limits of the City, and that the monthly
17 proceeds of the County Hospitality Fees collected within the corporate limits of the City and
18 received by the County shall be transferred by the County to the City in proportion to the City’s
19 relative share as provided in the Settlement Agreement, and may be used and expended by the
20 City only for the purposes set forth in Sections 6-1-530 and 6-1-730, Code of Laws of South
21 Carolina 1976, as amended (the County Hospitality Fees so received by the City being defined
22 herein as the “County Hospitality Payments”). The County Hospitality Payments constitute
23 available “other nontax revenues” which may under the Act be pledged to the payment of
24 Bonds. Council has determined to pledge the County Hospitality Payments to the payment of
25 the Bonds, and that the County Hospitality Payments shall constitute a part of the Pledged Fees
26 under the Bond Ordinance.
27

28 (h) The Bond Ordinance, in Article XVII, paragraph (a), provides, in part, that the
29 City may, from time to time, and without the consent of any holder of the Bonds, add to the
30 security of the holders of the Bonds, and Council has determined to amend the Bond Ordinance
31 to effect the pledge of the City’s County Hospitality Payments to the payment and security of
32 the Bonds, thereby adding to the security of the Bonds. By this Supplemental Ordinance, Council
33 is amending the definition of “Pledged Fees” accordingly.

34 (i) The Council recognizes that Pledged Fees and proceeds of bonds of the City must
35 be used for a public purpose in accordance with the applicable provisions of the Constitution
36 and decisions of the South Carolina Supreme Court. Specifically, the cases of Byrd v. County
37 of Florence, 315 S.E.2d 804 (1984) and Nichols v. The South Carolina Research Authority, 351
38 S.E.2d 155 (1986), formulate a four-point standard by which the public purpose of certain
39 expenditures of public funds are tested for constitutionality. The undertakings herein
40 authorized conform to this standard.
41
42

1 (j) The Council has further determined that:

2
3 (1) the ultimate goals and benefits to the public intended by the refinancing
4 of the 2014 Bonds and the financing of the 2024A Projects are to promote tourism and
5 thereby enrich the quality of life and general well-being of the citizens of the City and
6 to promote the health, safety and welfare of the citizens of the City, all of which will
7 in turn encourage tourism, development by private developers, increase the number of
8 available jobs, and attract new businesses in the City and enhance the tax base thereof;

9
10 (2) the ultimate goals and benefits to the public intended by the use of the
11 Pledged Fees to retire the Series 2017A Bonds, the Series 2024 Bonds and any Additional
12 Bonds issued to finance costs of additional Projects, in addition to the foregoing, are to
13 promote tourism through the construction of new and renovation of existing tourism-
14 related buildings, cultural centers, recreation centers and historic facilities and the
15 improvement of the transportation infrastructure serving tourism-related improvements
16 to enrich the quality of life and general well-being of the citizens of the City and to
17 promote the health, safety and welfare of the citizens of the City, which will in turn
18 encourage tourism, development by private developers, increase the number of
19 available jobs, improve the appearance of rundown buildings and attract new businesses
20 in the City and enhance the tax base thereof; and

21
22 (3) the public will be the primary beneficiary of the refinancing of the 2014
23 Bonds and the financing of the 2024A Projects because such undertakings and the private
24 development encouraged thereby are intended to directly enrich the quality of life and
25 general well-being of the citizens of the City through the undertaking of the 2024A
26 Projects and any additional projects and to indirectly promote the health, safety and
27 welfare of such citizens by beneficially affecting employment and the local economy
28 and tax base.

29
30 (k) Based on the foregoing findings and determinations by the Council, including
31 specifically the findings set forth in paragraph (j) above, the Council finds that the proceeds of
32 the Series 2024 Bonds authorized by this Supplemental Ordinance, as well as the Pledged Fees
33 pledged in connection therewith, and the Pledged Fees applied to the payment of the Series
34 2024 Bonds, will be used for a public purpose and that the issuance of the Series 2024 Bonds is
35 necessary and in the best interest of the City.

36
37 (l) It is now in the best interest of the City for the Council to provide for the issuance
38 and sale of the Series 2024 Bonds pursuant to the aforesaid provisions of the Constitution and
39 laws of the State of South Carolina in the principal amount of not exceeding \$81,000,000. The
40 proceeds of the Series 2024A Bonds shall be used for the purposes of (1) refinancing the Series
41 2014B Bonds and financing the 2024A Projects; and (2) paying the Cost of Issuance allocable to
42 the Series 2024A Bonds. The proceeds of the Series 2024B Bonds shall be used for the purposes
43 of (1) refinancing the Series 2014A Bonds; and (2) paying the Cost of Issuance allocable to the
44 Series 2024B Bonds. It is also in the best interest of the City for the Council to authorize the
45 pledge of the Pledged Fees to secure the payment of the Series 2024 Bonds issued under this
46 Supplemental Ordinance and the use of the Pledged Fees for the payment of the Bonds.

47
48 (m) The City has determined that the estimated cost of the 2024A Projects is
49 \$38,000,000.

1 (n) The City has determined that not exceeding \$81,000,000 will be required in order
2 to provide funds for defraying the costs of the 2024A Projects and the refinancing of the 2014
3 Bonds and paying costs and expenses relating to the issuance of the Series 2024 Bonds.

4 (o) The City, by reason of the foregoing, has determined to enact this 2024
5 Supplemental Ordinance as a Supplemental Ordinance in accordance with the terms and
6 provisions of the Bond Ordinance.

7 **ARTICLE II**

8 **AUTHORIZATION AND TERMS OF THE SERIES 2024 BONDS**

9 **Section 2.01. Principal Amount; Designation of Series.** Pursuant to the provisions of
10 the Bond Ordinance, two Series of Bonds of the City entitled to the benefits, protection and
11 security of the provisions of the Bond Ordinance are hereby authorized in the aggregate
12 principal amount of not exceeding \$81,000,000. The Series of Bonds so authorized shall be
13 designated “City of Myrtle Beach, South Carolina, Limited Obligation Bonds (Hospitality Fee
14 Pledge), Series 2024A” and “City of Myrtle Beach, South Carolina, Limited Obligation Bonds
15 (Hospitality Fee Pledge), Taxable Series 2024B,” or such other designation as may be
16 determined by the City Manager, and shall constitute Additional Bonds under the Bond
17 Ordinance. The Series 2024 Bonds shall be in substantially the form set forth in Exhibit A
18 hereto.

19 CUSIP identification numbers may be printed on the Series 2024 Bonds, but such numbers
20 shall not be deemed to be a part of the Series 2024 Bonds or a part of the contract evidenced
21 thereby and no liability shall hereafter attach to the City or any of the officers or agents thereof
22 because of or on account of said CUSIP identification numbers.

23
24 **Section 2.02. Purposes.** The Series 2024 Bonds are authorized for the purpose of
25 obtaining funds to (i) defray the cost of the 2024A Projects, (ii) refinance the Series 2014 Bonds,
26 and (iii) pay certain costs and expenses relating to the issuance of the Series 2024 Bonds.

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

28 (a) The date of issuance and delivery (the “Date of Issue”) for the Series 2024 Bonds
29 shall be their date of delivery, or such other date as the City Manager shall determine pursuant
30 to Section 5.01 hereof, and the Series 2024 Bonds shall mature on June 1 in each of the years
31 and in the principal amounts, and bear interest payable on each June 1 and December 1
32 commencing on the date and at the rates per annum, not exceeding seven percent per annum,
33 as determined by the City Manager pursuant to Section 5.01 hereof.

34 (b) Such of the Series 2024 Bonds as the City Manager shall determine pursuant to
35 Section 5.01 hereof shall be subject to mandatory redemption at a redemption price equal to
36 the principal amount of the Series 2024 Bonds to be redeemed, together with interest accrued
37 from the date of redemption, in the years and in the amounts determined by the City Manager
38 pursuant to Section 5.01 hereof.

39 The amount of the mandatory sinking fund redemption for the Series 2024 Bonds of a
40 Series and maturity shall be reduced to the extent Series 2024 Bonds of such Series and maturity
41 have been purchased by the City or redeemed by the City pursuant to the optional redemption

1 provisions set forth above, in such manner as the City shall direct in writing, or, absent such
2 direction, on a pro rata basis.

3 (c) Such of the Series 2024 Bonds as the City Manager shall determine pursuant to
4 Section 5.01 hereof shall be subject to redemption prior to maturity, at the option of the City
5 upon the written direction of the City, in whole or in part at any time in such order of their
6 maturities as the City shall determine and by lot within a maturity, at the respective
7 redemption prices with respect to each Series 2024 Bond, as shall be determined by the City
8 Manager pursuant to Section 5.01 hereof, together, in each such case, with the interest accrued
9 on such principal amount to the date fixed for redemption.

10 (d) The Series 2024 Bonds shall be sold to the Underwriter pursuant to the Purchase
11 Contract.

12 **Section 2.04. Denomination; Numbering and Lettering.** The Series 2024 Bonds shall
13 be issued in the denomination of \$5,000 or any multiple thereof, not exceeding the principal
14 amount of the Series 2024 Bonds maturing in each year. The Series 2024 Bonds of each Series
15 shall be numbered and lettered from R-1 consecutively upwards by the Registrar in such a
16 fashion as to reflect the fact that it is one of the Series 2024 Bonds of the applicable Series,
17 and to identify the owner thereof on the books kept by the Registrar.

