

arrange for the sale of the Notes by negotiation or may cause the Notice of Sale in Appendix B to be distributed substantially in the form set forth, with those alterations and revisions as may be necessary for the sale of the Notes in registered, bearer, book-entry only or draw-down form, in a manner deemed advisable.

SECTION 9. *Disbursement and Use of Proceeds.* The proceeds of the Notes shall be deposited for the account of the County and shall be applied solely for the purposes for which taxes for the County's operational purposes for the 2007-2008 Fiscal Year have been levied.

SECTION 10. *Tax Covenant.* The County covenants that no use of the proceeds of the sale of the Notes shall be made which, if that use had been reasonably expected on the date of issue of the Notes, would have caused the Notes to be an "arbitrage bond," as defined in Section 148 of the United States Internal Revenue Code of 1986, as amended ("Code"), and to that end the County shall comply with the applicable regulations of the Treasury Department adopted under Section 148 of the Code throughout the term of the Notes.

In addition, because the County does not reasonably anticipate issuing in excess of \$10,000,000 in tax-exempt obligations in the calendar year 2007, the County hereby designates the Notes as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code, and, in the case of certain financial institutions (within the meaning of Section 265(b)(5) of the Code), a deduction is allowed for 80% of that portion of that financial institutions' interest expense allocable to interest on the Notes.

SECTION 11. *Official Statement.* The County Council hereby authorizes the Chairperson and the County Administrator, each individually, to provide for an offering document or official statement in connection with the sale of the Notes, if the Notes are sold by means of a public sale. This offering document or official statement shall be substantially in the form previously used by the County in similar offerings. If an official statement is used in connection with the sale, the County Council authorizes the Chairperson and Council Administrator, each individually, to designate the Preliminary Official Statement as "near final" for purposes of Rule 15c2-12 of the Securities Exchange Commission. The Chairperson and Council Administrator, each individually, are further authorized to ensure the completion of the final form of the Official Statement at the sale of the Notes so the Official Statement may be provided to the Purchaser of the Notes.

SECTION 12. *Continuing Disclosure.* The County Council hereby covenants and agrees, to the extent required by federal or state law, it will comply with and carry out all provisions of a continuing disclosure certificate, executed by either the Chairperson or County Administrator and dated the date of delivery of the Notes, which will meet the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission and Section 11-1-85 of the Code of Laws of South Carolina, 1976, as amended.

SECTION 13. *Authorization to Execute.* The County Council hereby authorizes the Chairperson or County Administrator, each individually, and Clerk to execute whatever documents and instruments as may be necessary to effect the issuance of the Notes.

SECTION 14. *Authenticating Agent.* In the event either the Chairperson or County Administrator and the Clerk determine to use facsimile signatures for the execution of the Notes, the Chairperson or County Administrator is authorized to arrange for an authenticating agent with respect to the Notes.


SECTION 15. *No Conflict.* All orders, resolutions, ordinances and parts of those, procedural or otherwise, in conflict with this Ordinance or the proceedings authorizing the issuance of the Notes are,

to the extent of any conflict, hereby repealed and this Ordinance takes effect and is in full force only after the County Council has approved it following three readings.

