

OFFICIAL NOTICE OF SALE AND BID FORM

\$146,005,000*

**CHARLESTON COUNTY SCHOOL DISTRICT, SOUTH CAROLINA
GENERAL OBLIGATION BOND ANTICIPATION NOTES
(SALES TAX PROJECTS – PHASE V), SERIES 2024B**

SEALED PROPOSALS WILL BE RECEIVED UNTIL

11:00 A.M., SOUTH CAROLINA TIME

Wednesday, April 17, 2024

* Preliminary, subject to change.

OFFICIAL NOTICE OF SALE

\$146,005,000*

CHARLESTON COUNTY SCHOOL DISTRICT, SOUTH CAROLINA GENERAL OBLIGATION BOND ANTICIPATION NOTES (SALES TAX PROJECTS - PHASE V), SERIES 2024B

SEALED PROPOSALS, addressed to the undersigned, will be received by the Board of Trustees of Charleston County School District, South Carolina (the "School District"), until 11:00 a.m. (local time) on Wednesday, April 17, 2024, at 3999 Bridge View Drive, North Charleston, South Carolina 29405, for the purchase of One Hundred Forty-Six Million Five Thousand Dollars* (\$146,005,000*) Charleston County School District, South Carolina, General Obligation Bond Anticipation Notes (Sales Tax Projects – Phase V), Series 2024B (the "Notes"). The School District reserves the right to increase or decrease the principal amount of the Notes following the sale by an amount not to exceed 10% of the par amount of the Notes. The Notes will be initially issued under the DTC Book-Entry-Only System. All payments of principal and interest with respect to the Notes shall be made through the facilities of DTC.

The Notes: The Notes will mature as to principal and interest on May 8, 2025. The Notes will bear interest from the date of delivery thereof, which is expected to be May 9, 2024. Interest will be calculated on the basis of a 360-day year consisting of twelve months of thirty days each. Both principal and interest will be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, at the office of the Superintendent of the School District, 75 Calhoun Street, Charleston, South Carolina.

Redemption: The Notes shall not be subject to redemption prior to maturity.

Bid Requirements: Bidders shall specify the single fixed rate of interest which the Notes are to bear. A bid for less than all the Notes or a bid at a price less than par will not be considered.

Award of Notes: The Notes will be awarded to the bidder offering to purchase the Notes at the lowest true interest cost ("TIC") to the School District. In the event two or more bids have the same lowest TIC, the Notes will be awarded on the basis of a coin flip. The Board reserves the right to reject any and all bids or to waive irregularities in any bid. Bids will be accepted or rejected no later than 4:00 p.m., South Carolina time, on the date of the sale.

Bid Form: Proposals must be delivered through the IHS Markit's Parity/BIDCOMP Competitive Bidding System (the "Parity System"). No other provider of electronic bidding services or other form of bid will be accepted. Bids must be unconditional and received by the Parity System before the time stated above. Such bids are to be publicly opened and read at such time and place on said day. The time as maintained by the Parity System shall constitute the official time with respect to all bids submitted. No good faith deposit is required.

If any provisions of this Official Notice of Sale conflict with information provided by the Parity System as the approved provider of electronic bidding services, this Official Notice of Sale shall control. Further information about the Parity System may be obtained from IHS Markit, 1359 Broadway, New York, New York 10018, telephone (212) 849-5021.

If a bidder for the Notes desires to have the Notes insured, the bidder shall specify in its bid whether bond insurance will be purchased and the premium of such bond insurance must be paid at or prior to closing by the successful bidder.

Purpose: The Notes are issued for the purposes of defraying the costs of capital improvements of the School District, retiring at maturity an outstanding series of bond anticipation notes of the School District and paying costs of issuance of the Notes.

*Preliminary, subject to change.

Security: For the payment of the principal of and interest on the Notes as the same shall fall due, the full faith, credit, resources and taxing power of the School District are hereby irrevocably pledged. In addition thereto, so much of the proceeds of the sales and use tax authorized by Title 4, Chapter 10, Article 4 of the Code of Laws of South Carolina 1976, as amended, a resolution adopted by the Board on July 27, 2020, and the successful results of a referendum held within the School District on November 3, 2020 (the "Sales and Use Tax – Phase V") or the principal proceeds of a series of general obligation bonds (the "Bonds") to be issued by the School District shall be applied, to the extent necessary, to the payment of the Notes; and, further, the School District has covenanted and irrevocably pledged to effect the issuance of the Bonds to the extent that it does not hold proceeds of the Sales and Use Tax – Phase V in an amount sufficient to provide for the retirement of the Notes or, in the alternative, to refund or renew outstanding Notes in order that the proceeds thereof will be sufficient to provide for the retirement of the Notes.