18 **Section 2.05. Maintenance of Offices for Payment, Transfer, and Exchange of Bonds;**
19 **Registrar.** U.S. Bank Trust Company, National Association is hereby designated as the Registrar
20 and Paying Agent of the Series 2024 Bonds. The City shall cause Books of Registry to be kept
21 at the offices of the Registrar for the registration and transfer of the Bonds. Upon presentation
22 at its office for such purpose the Registrar shall register or transfer, or cause to be registered
23 or transferred, on such Books of Registry, the Bonds under such reasonable regulations as the
24 Registrar may prescribe.

25 **Section 2.06. Book-Entry Only System.** The Series 2024 Bonds will be eligible securities
26 for the purposes of the Book-Entry System of transfer maintained by the Depository, and
27 transfers of beneficial ownership of the Series 2024 Bonds shall be made only through the
28 Depository and its participants in accordance with rules specified by the Depository. Such
29 beneficial ownership must be of \$5,000 principal amount of Series 2024 Bonds of the same
30 Series and maturity or any integral multiple of \$5,000.

31
32 The Series 2024 Bonds shall be issued in fully-registered form, as a single Series 2024
33 Bond for each Series and maturity of the Series 2024 Bonds, in the name of Cede & Co., as the
34 nominee of the Depository. When any principal of, premium, if any, or interest on the Series
35 2024 Bonds becomes due, the City shall transmit or cause the Paying Agent to transmit to the
36 Depository an amount equal to such installment of principal, premium, if any, and interest.
37 Such payments will be made to Cede & Co. or other nominee of the Depository as long as it is
38 owner of record on the applicable Record Date. Cede & Co. or other nominee of the Depository
39 shall be considered to be the owner of the Series 2024 Bonds so registered for all purposes of
40 the Ordinances, including, without limitation, payments as aforesaid and receipt of notices.
41 The Depository shall remit such payments to the beneficial owners of the Series 2024 Bonds or
42 their nominees in accordance with its rules and regulations.

43
44 Notices of redemption of the Series 2024 Bonds or any portion thereof shall be sent to
45 the Depository in accordance with the provisions of the Ordinances.
46

1 The Depository is expected to maintain records of the positions of Participants in the
2 Series 2024 Bonds, and the Participants and persons acting through Participants are expected
3 to maintain records of the Beneficial Owners in the Series 2024 Bonds. The City, the Trustee,
4 the Paying Agent and the Registrar make no assurances that the Depository and its Participants
5 will act in accordance with such rules or expectations on a timely basis, and the City, the
6 Trustee, the Paying Agent and the Registrar shall have no responsibility for any such
7 maintenance of records or transfer of payments by the Depository to its Participants, or by the
8 Participants or persons acting through Participants to the Beneficial Owners.
9

10 The City, the Trustee, the Paying Agent and the Registrar may treat the Depository (or
11 its nominee) as the sole and exclusive owner of the Series 2024 Bonds registered in its name for
12 the purpose of payment of the principal of, interest or premium, if any, on the Series 2024
13 Bonds, giving any notice permitted or required to be given to Bondholders under the
14 Ordinances, registering the transfer of Series 2024 Bonds, obtaining any consent or other action
15 to be taken by Bondholders and for all other purposes whatsoever, and shall not be affected by
16 any notice to the contrary. The City, the Trustee, the Paying Agent and the Registrar shall not
17 have any responsibility or obligation to any Participant, any person claiming a beneficial
18 ownership interest in the Series 2024 Bonds under or through the Depository or any Participant,
19 or any other person which is not shown on the registration books of the City maintained by the
20 Registrar as being a Bondholder, with respect to: the accuracy of any records maintained by
21 the Depository or any Participant; the payment by the Depository or any Participant of any
22 amount in respect of the principal of, interest or premium, if any, on the Series 2024 Bonds,
23 any notice which is permitted or required to be given to Bondholders thereunder or under the
24 conditions to transfers or exchanges adopted by the City or the Registrar; or any consent given
25 or other action taken by the Depository as a Bondholder.
26

27 **Section 2.07 Successor Depository.** If (a) the Depository determines not to continue
28 to act as Depository for the Series 2024 Bonds, or (b) the City has advised the Depository of the
29 City's determination that the Depository is incapable of discharging its duties, the City shall
30 attempt to retain another qualified securities depository to replace the Depository. Upon
31 receipt by the City or the Registrar of the Series 2024 Bonds together with an assignment duly
32 executed by the Depository, the City shall execute and deliver to the successor Depository, the
33 Series 2024 Bonds of the same principal amount, interest rate and maturity. If the City is
34 unable to retain a qualified successor to the Depository, or the City has determined that it is
35 in its best interest not to continue the Book-Entry System of transfer or that interests of the
36 beneficial owners of the Series 2024 Bonds might be adversely affected if the Book-Entry System
37 of transfer is continued (the City undertakes no obligation to make any investigation to
38 determine the occurrence of any events that would permit it to make any such determination),
39 and has made provision to so notify Beneficial Owners of the Series 2024 Bonds by mailing an
40 appropriate notice to the Depository, upon receipt by the City of the Series 2024 Bonds together
41 with an assignment duly executed by the Depository, the City shall execute, authenticate and
42 deliver to the Depository Participants Series 2024 Bonds of the applicable maturity in fully-
43 registered form, in substantially the form provided in this Ordinance in the denomination of
44 \$5,000 or any integral multiple thereof.
45
46

1 **ARTICLE III**

2 **EXECUTION; NO RECOURSE**

3 **Section 3.01. Execution of the Series 2024 Bonds.** The Series 2024 Bonds shall be
4 executed and authenticated in accordance with the applicable provisions of the Bond
5 Ordinance.

6 **Section 3.02. No Recourse on the Series 2024 Bonds.** All covenants, stipulations,
7 promises, agreements and obligations of the City contained in the Bond Ordinance or in this
8 2024 Supplemental Ordinance shall be deemed to be the covenants, stipulations, promises,
9 agreements and obligations of the City and not those of any officer or employee of the City in
10 his or her individual capacity, and no recourse shall be had for the payment of the principal or
11 redemption price of or interest on the Series 2024 Bonds or for any claim based thereon or on
12 the Bond Ordinance or in this 2024 Supplemental Ordinance, either jointly or severally, against
13 any officer or employee of the City or any person executing the Series 2024 Bonds.

14 **ARTICLE IV**

15 **TRANSFER OF MONEYS; ACCOUNTS; FUNDS AND APPLICATION OF**
16 **PROCEEDS; TAX COVENANTS; AND CONTINUING DISCLOSURE**

17 **Section 4.01. Transfer of Moneys to the Bond Fund.**

18
19 (a) So long as the Series 2024 Bonds shall be Outstanding, the City will, on or before
20 the fifteenth calendar day prior to each Interest Payment Date or Principal Payment Date with
21 respect to the Series 2024 Bonds, transfer or cause to be transferred Pledged Fees or other
22 legally available moneys which the Council in its sole discretion determines to apply for such
23 purpose, if any, to the Trustee with written instructions for allocation at the times specified in
24 Section 8.2 of the Bond Ordinance, the amounts sufficient to satisfy the requirements of Section
25 8.2.

26 (b) So long as the Series 2024 Bonds are Outstanding, the City hereby covenants that,
27 in each Fiscal Year, it will set aside or reserve on its books an amount of Pledged Fees equal to
28 the Debt Service and other payments to become due and payable with respect to the Bonds and
29 all Other Obligations on a parity therewith during such Fiscal Year, and that, until such time in
30 such Fiscal Year as it has so set aside or reserved Pledged Fees to make such payments on the
31 Bonds and all Other Obligations on a parity therewith, it will expend no Pledged Fees collected
32 in such Fiscal Year for any other purpose.

33 (c) In adopting the budget for each Fiscal Year, the City shall determine whether it
34 expects to receive sufficient Pledged Fees to make in such Fiscal Year the transfers described
35 in Section 8.2 of the Bond Ordinance. If the City does not receive sufficient Pledged Fees to
36 make such payments, the City shall, subject to the provisions of Article X, paragraph (e) of the
37 Bond Ordinance, make provision through a budgetary appropriation in its general operating
38 budget for the transfer to the Bond Fund, from any legally available source, of moneys sufficient
39 to make up any shortfall. Notwithstanding the preceding sentence, in adopting its general
40 operating budget the Council may, in its sole discretion, determine (a "Determination of
41 Nonappropriation") not to make the budgetary appropriations described in the preceding
42 sentence, and such Determination of Nonappropriation shall not constitute an Event of Default,
43 nor shall the City have any obligation to make such payment.

1 **Section 4.02. Establishment of Funds and Accounts.**

2 (a) There is hereby established, pursuant to Section 8.2 of the Bond Ordinance, an
3 Interest Account, a Principal Account and a Bond Redemption Account with respect to each
4 Series of the Series 2024 Bonds within the Bond Fund for the purposes set forth in said Section
5 8.2.

6 (b) There is hereby established the Series 2024A Construction Fund and the Series
7 2024A Cost of Issuance Fund.

8 (c) There is hereby established the Series 2024B Cost of Issuance Fund.