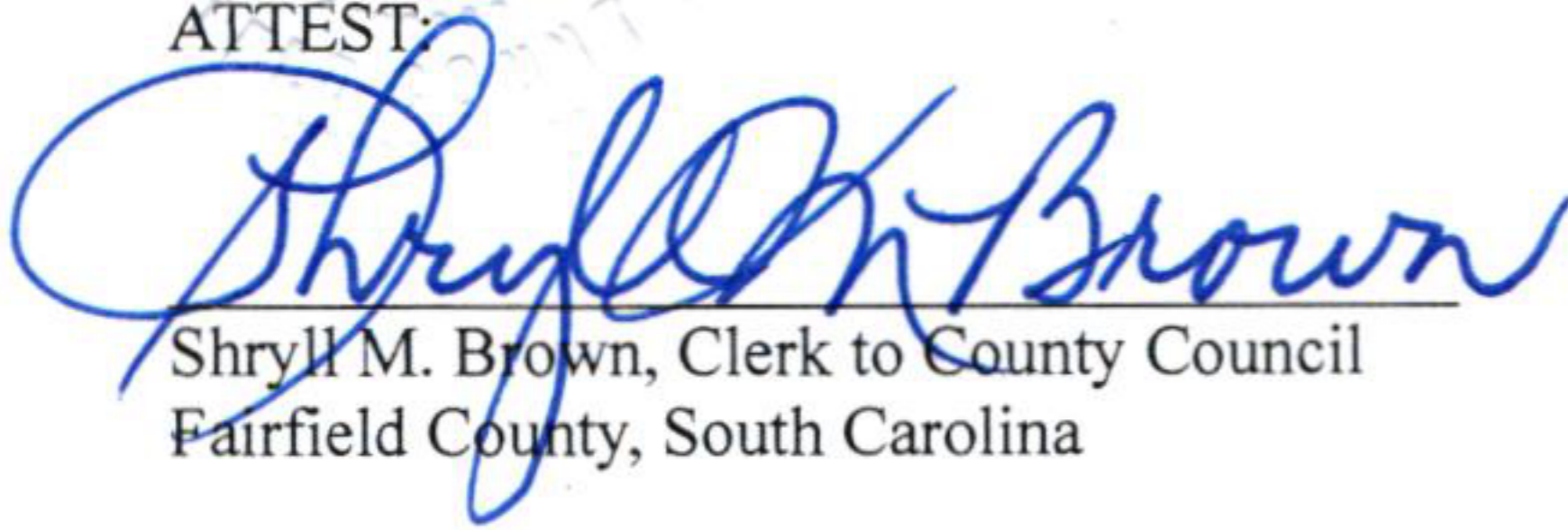
FAIRFIELD COUNTY, SOUTH CAROLINA



David L. Ferguson, Sr., Chairman of County Council
Fairfield County, South Carolina



(SEAL)
ATTEST:



Shryll M. Brown, Clerk to County Council
Fairfield County, South Carolina

READINGS:

First Reading:	May 14, 2007
Second Reading:	May 29, 2007
Public Hearing:	May 29, 2007
Third Reading:	June 11, 2007

APPENDIX A

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
FAIRFIELD COUNTY, SOUTH CAROLINA
TAX ANTICIPATION NOTE, 2007

No. R-1

\$5,500,000

DATED: _____, 2007

REGISTERED OWNER: _____

KNOW ALL MEN BY THESE PRESENTS, that Fairfield County, South Carolina ("County"), is justly indebted and, for value received, hereby promises to pay to the Registered Owner named above, its successors or registered assigns, the principal sum of

FIVE MILLION, FIVE HUNDRED THOUSAND AND NO/100THS DOLLARS

on the 28th day of February 2008, and to pay interest on said principal sum from the date of this Note at the rate of ____% per annum (based upon an actual over actual using a 365-day year) payable upon the maturity of this Note. Both the principal of and interest on this Note are payable at the principal office of the _____, in _____, South Carolina, in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts. This Note is not subject to redemption prior to its maturity.

This Note is issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X, Section 14 of the Constitution and the State of South Carolina, 1895, as amended, Chapter 27 of Title 11 of the Code of Laws of South Carolina, 1976, as amended and an Ordinance adopted by the County Council of Fairfield County, South Carolina ("County Council") on June 11, 2007.

This Note is issued in anticipation of the collection of *ad valorem* taxes by the County heretofore authorized and approved to be levied pursuant to an Ordinance adopted by the County Council on May 29, 2007, approving the budget for operational expenditures of the County for the fiscal year beginning July 1, 2007, and ending June 30, 2008 ("2007-08 Fiscal Year"), and authorizing the Auditor of Fairfield County to levy an annual tax upon all property in the County, sufficient to bring in the approved appropriations. This Note is a general obligation of the County and there is hereby pledged to the payment of the principal hereof and the interest hereon all *ad valorem* taxes levied for operational expenditures of the County for the 2007-08 Fiscal Year pursuant to the aforesaid corporate actions and the full faith, credit and taxing power of the County.

This Note and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments, direct or indirect, general or special, and whether imposed for the purpose of general revenue or otherwise, except inheritance, estate or transfer taxes, but the interest on the Note may be included in certain franchise fees or taxes.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of South Carolina to exist, to happen and to be performed precedent to

or in the issuance of this Note exist, have happened and have been performed in regular and due time, form and manner as required by law; and that provision has been made for the levy and collection of *ad valorem* taxes sufficient to pay the principal of and interest on this Note.

IN WITNESS WHEREOF, the County Council of Fairfield County, South Carolina, caused this Note to be signed with the manual signature of the County Council, attested by the manual signature of the Clerk to Council of the County Council with the seal of the County imposed or affixed hereon, and this Note to be dated the ____ day of _____ 2007.

FAIRFIELD COUNTY, SOUTH CAROLINA

David L. Ferguson, Sr., Chairman of County Council
Fairfield County, South Carolina

(SEAL)
ATTEST:

Shryll M. Brown, Clerk to County Council
Fairfield County, South Carolina

STATE OF SOUTH CAROLINA)
)
COUNTY OF FAIRFIELD)

**CERTIFIED COPY OF
ORDINANCE**

I, the undersigned being the duly qualified and acting Clerk to County Council of Fairfield County, South Carolina ("County"), do hereby certify that attached hereto is a copy of an Ordinance authorizing the issuance and sale of the, in the aggregate, not to exceed \$5,500,000 Tax Anticipation Notes, 2007, in one or more series, of the County adopted by the County Council at three meetings, the final one being held June 11, 2007, each dully called at which a quorum was present and acting throughout, which this Ordinance has been compared by me with the original thereof, and that this Ordinance has been duly adopted and has not been modified, amended or repealed and is in full force and effect on and as of the date hereof in the form attached hereto.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the County this ____ day of _____ 2007.

Shryll M. Brown, Clerk to County Council
Fairfield County, South Carolina