Tax Exemption: In the opinion of Bond Counsel, assuming continuing compliance by the School District with certain covenants, interest on the Notes is excludable from gross income for federal income tax purposes under existing statutes, regulations and judicial decisions. Interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended) for the purpose of computing the alternative minimum tax imposed on such corporations. The Notes and the interest thereon will also be exempt from all State, county, municipal and school district and other taxes or assessments imposed within the State of South Carolina, except estate, transfer and certain franchise taxes.

Not "Bank Qualified": The Notes have not been designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended.

Official Statement: The Preliminary Official Statement dated April 4, 2024 has been deemed final by the School District for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") but is subject to revision, amendment and completion in a final Official Statement as provided in the Rule. The Preliminary Official Statement is available at www.i-dealprospectus.com. The School District will furnish the successful bidder with a sufficient number of copies of the final Official Statement in order to allow the bidder to comply with the Rule, without charge, within seven working days of the acceptance of a bid for the Notes.

Continuing Disclosure: In order to assist bidders in complying with SEC Rule 15c2-12, the School District will undertake, pursuant to the resolution authorizing the issuance of the Notes and a Disclosure Dissemination Agent Agreement, to provide notice of certain material events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

Legal Opinion: The School District shall furnish upon delivery of the Notes the final approving opinion of Haynsworth Sinkler Boyd, P.A., Bond Counsel, Charleston, South Carolina, which opinion shall be attached to each Note, together with the usual closing documents, including a certificate that no litigation is pending affecting the Notes.

Certificates as to Issue Price and Yield: (a) The winning bidder shall assist the School District in establishing the issue price of the Notes and shall execute and deliver to the School District at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications, substantially in the form attached to this Official Notice of Sale, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the School District and Bond Counsel.

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

- (1) the School District shall disseminate this Official Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
- (2) all bidders shall have an equal opportunity to bid;

- (3) the School District may receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the School District anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Official Notice of Sale.

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

(c) In the event that the School District does not receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds, the School District shall so advise the winning bidder. The School District may determine to treat (i) the first price at which 10% of the Notes (the "10% test") is sold to the Public as the issue price of the Notes and/or (ii) the initial offering price to the Public as of the sale date of the Notes as the issue price (the "hold-the-offering-price rule"). The winning bidder shall advise the School District if the Notes satisfy the 10% test as of the date and time of the award of the Notes. The School District shall promptly advise the winning bidder, at or before the time of award of the Notes, whether the Notes shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the School District determines to apply the hold-the-offering-price rule to the Notes. Bidders should prepare their bids on the assumption that the Notes will be subject to the hold-the-offering-price rule in order to establish the issue price of the Notes.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to the Notes, the winning bidder agrees promptly to report to the School District the price at which the unsold Notes have been sold to the Public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Notes or until all Notes have been sold to the Public.

(d) By submitting a bid, the winning bidder shall (i) confirm that the Underwriters have offered or will offer the Notes to the Public on or before the date of the award at the offering price (the "initial offering price"), or at the corresponding yield, set forth in the bid submitted by the winning bidder, and (ii) agree, on behalf of the Underwriters participating in the purchase of the Notes, that the Underwriters will neither offer nor sell unsold Notes to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the Public during the period starting on the sale date and ending on the earlier of the following:

- (1) The close of the fifth (5th) business day after the sale date; or
- (2) The date on which the Underwriters have sold at least 10% of the Notes to the Public at a price that is no higher than the initial offering price to the Public.

The winning bidder shall promptly advise the School District when the Underwriters have sold 10% of the Notes to the Public at prices that are no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(e) The School District acknowledges that, in making the representation set for the above, the winning bidder will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Notes to the Public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Notes to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The School District further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or any broker-dealer that

is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Notes.

By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Notes allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Notes or all Notes have been sold to the Public, and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among Underwriters relating to the initial sale of the Notes to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Notes to the Public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the Public the unsold Notes allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% test has been satisfied as to the Notes or all Notes have been sold to the Public, and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

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

- (i) "Public" means any person other than an Underwriter or a related party,
- (ii) "Underwriter" means (A) any person that agrees pursuant to a written contract with the School District (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the Public),
- (iii) a purchaser of any of the Notes is a "related party" to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Notes are awarded by the School District to the winning bidder.