9 **Section 4.03. Series 2024A Construction Fund, the Series 2024A Cost of Issuance Fund**
10 **and the Series 2024B Cost of Issuance Fund.**

11
12 (a) The 2024A Construction Fund, the Series 2024A Cost of Issuance Fund and the Series
13 2024B Cost of Issuance Fund shall be held by the Trustee, which is hereby designated Custodian
14 therefor. The moneys on deposit in the 2024A Construction Fund shall be used and applied to the
15 payment of the Cost of Acquisition and Construction of the 2024A Projects. The moneys on deposit
16 in the Series 2024A Cost of Issuance Fund and the Series 2024B Cost of Issuance Fund shall be
17 applied to the payment of Costs of Issuance of the Series 2024 Bonds.

18
19 (b) Payments from the 2024A Construction Fund shall be made by the Trustee only
20 upon receipt of the requisition described below.

21
22 A requisition in substantially the form set forth in Exhibit D hereto signed by a City
23 Representative, stating, with respect to each payment:

- 24
25 (1) The amount to be paid;
26
27 (2) The nature and purpose of the obligation for which such payment is requested;
28
29 (3) The person, firm or corporation to whom such obligation is owed or to whom a
30 reimbursable advance has been made;
31
32 (4) That such obligation has been properly incurred and is a proper payment under
33 this Ordinance and has not been the basis of any previous advance; and
34
35 (5) That such payment does not include any amount which is then entitled to be
36 retained under any holdbacks or retainages provided for in any agreement.
37

38 With respect to any such requisition for payment for work, materials or supplies, a
39 certificate signed by a City Representative certifying that such obligation was incurred for work,
40 material or supplies in connection with the Cost of Acquisition and Construction of the 2024A
41 Projects, and that such work was actually performed in a satisfactory manner and such
42 materials or supplies were actually used in or for such Cost of Acquisition and Construction of
43 the 2024A Projects, for that purpose in accordance with the approved plans and specifications.
44

45 In making any such payment from the 2024A Construction Fund, the Custodian may rely on
46 such directions, requisitions and certifications delivered to it pursuant to this Section and the

1 Custodian shall not have any liability with respect to making such payments in accordance with
2 such directions, requisitions and certifications for any liability with respect to the proper
3 application thereof by the City.
4

5 If any moneys remain in the 2024A Construction Fund after the payment in full of all Costs
6 of Acquisition and Construction of the 2024A Projects, as certified by the City to the Trustee, such
7 excess shall be paid into the Series 2024A Bonds Interest Account and shall be used only for the
8 payment of the interest on the Series 2024A Bonds.
9

10 (c) Proceeds of the Series 2024 Bonds in the amount determined pursuant to Section
11 4.04 hereof shall be deposited into the 2024A Cost of Issuance Fund and the 2024B Cost of Issuance
12 Fund in order to pay Costs of Issuance of the Series 2024 Bonds. Amounts on deposit in the 2024A
13 Cost of Issuance Fund and the 2024B Cost of Issuance Fund shall be applied by the Trustee as
14 directed in writing by the City. If any moneys remain in the 2024A Cost of Issuance Account and
15 the 2024B Cost of Issuance Account after payment in full of all Costs of Issuance, such excess shall,
16 at the written direction of the City, be transferred to the 2024A Construction Fund.
17

18 **Section 4.04. Use and Disposition of 2024 Bond Proceeds.** The proceeds of the sale of
19 the Series 2024A Bonds (including, if any, premium, and net of any discount, realized upon the
20 sale thereof), net of Underwriter's discount shall be deposited with the Trustee and applied when
21 collected, and are hereby appropriated, as follows:

22 (a) An amount sufficient to effect the refinancing of the Series 2014B Bonds, as
23 directed in writing by the City Manager, shall be deposited to the applicable Series 2024 Escrow
24 Deposit Fund, to be used and applied as provided in the applicable Escrow Deposit Agreement,
25 or, at the written direction of the City Manager, applied to the redemption of the Series 2014B
26 Bonds.

27 (b) An amount equal to the portion of the proceeds of the Series 2024A Bonds to be
28 applied to the Cost of Issuance of the Series 2024A Bonds as directed in writing by the City
29 Manager shall be deposited to the 2024A Cost of Issuance Fund.

30 (c) The remainder of the proceeds of the Series 2024A Bonds shall be deposited at the
31 written direction of the City Manager of the City into the 2024A Construction Fund.

32 The proceeds of the sale of the Series 2024B Bonds (including, if any, premium, and net
33 of any discount, realized upon the sale thereof), net of Underwriter's discount shall be deposited
34 with the Trustee and applied when collected, and are hereby appropriated, as follows:

35 (a) An amount sufficient to effect the refunding of the Series 2014A Bonds, as directed
36 in writing by the City Manager, shall be deposited to the applicable Series 2024 Escrow Deposit
37 Fund, to be used and applied as provided in the applicable Escrow Deposit Agreement, or, at the
38 written direction of the City Manager, applied to the payment of the Series 2014A Bonds.

39 (b) The remainder of the proceeds of the Series 2024B Bonds shall be deposited at the
40 written direction of the City Manager of the City into the 2024B Cost of Issuance Fund.

41 **Section 4.05. Tax Covenants.** The City hereby covenants and agrees that it shall not
42 make any use, and it shall direct the Trustee and each fiduciary not to make any use, of the
43 proceeds of the Series 2024A Bonds which, if such use had been reasonably expected on the
44 date of the issuance of the Series 2024A Bonds would have caused such Series 2024A Bonds to

1 be “arbitrage bonds” within the meaning of Section 148 of the Code and will observe and not
2 violate the requirements of Section 148 of the Internal Revenue Code of 1986, as amended (the
3 “Code”), and it shall:

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

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

9 (c) take such other action as may be required in order that the Series 2024 Bonds
10 and the use of the proceeds thereof and the 2024A Projects comply with the provisions of the
11 Code.

12 **Section 4.06. Continuing Disclosure.** Pursuant to Section 11-1-85 of the Code of Laws
13 of South Carolina 1976, as amended (“Section 11-1-85”), the City hereby covenants and agrees
14 that it will file with a nationally recognized municipal securities information depository for
15 availability in the secondary market when requested, an annual independent audit within 30
16 days of receipt of the audit and event-specific information within 30 days of an event adversely
17 affecting more than five percent of its revenue base. The only remedy for failure by the City
18 to comply with the covenant of this paragraph shall be an action for specific performance of
19 this covenant. The City specifically reserves the right to amend or delete this covenant to
20 reflect any change in Section 11-1-85, without the consent of any Bondholder. Notwithstanding
21 any other provisions of this 2024 Supplemental Ordinance, failure of the City to comply with
22 the provisions of this paragraph shall not be considered an Event of Default, and no liability for
23 damages shall attach therefor.

24 Notwithstanding any other provision of this 2024 Supplemental Ordinance, failure of the
25 City to comply with the Continuing Disclosure Agreement shall not be considered an Event of
26 Default; however, the Trustee may (and, at the request of any “participating underwriter” (as
27 defined in Rule 15c2-12 of the Securities and Exchange Commission under the Securities
28 Exchange Act of 1934, as amended, and upon receipt of satisfactory indemnification for its fees
29 and costs) or the Holders of at least 25 percent aggregate principal amount of Outstanding
30 Series 2024 Bonds, shall) or any Series 2024 Bondholder may take such actions as may be
31 necessary and appropriate, including seeking specific performance by court order, to cause the
32 City to comply with its obligations hereunder and under the Continuing Disclosure Agreement.

33 **ARTICLE V**

34 **PURCHASE CONTRACT; CONTINUING DISCLOSURE AGREEMENT; OTHER INSTRUMENTS**

35 **Section 5.01. Sale of Series 2024 Bonds; Authorization of Purchase Contract,**
36 **Continuing Disclosure Agreement and Escrow Deposit Agreements.** The City Manager is
37 hereby authorized and empowered to determine the aggregate principal amount of the Series
38 2024 Bonds, the principal amount of each Series and maturity of the Series 2024 Bonds, the
39 interest rates for the Series 2024 Bonds, the initial interest payment date for the Series 2024
40 Bonds, the Series 2024 Bonds to be subject to mandatory and optional redemption, the
41 redemption prices of the Series 2024 Bonds subject to optional redemption and the prices at
42 which the Series 2024 Bonds will be sold and the amount of Underwriter’s discount in such sale,
43 and the Series 2014 Bonds to be defeased and/or refunded. The Purchase Contract (in the form

1 presented at this meeting), the Continuing Disclosure Agreement, in substantially the form
2 attached hereto as Exhibit B, and one or more Escrow Deposit Agreements, in substantially the
3 form attached hereto as Exhibit C, with such changes as the City Manager shall approve (his
4 execution to be conclusive evidence of such approval), are hereby approved, and the City
5 Manager is hereby authorized to execute and deliver the Purchase Contract, the Continuing
6 Disclosure Agreement and, if the City Manager determines that the Series 2014 Bonds are to be
7 defeased pursuant to Article XVI of the Bond Ordinance, one or more Escrow Deposit
8 Agreements on behalf of the City, and to cause notice of redemption of the Series 2014 Bonds
9 to be given in the manner prescribed in the Bond Ordinance.

10 **Section 5.02. Approval of Preliminary Official Statement; Authorization of Official**
11 **Statement.** The City hereby approves the form, distribution and use of a Preliminary Official
12 Statement of the City relating to the Series 2024 Bonds, in the form filed with the minutes of
13 the meeting of Council at which this 2024 Supplemental Ordinance is enacted, with such
14 changes, additions and modifications as the City Manager may approve. The Council authorizes
15 the City Manager to designate the Preliminary Official Statement, with such changes, additions
16 and modifications to the form presented at this meeting as he shall approve, as “final” as of its
17 date for purposes of Rule 15c2-12 of the Securities Exchange Commission. The Council hereby
18 authorizes the preparation and distribution of the Official Statement with respect to the Series
19 2024 Bonds, substantially in the form of the Preliminary Official Statement, with such
20 modifications as the City Manager approves. The final Official Statement shall be approved on
21 behalf of the City by the City Manager, such approval to be evidenced by the City Manager’s
22 execution of the Official Statement, which execution is hereby authorized.

23 **Section 5.03. Information Report.** The City Manager or such officer of the City as he
24 designates is hereby authorized to execute, deliver and file such information reports with
25 respect to the Series 2024A Bonds, on Form 8038-G or such other form as may be prescribed by
26 the United States Department of Treasury, as shall be required or desirable in order to comply
27 with Section 149(e) of the Code.

28 **Section 5.04. Other Instruments and Actions.** In order to secure the Series 2024 Bonds
29 and in order to effect the issuance and delivery of the Series 2024 Bonds and to give full effect
30 to the intent and meaning of this 2024 Supplemental Ordinance and the agreements and actions
31 herein authorized, the Mayor and the City Manager and the City Clerk are hereby authorized to
32 execute and deliver such certificates, showings, instruments and agreements and to take such
33 further action as the Mayor and City Manager, respectively, shall deem necessary or desirable.

34 **ARTICLE VI**

35 **PLEDGE OF COUNTY HOSPITALITY PAYMENTS AND**
36 **AMENDMENTS TO BOND ORDINANCE**

37 **Section 6.01. Pledge of County Hospitality Payments; Amendment to Bond**
38 **Ordinance.** The City hereby pledges and grants a lien on the County Hospitality Payments to
39 the payment of the principal of, redemption premium, if any, or interest on the Bonds. County
40 Hospitality Payments may, subject to Section 7.3 of the Bond Ordinance, also be pledged and
41 liens thereon granted by the City to secure Other Obligations, and such pledges and liens may
42 be on a parity with the pledge and lien securing the Bonds. The Definition of “Pledged Fees” in
43 the Bond Ordinance is hereby amended to include the County Hospitality Payments.

1 This Ordinance shall become effective upon enactment.

2 (SEAL)

3
4
5
6
7
8
9

Brenda Bethune, Mayor
City of Myrtle Beach, South Carolina

ATTEST:

10 _____
11 Jennifer Adkins, City Clerk
12 City of Myrtle Beach, South Carolina
13
14 First Reading: September 10, 2024
15 Second Reading: _____, 2024

FORMS OF SERIES 2024[A][B] BONDS

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("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
LIMITED OBLIGATION BONDS
(HOSPITALITY FEE PLEDGE),
[TAXABLE] SERIES 2024[A][B]

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 principal office of U.S. Bank Trust Company, National Association, as paying agent (the "Paying Agent"), in Columbia, South Carolina, 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 until the City's obligation with respect to the payment of such principal sum shall be discharged. Interest on this bond is payable ____, ____, and semiannually thereafter on June 1 and December 1 of each year, until this bond matures, and shall be payable by check or draft mailed to the person in whose name this bond is registered on the registration books of the City maintained by the Registrar, presently U.S. Bank Trust Company, National Association (the "Registrar"), at the close of business on the fifteenth (15th) day of the calendar month next preceding each semiannual interest payment date, or the registered holder of \$1,000,000 or more in principal amount of bonds of the Series of which this bond is one may request payment by wire transfer to an account within the Continental United States as provided in the

1 hereinafter defined Ordinances. The principal and interest on this bond are payable in any coin
2 or currency of the United States of America which is, at the time of payment, legal tender for
3 public and private debts; provided, however, that interest on this fully registered bond shall
4 be paid by check or draft or otherwise as set forth above.
5

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

10 This bond is one of an authorized Series of Bonds of like tenor and effect, except as to
11 date of original issue, numeration, registered holder, date of maturity, redemption provisions,
12 and rate of interest, aggregating _____ Dollars
13 (\$_____) (the "Series 2024[A][B] Bonds"), issued pursuant to and in accordance with the
14 Constitution and laws of the State of South Carolina, including Article X, Section 14(10), of the
15 Constitution of the State of South Carolina, 1895, as amended; Section 6-1-760, Code of Laws
16 of South Carolina 1976, as amended (the "Act"), Ordinance No. 2014-8 duly enacted by the City
17 Council of the City of Myrtle Beach, South Carolina ("City Council") on February 11, 2014 (the
18 "Bond Ordinance") and Ordinance No. 2024-__ duly enacted by the City Council on
19 _____, 2024 (the "Supplemental Ordinance") (the Bond Ordinance and the
20 Supplemental Ordinance are hereinafter collectively referred to as the "Ordinances")
21 Capitalized terms not otherwise defined herein shall have the meanings given to them in the
22 Ordinances.
23

24 This bond and the Series of Bonds of which it is one are issued for the purpose of
25 [financing the 2024A Projects, refunding the outstanding principal amount of the City's
26 \$44,515,000 original principal amount Limited Obligation Bonds (Hospitality Fee Pledge), Series
27 2014B and paying the Cost of Issuance of the Series 2024A Bonds] [refunding the outstanding
28 principal amount of the City's \$17,400,000 original principal amount Limited Obligation Bonds
29 (Hospitality Fee Pledge), Taxable Series 2014A and paying the Cost of Issuance of the Series
30 2024B Bonds].
31

32 This bond and the Series of Bonds of which it is one and the interest thereon are special
33 obligations of the City payable solely from, and secured by a pledge of certain funds in and to
34 be deposited in a Bond Fund and certain other funds established under the Ordinances. This
35 bond and the Series of Bonds of which it is one are also payable from and secured by a pledge
36 of and lien on the Pledged Fees, which pledge and lien is on a parity with the pledge of and
37 lien on Pledged Fees pledged pursuant to the Bond Ordinance. The Pledged Fees may also be
38 pledged by the City to secure additional bonds issued pursuant to the Act and Other Obligations.
39 THE FULL FAITH, CREDIT AND TAXING POWERS OF THE CITY ARE NOT PLEDGED FOR THE
40 PAYMENT OF THIS BOND AND THE INTEREST HEREON.
41

42 Additional Bonds and Other Obligations on a parity with the Series of which this bond is
43 one may hereafter be issued under terms and conditions set forth in the Ordinances. Such
44 Additional Bonds and Other Obligations shall be equally and ratably secured with the pledge of
45 the Pledged Fees under the Ordinances.
46

47 The Ordinances contain provisions defining terms; sets forth the moneys, funds and
48 revenues pledged for the payment of the principal of and interest on this bond, the Series of
49 which this bond is one, and the bonds of other Series which may hereafter be issued on a parity
50 herewith under the Ordinances; sets forth the nature, extent and manner of enforcement of

1 the security of this bond and of such pledge, and the rights and remedies of the holder hereof
 2 with respect thereto; sets forth the terms and conditions upon which this bond is issued and
 3 upon which other bonds may be hereafter issued payable as to principal, premium, if any, and
 4 interest on a parity with this bond and equally and ratably secured herewith; sets forth the
 5 rights, duties and obligations of the City thereunder; and sets forth the terms and conditions
 6 upon which the pledge made in the Ordinances for the security of this bond and upon which the
 7 covenants, agreements and other obligations of the City made therein may be amended or
 8 discharged at or prior to the maturity or redemption of this bond with provision for the payment
 9 thereof in the manner set forth in the Ordinances. Reference is hereby made to the Ordinances,
 10 to all of the provisions of which any holder of this bond by the acceptance hereof thereby
 11 assents. The provisions of the Act and the Ordinances shall be a contract with the holder of
 12 this bond.
 13

14 [The Series 2024[A][B] Bonds maturing on or prior to _____, shall not be subject
 15 to redemption prior to their stated maturities. The Series 2024[A][B] Bonds maturing on and
 16 after __, shall be subject to redemption prior to maturity at the option of the City on and after
 17 _____, as a whole or in part at any time, in such order of their maturities as the City
 18 may determine and by lot within a maturity, at the redemption prices (expressed as a
 19 percentage of the principal amount to be redeemed) specified below, together with interest
 20 accrued thereon to the redemption date:
 21

| Period During Which Redeemed (both dates inclusive) | Redemption Price |
|--|---------------------|
| _____ to _____ | % |
| _____ to _____ | |
| _____ and thereafter | |

22 [The Series 2024[A][B] Bonds maturing in the year 20__ are subject to mandatory
 23 redemption from sinking fund installments which shall be accumulated in the 2024[A][B] Bond
 24 Redemption Account in the Bond Fund in amounts sufficient to redeem on _____ 1 of each
 25 year, at a redemption price equal to the principal amount of the Series 2024[A][B] Bond to be
 26 redeemed, together with interest accrued thereon to the date fixed for redemption, the
 27 principal amount of such Series 2024[A][B] Bonds specified for each of the years shown below:
 28
 29

| <u>Year</u> | <u>Principal Amount</u> |
|-------------|-------------------------|
|-------------|-------------------------|