Delivery: The Notes will be delivered on or about May 9, 2024, through the facilities of DTC at the expense of the School District, or at such other place as may be agreed upon with the purchaser at the expense of the purchaser. The purchase price then due must be paid in Federal funds or other immediately available funds. The cost of preparing the Notes will be borne by the School District.

CUSIP Numbers: It is anticipated that CUSIP identification numbers will be printed on the Notes, but neither the failure to print such numbers on any Notes nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Notes in accordance with the terms of its proposal. All expenses in relation to the printing of CUSIP identification numbers on the Notes shall be paid for

by the School District; provided, however, that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the successful bidder.

Additional Information: Persons seeking additional information should communicate with Daniel T. Prentice, Chief Financial Officer, Charleston County School District, at daniel_prentice@charleston.k12.sc.us, telephone (843) 566-8198, Carol L. Clark, Esquire, Haynsworth Sinkler Boyd, P.A., Bond Counsel to the School District, at cclark@hsblawfirm.com, telephone (843) 724-1123, or Jay Glover or Jeremy Niedfeldt, PFM Financial Advisors LLC, the School District's Financial Advisor, at gloverj@pfm.com or niedfeldtj@pfm.com, telephone (407) 406-5760 or (407) 406-5759.

This Notice is given to evidence the School District's intent to receive bids for and award the Notes on the date stated above. Such sale may be postponed prior to the time bids are to be received through Thomson Municipal Market Monitor, Bloomberg, or other electronic information service. If canceled, the sale may be thereafter rescheduled within 60 days of the date of the publication of this Official Notice of Sale, and notice of such rescheduled date of sale will be posted at least 20 hours prior to the time for receipt of bids through Thomson Municipal Market Monitor, Bloomberg, i-dealprospectus.com or other electronic information service.

Superintendent of Schools
Charleston County School District, South Carolina

FORM OF CERTIFICATE AS TO ISSUE PRICE

The undersigned, on behalf of _____, hereby certifies as set forth below with respect to the sale of the \$_____ General Obligation Bond Anticipation Notes (Sales Tax Projects – Phase V), Series 2024B (the "Notes") of Charleston County School District, South Carolina (the "School District").

[ALTERNATIVE 1 - IF THREE QUALIFYING BIDS ARE RECEIVED:

Reasonably Expected Initial Offering Prices. As of the Sale Date, the reasonably expected initial offering prices of the Notes to the Public by _____ are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Notes used by _____ in formulating its bid to purchase the Notes. Attached as Schedule B is a true and correct copy of the bid provided by _____ to purchase the Notes.

_____ was not given the opportunity to review other bids prior to submitting its bid.

The bid submitted by _____ constituted a firm offer to purchase the Notes.]

[ALTERNATIVE 2 - IF THREE QUALIFYING BIDS ARE NOT RECEIVED AND 10% OF NOTES ARE SOLD:

Sale of the Notes. As of the date of this certificate, the first price at which at least 10% of the Notes was sold to the Public is the respective price listed in Schedule A.]

[ALTERNATIVE 3 – IF THREE QUALIFYING BIDS ARE NOT RECEIVED AND 10% OF NOTES ARE NOT SOLD:

Initial Offering Price of the Notes. _____ offered the Notes to the Public for purchase at the initial offering price of \$_____ (the "Initial Offering Price") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Notes is attached to this certificate as Schedule B.

As set forth in the Official Notice of Sale and bid award, _____ has agreed in writing that (i) it would neither offer nor sell any of the Notes to any person at a price that is higher than the Initial Offering Price during the Holding Period (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold the Notes at a price that is higher than the respective Initial Offering Price for the Notes during the Holding Period.]

Defined Terms.

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

"Sale Date" means the first day on which there is a binding contract in writing for the sale of the Notes. The Sale Date of the Notes is April 17, 2024.

"Underwriter" means (i) any person that agrees pursuant to a written contract with the School District (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the Public).

[Use with Alternative 3

"Holding Period" means the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (April 24, 2024), or (ii) the date on which _____ has sold at least 10% of the Notes to the Public at prices that are no higher than the Initial Offering Price.]

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents _____'s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the School District with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Bond Counsel in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G and other federal income tax advice that it may give to the School District from time to time relating to the Notes.

By: _____
Name: _____

Dated: _____, 2024