30 _____
 31 *Final maturity.
 32

33 [At its option, to be exercised on or before the sixtieth (60th) day prior to any mandatory
 34 redemption date, the City may (i) deliver to the Registrar for cancellation Series 2024[A][B]
 35 Bonds which are subject to mandatory redemption in any aggregate principal amount desired
 36 or (ii) receive a credit in respect of its mandatory redemption obligation for any such Series
 37 2024[A][B] Bonds which, prior to such date, have been purchased or redeemed (otherwise than
 38 through the operation of the mandatory redemption requirement) by the City and cancelled by
 39 the Registrar and not theretofore applied as a credit against any mandatory redemption
 40 obligation. Each Series 2024[A][B] Bond so delivered or previously purchased or redeemed shall
 41 be credited by the Registrar, at 100% of the principal amount thereof, to the obligation of the

1 City on those respective mandatory redemption obligations in chronological order, and the
2 principal amount of the Series 2024[A][B] Bonds to be redeemed by operation of the mandatory
3 redemption requirement shall be accordingly reduced.]
4

5 [If less than all the Series 2024[A][B] Bonds of any maturity are called for redemption,
6 the Series 2024[A][B] Bonds of such maturity to be redeemed shall be selected by lot by the
7 Registrar. In the event this bond is redeemable as aforesaid, and shall be called for redemption,
8 notice of the redemption hereof, describing the Series 2024[A][B] Bond and specifying the
9 redemption date and the redemption price payable upon such redemption, shall be given by
10 first-class mail, postage prepaid, to the holder thereof as shown on the Books of Registry of the
11 City not less than thirty (30) days and not more than sixty (60) days prior to the redemption
12 date at its last address appearing upon the registration books of the City. If this bond is
13 redeemable and shall have been duly called for redemption and notice of the redemption hereof
14 mailed as aforesaid, and if on or before the date fixed for such redemption, payment hereof
15 shall be duly made or provided for, interest hereon shall cease to accrue from and after the
16 redemption date hereof.]
17

18 This bond is transferable as provided in the Ordinances, only upon the books of the City
19 kept for that purpose at the principal office of the Registrar by the registered holder in person
20 or by his duly authorized attorney upon surrender of this bond together with a written
21 instrument of transfer satisfactory to the Registrar duly executed by the registered holder or
22 his duly authorized attorney. Thereupon a new fully registered bond or bonds of the same
23 Series, aggregate principal amount, interest rate, and maturity shall be issued to the transferee
24 in exchange therefor as provided in the Ordinances. The City, the Registrar and the Paying
25 Agent may deem and treat the person in whose name this bond is registered as the absolute
26 owner hereof for the purpose of receiving payment of or on account of the principal hereof and
27 interest due hereon and for all other purposes.
28

29 Under the laws of the State of South Carolina, this bond and the income herefrom are
30 exempt from all State, county, municipal, school district and all other taxes or assessments,
31 except estate or other transfer taxes, direct or indirect, general or special, whether imposed
32 for the purpose of general revenue or otherwise.
33

34 It is hereby certified and recited that all acts, conditions and things required by the
35 Constitution and laws of the State of South Carolina to exist, to happen and to be performed
36 precedent to or in the issuance of this bond exist, have happened and have been performed in
37 regular and due time, form and manner as required by law; that the Series of Bonds of which
38 this bond is a part does not exceed any constitutional or statutory limitation of indebtedness;
39 and that provision has been made for the payment of the principal of and interest on this bond
40 and the Series of Bonds of which it is a part, as provided in the Ordinances.
41

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

5
6 CITY OF MYRTLE BEACH, SOUTH CAROLINA

7
8
9 By: _____ (Exhibit)
10 Mayor

11
12 (SEAL)

13
14 ATTEST:

15
16
17 By: _____ (Exhibit)
18 City Clerk

19
20
21 [FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

22
23 Date of Authentication:

24
25 This bond is one of the 2024[A][B] Bonds described in the within-mentioned Ordinance
26 of the City of Myrtle Beach, South Carolina.

27
28
29 U.S. BANK TRUST COMPANY, NATIONAL
30 ASSOCIATION, as Registrar

31
32
33 _____
34 Authorized Officer

[FORM OF ASSIGNMENT]

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

Dated: _____

Signature Guaranteed

(Authorized Officer)

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

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

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

TEN COM - as tenants in common

UNIF GIFT MIN ACT -

TEN ENT - as tenants by the entireties

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

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

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

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as of _____, 2024, is executed and delivered by the City of Myrtle Beach (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 annual financial statements 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)(B) 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

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

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

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

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

12 “Financial Obligation” as used in this Disclosure Agreement is defined in the Rule, as
13 may be amended, as (i) a debt obligation; (ii) derivative instrument entered into in
14 connection with, or pledged as a security or a source of payment for, an existing or
15 planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation”
16 shall not include municipal securities as to which a final official statement has been
17 provided to the MSRB consistent with the Rule.

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

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

34 “Information” means, collectively, the Annual Reports, the Audited Financial
35 Statements, the Notice Event notices, the Failure to File Event notices, the Voluntary
36 Event Disclosures and the Voluntary Financial Disclosures.

37 “Issuer” means the City of Myrtle Beach, South Carolina.

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

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

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

1 “Official Statement” means that Official Statement prepared by the Issuer in connection
2 with the Bonds, as listed in Exhibit A.

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

5 “Voluntary Event Disclosure” means information of the category specified in any of
6 subsections (e)(vi)(1) through (e)(vi)(10) of Section 2 of this Disclosure Agreement that
7 is accompanied by a Certification of the Disclosure Representative containing the
8 information prescribed by Section 7(a) of this Disclosure Agreement.

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

13 **SECTION 2. Provision of Annual Reports.**

14 (a) The Issuer shall provide, annually, an electronic copy of the Annual Report and
15 Certification to the Disclosure Dissemination Agent not later than the Annual Filing Date.
16 Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the
17 Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than seven
18 months after the end of each fiscal year of the Issuer, commencing with the fiscal year ending
19 June 30, 2024. Such date and each anniversary thereof is the Annual Filing Date. The Annual
20 Report may be submitted as a single document or as separate documents comprising a package,
21 and may cross-reference other information as provided in Section 3 of this Disclosure
22 Agreement.

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

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

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

- 1 (e) The Disclosure Dissemination Agent shall:
- 2 (i) verify the filing specifications of the MSRB each year prior to the Annual
3 Filing Date;
- 4 (ii) upon receipt, promptly file each Annual Report received under Sections
5 2(a) and 2(b) hereof with the MSRB;
- 6 (iii) upon receipt, promptly file each Audited Financial Statement received
7 under Section 2(d) hereof with the MSRB;
- 8 (iv) upon receipt, promptly file the text of each Notice Event received under
9 Sections 4(a) and 4(b)(ii) hereof with the MSRB, identifying the Notice
10 Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) hereof
11 (being any of the categories set forth below) when filing pursuant to
12 Section 4(c) of this Disclosure Agreement:
- 13 1. "Principal and interest payment delinquencies;"
- 14 2. "Non-Payment related defaults, if material;"
- 15 3. "Unscheduled draws on debt service reserves reflecting financial
16 difficulties;"
- 17 4. "Unscheduled draws on credit enhancements reflecting financial
18 difficulties;"
- 19 5. "Substitution of credit or liquidity providers, or their failure to
20 perform;"
- 21 6. "Adverse tax opinions, the issuance by the Internal Revenue
22 Service of proposed or final determinations of taxability, Notices
23 of Proposed Issue (IRS Form 5701-TEB) or other material notices
24 or determinations with respect to the tax status of the Bonds, or
25 other material events affecting the tax status of the Bonds;"
- 26 7. "Modifications to rights of securities holders, if material;"
- 27 8. "Bond calls, if material, and tender offers;"
- 28 9. "Defeasances;"
- 29 10. "Release, substitution, or sale of property securing repayment of
30 the securities, if material;"
- 31 11. "Rating changes;"
- 32 12. "Bankruptcy, insolvency, receivership or similar event of the
33 obligated person;"
- 34 13. "The consummation of a merger, consolidation, or acquisition
35 involving an Obligated Person or the sale of all or substantially all
36 of the assets of the Obligated Person, other than in the ordinary
37 course of business, the entry into a definitive agreement to
38 undertake such an action or the termination of a definitive
39 agreement relating to any such actions, other than pursuant to
40 its terms, if material;"
- 41 14. "Appointment of a successor or additional trustee, or the change
42 of name of a trustee, if material;"

- 1 15. "Incurrence of a Financial Obligation of the obligated person, if
2 material, or agreement to covenants, events of default remedies,
3 priority rights, or other similar terms of a Financial Obligation of
4 the obligated person, any of which affect security holders, if
5 material;" and
- 6 16. "Default, event of acceleration, termination event, modification
7 of terms, or other similar events under the terms of a Financial
8 Obligation of the obligated person, any of which reflect financial
9 difficulties."
- 10 (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this
11 Disclosure Agreement, as applicable), promptly file a completed copy of
12 Exhibit B to this Disclosure Agreement with the MSRB, identifying the
13 filing as "Failure to provide annual financial information as required"
14 when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure
15 Agreement;
- 16 (vi) upon receipt, promptly file the text of each Voluntary Event Disclosure
17 received under Section 7(a) with the MSRB, identifying the Voluntary
18 Event Disclosure as instructed by the Issuer pursuant to Section 7(a)
19 (being any of the categories set forth below) when filing pursuant to
20 Section 7(a) of this Disclosure Agreement:
- 21 1. "amendment to continuing disclosure undertaking;"
22 2. "change in obligated person;"
23 3. "notice to investors pursuant to bond documents;"
24 4. "certain communications from the Internal Revenue Service,
25 other than those communications included in the Rule;"
26 5. "secondary market purchases;"
27 6. "bid for auction rate or other securities;"
28 7. "capital or other financing plan;"
29 8. "litigation/enforcement action;"
30 9. "change of tender agent, remarketing agent, or other on-going
31 party;" and
32 10. "other event-based disclosures;"
- 33 (vii) upon receipt, promptly file the text of each Voluntary Financial
34 Disclosure received under Section 7(b) hereof with the MSRB, identifying
35 the Voluntary Financial Disclosure as instructed by the Issuer pursuant to
36 Section 7(b) (being any of the categories set forth below) when filing
37 pursuant to Section 7(b) of this Disclosure Agreement:
- 38 1. "quarterly/monthly financial information;"
39 2. "change in fiscal year/timing of annual disclosure;"
40 3. "change in accounting standard;"
41 4. "interim/additional financial information/operating data;"
42 5. "budget;"

- 1 6. “investment/debt/financial policy;”
- 2 7. “information provided to rating agency, credit/liquidity provider
- 3 or other third party;”
- 4 8. “consultant reports;” and
- 5 9. “other financial/operating data.”

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

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

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

22 SECTION 3. Content of Annual Reports.

23 (a) Each Annual Report shall contain Annual Financial Information for the most
24 recently completed fiscal year for the most recently completed fiscal year with respect to the
25 Issuer, including the information provided in the Official Statement under the headings: “THE
26 PLEGGED FEES” and “PLEGGED FEES DEBT SERVICE COVERAGE.”

27 (b) Audited Financial Statements as described in the Official Statement will be
28 included in the Annual Report. If audited financial statements are not available, then,
29 unaudited financial statements, prepared in accordance with generally accepted accounting
30 principles (“GAAP”) as described in the Official Statement will be included in the Annual
31 Report. In such event, Audited Financial Statements (if any) will be provided pursuant to Section
32 2(d).

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

39 If the Annual Financial Information contains modified operating data or financial
40 information different from the Annual Financial Information agreed to in the continuing
41 disclosure undertaking related to the Bonds, the Issuer is required to explain, in narrative form,
42 the reasons for the modification and the impact of the change in the type of operating data or
43 financial information being provided.

44 SECTION 4. Reporting of Notice Events.

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

- 3 1. Principal and interest payment delinquencies;
- 4 2. Non-payment related defaults, if material;
- 5 3. Unscheduled draws on debt service reserves reflecting financial
6 difficulties;
- 7 4. Unscheduled draws on credit enhancements reflecting financial
8 difficulties;
- 9 5. Substitution of credit or liquidity providers, or their failure to perform;
- 10 6. Adverse tax opinions, the issuance by the Internal Revenue Service of
11 proposed or final determinations of taxability, Notices of Proposed Issue
12 (IRS Form 5701-TEB) or other material notices or determinations with
13 respect to the tax status of the Bonds, or other material events affecting
14 the tax status of the Bonds;
- 15 7. Modifications to rights of Bond holders, if material;
- 16 8. Bond calls, if material, and tender offers;
- 17 9. Defeasances;
- 18 10. Release, substitution, or sale of property securing repayment of the
19 Bonds, if material;
- 20 11. Rating changes;
- 21 12. Bankruptcy, insolvency, receivership or similar event of the Obligated
22 Person;

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

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

- 1 15. Incurrence of a Financial Obligation of an Obligated Person, if material,
2 or agreement to covenants, events of default, remedies, priority rights,
3 or other similar terms of a Financial Obligation of an Obligated Person,
4 any of which affect security holders, if material; and
- 5 16. Default, event of acceleration, termination event, modification of terms,
6 or other similar events under the terms of a Financial Obligation of an
7 Obligated Person, any of which reflect financial difficulties.

8 The Issuer shall, in a timely manner not later than nine (9) business days after its
9 occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice
10 Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence
11 pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or
12 Certification shall identify the Notice Event that has occurred (which shall be any of the
13 categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the
14 disclosure that the Issuer desires to make, contain the written authorization of the Issuer for
15 the Disclosure Dissemination Agent to disseminate such information, and identify the date the
16 Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided
17 that such date is not later than the tenth business day after the occurrence of the Notice Event).

18 (b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or
19 the Disclosure Representative of an event that may constitute a Notice Event. In the event the
20 Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure
21 Representative will within two business days of receipt of such notice (but in any event not
22 later than the tenth business day after the occurrence of the Notice Event, if the Issuer
23 determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that
24 either (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has
25 occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to
26 subsection (c) of this Section 4, together with a Certification. Such Certification shall identify
27 the Notice Event that has occurred (which shall be any of the categories set forth in Section
28 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires
29 to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent
30 to disseminate such information, and identify the date the Issuer desires for the Disclosure
31 Dissemination Agent to disseminate the information (provided that such date is not later than
32 the tenth business day after the occurrence of the Notice Event).

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

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

42 SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands
43 that other state and federal laws, including but not limited to the Securities Act of 1933 and
44 Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer,
45 and that the duties and responsibilities of the Disclosure Dissemination Agent under this
46 Disclosure Agreement do not extend to providing legal advice regarding such laws. The Issuer
47 acknowledges and understands that the duties of the Disclosure Dissemination Agent relate

1 exclusively to execution of the mechanical tasks of disseminating information as described in
2 this Disclosure Agreement.

3 SECTION 7. Voluntary Filing.

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

16 (b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary
17 Financial Disclosure with the MSRB from time to time pursuant to a Certification of the
18 Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure
19 (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement),
20 include the text of the disclosure that the Issuer desires to make, contain the written
21 authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such
22 information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to
23 disseminate the information. If the Disclosure Dissemination Agent has been instructed by the
24 Issuer as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure
25 Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in
26 accordance with Section 2(e)(vii) hereof. This notice may be filed with a cover sheet completed
27 by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

28 (c) The parties hereto acknowledge that the Issuer is not obligated pursuant to the
29 terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section
30 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

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

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

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

13 SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the
14 Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the
15 Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by
16 action in mandamus or for specific performance, to compel performance of the parties'
17 obligation under this Disclosure Agreement. Any failure by a party to perform in accordance
18 with this Disclosure Agreement shall not constitute a default on the Bonds or under any other
19 document relating to the Bonds, and all rights and remedies shall be limited to those expressly
20 stated herein.

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

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

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

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

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

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

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

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

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

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

29
30

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

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

5
6 By: _____

7 Name: _____

8 Title: _____

9
10 **THE CITY OF MYRTLE BEACH, SOUTH**
11 **CAROLINA, as Issuer**

12
13 By: _____

14 Name: _____

15 Title: _____

16

1 EXHIBIT A

2 NAME AND CUSIP NUMBERS OF BONDS

3

4 Name of Issuer City of Myrtle Beach, South Carolina

5 Obligated Person(s) City of Myrtle Beach, South Carolina

6 Name of Bond Issue: \$[A PAR] Limited Obligation Bonds (Hospitality Fee Pledge),
7 Series 2024A and \$[B PAR] Limited Obligation Bonds (Hospitality
8 Fee Pledge), Taxable Series 2024B

9 Date of Issuance: _____, 2024

10 Date of Official Statement _____, 2024

11 CUSIP Numbers:

1 EXHIBIT C-1

2 EVENT NOTICE COVER SHEET

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

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

6 _____

7 Issuer's Six-Digit CUSIP Number:

8 _____

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

10 _____

11 Number of pages attached: __

12 Description of Notice Events (Check One):

- 13 1. _____ "Principal and interest payment delinquencies;"
14 2. _____ "Non-Payment related defaults, if material;"
15 3. _____ "Unscheduled draws on debt service reserves reflecting financial
16 difficulties;"
17 4. _____ "Unscheduled draws on credit enhancements reflecting financial difficulties;"
18 5. _____ "Substitution of credit or liquidity providers, or their failure to perform;"
19 6. _____ "Adverse tax opinions, IRS notices or events affecting the tax status of the
20 security;"
21 7. _____ "Modifications to rights of securities holders, if material;"
22 8. _____ "Bond calls, if material, tender offers;"
23 9. _____ "Defeasances;"
24 10. _____ "Release, substitution, or sale of property securing repayment of the
25 securities, if material;"
26 11. _____ "Rating changes;"
27 12. _____ "Bankruptcy, insolvency, receivership or similar event of the obligated
28 person;"
29 13. _____ "Merger, consolidation, or acquisition of the obligated person, if material;"
30 and
31 14. _____ "Appointment of a successor or additional trustee, or the change of name of
32 a trustee, if material."
33 15. _____ "Incurrence of a Financial Obligation of the obligated person, if material, or
34 agreement to covenants, events of default, remedies, priority rights, or other
35 similar terms of a Financial Obligation of the obligated person, any of which
36 affect security holders, if material;" and
37 16. _____ "Default, event of acceleration, termination event, modification of terms, or
38 other similar events under the terms of a Financial Obligation of the
39 obligated person, any of which reflect financial difficulties."

40 _____ Failure to provide annual financial information as required.

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

43

1 Signature: _____

2 Name: _____

Title: _____

3 Date: _____

4

5

Digital Assurance Certification, L.L.C.

6

315 E. Robinson Street

7

Suite 300

8

Orlando, FL 32801

9

407-515-1100

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

This cover sheet and accompanying “voluntary event disclosure” may be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of _____, 2024 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;” and
- 10. ___ “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: _____

Date: _____

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

1 EXHIBIT C-3
2 VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

3 This cover sheet and accompanying "voluntary financial disclosure" may be sent to the MSRB,
4 pursuant to the Disclosure Dissemination Agent Agreement dated as of _____, 2024
5 between the Issuer and DAC.

6 Issuer's and/or Other Obligated Person's Name:
7 _____

8 Issuer's Six-Digit CUSIP Number:
9 _____

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

12 Number of pages attached: ____

13 Description of Voluntary Financial Disclosure (Check One):

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

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

26
27 Signature: _____

28 Name: _____

Title: _____

29 Date: _____
30

31 Digital Assurance Certification, L.L.C.
32 315 E. Robinson Street
33 Suite 300
34 Orlando, FL 32801
35 407-515-1100

FORM OF ESCROW DEPOSIT AGREEMENT

This Escrow Deposit Agreement (the "Agreement") dated _____, 2024, between the City of Myrtle Beach, South Carolina (the "Issuer"), and U.S. Bank Trust Company, National Association as successor in interest to U.S. Bank National Association, as escrow agent (the "Escrow Agent").

WITNESSETH:

Pursuant to an Ordinance enacted by the City Council of the City (the "Council") on February 11, 2014 (the "Bond Ordinance"), as supplemented by an Ordinance enacted by the Council on _____, 2024 (the "Series 2024 Ordinance" and together with the Bond Ordinance, the "Ordinance"), the Issuer has issued its [\$_____ Limited Obligation Bonds (Hospitality Fee Pledge), Series 2024A (the "Series 2024A Bonds")][\$_____ Limited Obligation Bonds (Hospitality Fee Pledge), Taxable Series 2024B (the "Series 2024B Bonds")], a portion of the proceeds of which will be deposited, together with other funds of the Issuer, with the Escrow Agent, in order to effect the payment of principal, interest and redemption premium of the City's [\$17,400,000 original principal amount Limited Obligation Bonds (Hospitality Fee Pledge), Taxable Series 2014A][\$44,515,000 original principal amount Limited Obligation Bonds (Hospitality Fee Pledge), Series 2014B] maturing on and after ____ 1, 20__ (the "Refunded Bonds"). The Issuer wishes to enter into this Agreement to carry out such purpose.

Now, therefore, in consideration of the foregoing and of the mutual covenants herein set forth, the Issuer and the Escrow Agent agree as follows:

SECTION 1. In order to secure the payment of the principal of and interest on the Refunded Bonds, the Issuer hereby pledges and sets over to the Escrow Agent for deposit in the 2014[A][B] Escrow Deposit Fund created pursuant to Section 2 hereof, in trust for the benefit and security of the holders of the Refunded Bonds, subject to the terms and conditions hereinafter set forth, the sums of (a) \$_____ derived from a portion of the proceeds of the sale of the Series 2024[A][B] Bonds and (b) \$_____ which was transferred from the Debt Service Fund (as defined in the Bond Ordinance) allocable to the Refunded Bonds. The Issuer represents that the total of such sums (\$_____) is an amount which when invested as provided herein will be sufficient to pay the principal of and interest coming due on the Refunded Bonds through and upon the redemption thereof on ____ 1, 20__ (the "Redemption Date"). Such amount shall be deposited by the Escrow Agent in the 2014[A][B] Escrow Deposit Fund hereinafter referred to. The Escrow Agent acknowledges receipt of the foregoing amounts.

SECTION 2. There is hereby created and established with the Escrow Agent a special and irrevocable trust fund designated as the "City of Myrtle Beach Limited Obligation Bonds (Hospitality Fee Pledge) Escrow Deposit Fund of 2014[A][B]" (the "2014[A][B] Escrow Deposit Fund") to be held in the custody of the Escrow Agent as a trust fund separate and apart from all other funds of the Issuer or the Escrow Agent for the purposes set forth in Section 1 hereof.

1 Except as provided in Section 9 with respect to funds remaining after the payment of
2 the Refunded Bonds, funds on deposit in the 2014[A][B] Escrow Deposit Fund shall be used solely
3 for the purposes set forth in Section 1 hereof.
4

5 **SECTION 3.** Concurrently with the execution of this Agreement, the Escrow Agent
6 shall apply \$_____ from the amounts deposited with it pursuant to Section 1 above to
7 purchase from [the Bureau of Public Debt] [_____] on _____, 2024, the
8 obligations shown on Exhibit A hereto. The remaining \$___ shall be held in cash and
9 uninvested.
10

11 All obligations purchased and held hereunder as shown on Exhibit A or any direct, non-
12 callable United States Treasury Obligations substituted therefor in accordance with the
13 provisions of this Agreement are collectively referred to as "Government Obligations."
14 Government Obligations shall not be deemed to include unit investment trusts and money
15 market mutual funds. The Issuer represents the Government Obligations shall earn interest and
16 mature in such amounts and at such times as shall be necessary and sufficient, together with
17 other funds held in the 2014[A][B] Escrow Deposit Fund, to pay the principal of and interest
18 coming due on the Refunded Bonds through and upon the redemption thereof on the
19 Redemption Date.
20

21 **SECTION 4.** Upon the written direction of the Issuer subject to the conditions and
22 limitations herein set forth, the Escrow Agent shall sell, transfer and request the redemption
23 of or otherwise dispose of any of the Government Obligations purchased hereunder or reinvest
24 the maturing principal of and interest on Government Obligations, provided that there are
25 substituted therefor, or such reinvestment is made in, other Government Obligations as
26 hereinafter provided. The Issuer hereby covenants and agrees that it will not request the
27 Escrow Agent to exercise any of the powers described in the preceding sentence in any manner
28 which cause any of the Series 2024[A][B] Bonds or the Series 2014[A][B] Bonds to be arbitrage
29 bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended
30 (the "Code"), and the regulations thereunder.
31

32 As directed in writing by the Issuer, the Escrow Agent shall purchase such substituted
33 Government Obligations with the proceeds derived from the sale, transfer, redemption or other
34 disposition of Government Obligations held hereunder or with the maturing principal and
35 interest of Government Obligations held hereunder. Any such sale, transfer, redemption or
36 other disposition of Government Obligations or a purchase of Government Obligations with
37 maturing principal or interest, and substitution under the provisions of this Section may be
38 effected only by a simultaneous transaction and only if (a) an independent certified public
39 accountant shall certify that the Government Obligations to be substituted, together with the
40 Government Obligations which will continue to be held in the 2014[A][B] Escrow Deposit Fund
41 (and cash on deposit therein), will earn interest and mature in such amounts and at such times
42 together with any other funds held therein to provide sufficient moneys from such interest and
43 maturing principal to pay when due, all principal of and interest coming due on the Refunded
44 Bonds through and upon the redemption thereof on the Redemption Date, which have not
45 previously been paid, and (b) the Escrow Agent shall receive an unqualified opinion of nationally
46 recognized bond counsel to the effect that such sale, transfer, redemption or other disposition
47 or purchase, and substitution of, Government Obligations is permitted under the provision of
48 this Agreement has been duly authorized by the Issuer and will not cause the Refunded Bonds
49 to be arbitrage bonds within the meaning of Section 148 of the Code, and the regulations

1 thereunder or otherwise cause the interest on the Refunded Bonds or the Series 2024[A][B]
2 Bonds to be included in gross income under Section 103 of the Code.
3

4 In the event that as a result of any such substitution, amounts available from the
5 maturing principal of and income on the Government Obligations, together with other funds on
6 deposit in the 2014[A][B] Escrow Deposit Fund, exceed the amount required to pay the principal
7 of and interest coming due on the Refunded Bonds through and upon the redemption thereof
8 on the Redemption Date, which have not yet been paid, such excess amounts shall be paid over
9 to the Issuer upon receipt by the Escrow Agent of a certificate from independent certified
10 public accountant which shall set forth:

- 11 (i) the amounts of any excess;
- 12 (ii) the date on which such amounts become excess; and
- 13
- 14

15 (iii) that if such excess amounts are withdrawn from the 2014[A][B] Escrow Deposit
16 Fund, the Government Obligations, income therefrom, and other funds held in such Escrow
17 Deposit Fund shall be sufficient to pay the principal of and interest coming due on the Refunded
18 Bonds through and upon the redemption thereof on the Redemption Date, as and when the
19 same become due and payable. Upon receipt of such certificate, the Escrow Agent shall pay at
20 such time and from time to time the amounts certified to be excess on the dates such amounts
21 become excess in accordance with such certificate.
22

23
24 SECTION 5. The Escrow Agent shall collect on the due dates thereof the principal and
25 interest on the Government Obligations on deposit with it and shall transfer on or before the
26 respective due dates thereof, to the Escrow Agent, as Paying Agent for the Refunded Bonds,
27 sufficient moneys from the principal and interest so received and other funds held in the
28 2014[A][B] Escrow Deposit Fund on _____ 1, 20__, to the payment of the principal of and
29 interest coming due on the Refunded Bonds through and upon the redemption thereof on the
30 Redemption Date.
31

32 SECTION 6. The Escrow Agent, as Paying Agent for the Refunded Bonds, acknowledges
33 receipt of a direction from the Issuer calling the Refunded Bonds for redemption on the
34 Redemption Date. The Escrow Agent, as Paying Agent for the Refunded Bonds, agrees to cause
35 notice, in substantially the form attached hereto as Exhibit B, of such redemption to be given
36 in accordance with the Bond Ordinance and certifies that the provision made for the giving of
37 such notice is satisfactory to it.
38

39 SECTION 7. The Government Obligations, moneys representing principal of and
40 interest earned on Government Obligations and funds on deposit in the 2014[A][B] Escrow
41 Deposit Fund shall be subject to an express lien and trust for the benefit of the holders of the
42 Refunded Bonds until used and applied in accordance with this Agreement.
43

44 SECTION 8. The liability of the Escrow Agent to make the payments required by this
45 Agreement with respect to the Refunded Bonds shall be limited to the principal of and interest
46 received on the Government Obligations and other funds on deposit in the 2014[A][B] Escrow
47 Deposit Fund. The Escrow Agent shall not be liable for any loss resulting from any investment
48 made pursuant to this Agreement in compliance with the provisions hereof.
49

1 The Escrow Agent shall have no responsibility to any person in connection herewith
2 except those persons specifically provided herein.
3

4 In the event of the Escrow Agent's failure to account for any of the Government
5 Obligations or funds received by it, said Government Obligations or funds shall be and remain
6 the property of the Issuer in trust for the holders of the Refunded Bonds, as herein provided,
7 and if for any reason such Government Obligations and funds cannot be identified, the assets
8 of the Escrow Agent shall be impressed with a trust for the amount thereof and, to the fullest
9 extent permitted by law, the Issuer shall be entitled to a preferred claim upon such assets until
10 such identification is made.
11

12 SECTION 9. The trust created hereby shall be irrevocable. This Agreement shall
13 terminate when the moneys on deposit therein have been transferred to the Paying Agent for
14 the Refunded Bonds. The Escrow Agent shall thereupon be released and discharged with
15 respect thereto. Any amounts held by the Escrow Agent, which amounts are allocable to the
16 Refunded Bonds after _____ 1, 20__, and not required to pay or provide for the payment of
17 the principal of or interest coming due on the Refunded Bonds through and upon the
18 Redemption Date, shall be paid over to the Issuer.
19

20 SECTION 10. The Issuer shall pay all necessary and proper fees, compensation and
21 expenses of the Escrow Agent and the Paying Agent for the Refunded Bonds. To the extent not
22 paid out of the proceeds of sale of the Series 2024[A][B] Bonds, the Issuer will pay such amounts
23 from its revenues. Neither the Escrow Agent nor such paying agents shall have any lien or claim
24 whatsoever upon moneys in the 2014[A][B] Escrow Deposit Fund for the payment of any such
25 fees, compensation or expenses. The Escrow Agent agrees that such provision for payment is
26 satisfactory to it.
27

28 SECTION 11. The Escrow Agent agrees to perform only those duties and obligations
29 expressly imposed upon it by this Agreement and no implied obligations shall be read into this
30 Agreement.
31

32 The Escrow Agent may resign and thereby become discharged from the duties and
33 obligations hereby created, by notice in writing given to the Issuer and published once in a
34 newspaper of general circulation in the State of South Carolina, and by first-class mail, postage
35 pre-paid, to the respective holders of the Refunded Bonds then outstanding, not less than 60
36 days before such resignation is scheduled to take effect. Such resignation shall take effect only
37 upon the appointment of a new escrow agent and such new escrow agent must be appointed
38 by the Issuer before the time scheduled by such notice and such new escrow agent may then
39 take over the duties and obligations thereof.
40

41 The Escrow Agent may be removed at any time by an instrument or concurrent
42 instruments in writing, executed by the holders of not less than 51% in aggregate principal
43 amount of the Refunded Bonds then outstanding, such instruments to be filed with the Issuer,
44 and notice in writing given by such holders to the Issuer and (unless all of the bondholders have
45 consented to such removal) published once in a newspaper of general circulation in the State
46 of South Carolina, and by first-class mail, postage pre-paid, to the respective holders of the
47 Refunded Bonds then outstanding, not less than 60 days before such removal is to take effect
48 as stated in such instrument or instruments.
49

1 The Escrow Agent may also be removed at any time for any material breach of trust or
2 for acting or proceeding in material violation of, or for failing to act or proceed in accordance
3 with, any provisions of this Agreement with respect to the duties and obligations of the Escrow
4 Agent, by any court of competent jurisdiction upon the application of the Issuer or the holders
5 of not less than 10% in aggregate principal amount of the Refunded Bonds then outstanding.
6 Such removal shall take effect only upon the appointment of a new escrow agent and such new
7 escrow agent must be appointed by the Issuer before the time scheduled by such notice and
8 such new escrow agent may then take over the duties and obligations thereof.
9

10 If U.S. Bank Trust Company, National Association shall cease to be the Escrow Agent
11 under this Agreement, then, upon appointment of a successor escrow agent, if requested by
12 the Issuer, the Escrow Agent shall execute such agreements, assignments and other documents
13 as shall be necessary to vest in such successor escrow agent all the title, rights, duties and
14 obligations of the Escrow Agent under this Agreement and in the Government Obligations and
15 other funds deposited or to be deposited or received by the Escrow Agent under this Agreement,
16 and upon acceptance by such successor escrow agent of the trusts created hereunder, all
17 further title, rights, duties and obligations of the Escrow Agent under this Agreement shall
18 cease and determine and be discharged, saving rights or liabilities thereto accrued to or by the
19 Issuer or the Escrow Agent.
20

21 Any corporation or association into which the Escrow Agent may be merged or with
22 which it may be consolidated, or any corporation or association resulting from any merger, or
23 any corporation or association succeeding to the business of the Escrow Agent, shall be the
24 successor of the Escrow Agent hereunder without the execution or filing of any paper or any
25 further act on the part of any of the parties hereto.
26

27 SECTION 12. If any one or more of the covenants or agreements provided in this
28 Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined
29 by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall
30 be deemed and construed to be severable from the remaining covenants and agreements herein
31 contained and shall in no way affect the validity of the remaining provisions of this Agreement.
32

33 SECTION 13. This Agreement may be amended to (a) correct language or to cure any
34 ambiguity or defective provisions, omission, mistake or manifest error herein contained;
35 provided the Escrow Agent shall receive an unqualified opinion of nationally recognized bond
36 counsel approving such amendment; and (b) provide for the deposit of additional cash and for
37 securities in the 2014[A][B] Escrow Deposit Fund.
38

39 SECTION 14. This Agreement shall be construed under the laws of the State of South
40 Carolina.
41

42 SECTION 15. This Agreement may be executed in several counterparts, all or any of
43 such shall be regarded for all purposes as one original and shall constitute the same instrument.
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GOVERNMENT OBLIGATIONS

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NOTICE OF REDEMPTION

[\$17,400,000,000
LIMITED OBLIGATION BONDS
(HOSPITALITY FEE PLEDGE)
TAXABLE SERIES 2014A]

[\$44,515,000
LIMITED OBLIGATION BONDS
(HOSPITALITY FEE PLEDGE)
SERIES 2014B]

OF THE CITY OF MYRTLE BEACH, SOUTH CAROLINA

Notice is hereby given that the City of Myrtle Beach, South Carolina (the "Issuer") has elected to redeem and will redeem on _____ 1, 20__ [certain of the maturities of] the outstanding Bonds of the above-referenced issue at the redemption price equal to the principal amount thereof plus accrued and unpaid interest to the date of redemption.

The Bonds to be redeemed are numbered as follows:

| <u>Maturity</u> <u>(June 1,)</u> | <u>Principal</u> <u>Amount</u> | <u>CUSIP</u> <u>Number</u> |
|-------------------------------------|-----------------------------------|-------------------------------|
|-------------------------------------|-----------------------------------|-------------------------------|

Payment of the Bonds to be redeemed will be made on and after _____ 1, 20__ upon presentation and surrender of the Bonds at U.S. Bank Trust Company, National Association, as successor in trust to U.S. Bank National Association, St. Paul, Minnesota, the Paying Agent for the Bonds.

Interest on the Bonds will cease to accrue from and after _____ 1, 20__.

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

U.S. Bank Trust Company, National Association,
as successor in trust to U.S. Bank National
Association, as Paying Agent

FORM OF 2024A CONSTRUCTION FUND REQUISITION

\$ _____ No. _____

_____, as Custodian

Ladies and Gentlemen:

The City of Myrtle Beach, South Carolina (the "City"), hereby requisitions, from the funds representing the proceeds of the sale of the Limited Obligation Bonds (Hospitality Fee Pledge), Series 2024A, issued by the City, and dated _____, 2024 (the "Bonds"), which funds are held by you in the account within the Construction Fund established for the Bonds (the "2024A Construction Fund"), in accordance with Ordinance No. _____ of the City enacted on _____, 2024 (the "Ordinance") the sum of \$_____ to be paid to the person or persons indicated below:

(1) \$_____ for _____ payable to _____, and

(2) \$_____ for _____ payable to _____.

Pursuant to Section _____ of the Ordinance, I further certify that:

- (a) the obligation to be paid as set forth herein has been properly incurred and is a proper payment under the Ordinance and has not been the basis of any previous advance;
(b) such payment does not include any amount which is then entitled to be retained under any holdbacks or retainages provided for in any agreement; and
(c) such obligation was incurred for work, material or supplies in connection with the Cost of Acquisition and Construction of the 2024A Projects (as such term is defined in the Ordinance) and that such work was actually performed in a satisfactory manner and such materials or supplies were actually used in or for such Cost of Acquisition and Construction of the 2024A Projects for that purpose in accordance with the approved plans and specifications.

City Representative