

ORDINANCE NO. 2002-103
(City of Columbia)

AUTHORIZING THE CITY OF COLUMBIA TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH REGARD TO THE CITY'S TOURISM DEVELOPMENT FEES; AND OTHER MATTERS RELATING THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLUMBIA, SOUTH CAROLINA, AS FOLLOWS:

SECTION 1. Findings and Determinations. The City Council hereby finds and determines:

(a) The City of Columbia, South Carolina (the "City"), is an incorporated municipality located in Richland County and Lexington County, South Carolina, and as such has all powers granted to municipalities by the Constitution and general laws of this State.

(b) Article VIII, Section 13 of the South Carolina Constitution and Section 4-9-41(A) of the Code of Laws of South Carolina 1976, as amended, provide that any county or incorporated municipality may agree with any other political subdivision for the joint administration of any function and exercise of powers and sharing of the costs thereof.

(c) The Midlands Regional Convention Center (the "Convention Center") is a joint undertaking and development by the City, Richland County, South Carolina ("Richland County") and Lexington County, South Carolina ("Lexington County", and together with the City and Richland County, the "Governmental Entities"). The Midlands Regional Convention Center Authority (the "Authority") will oversee the development of the Convention Center and will operate the Convention Center under a long-term management arrangement for the benefit of the Governmental Entities.

(d) Pursuant to action duly taken at its February 7, 2001 meeting, the City Council approved a Governmental Entities Funding Agreement (the "Funding Agreement") by and among the Governmental Entities, which includes the agreement of Governmental Entities to execute the Intergovernmental Agreement (hereinafter defined). Under the Funding Agreement each of the Governmental Entities has agreed to collect and remit its respective portion of the Tourism Development Fees as provided therein.

(e) Pursuant an Intergovernmental Agreement (the "Intergovernmental Agreement") by and among the City, Lexington County and Richland County to be approved by this Ordinance, Lexington County and Richland County, respectively, will agree to pay, or cause to be paid, to the City on the dates and for the term of the earlier of (i) twenty (20) years from the date of the Intergovernmental Agreement or (ii) December 31, 2022, the tourism development fees imposed and collected pursuant to Ordinance No. 96-21 (the "Lexington County Tourism Development Fees") and Ordinance No. 96-096HR (the "Richland County

Tourism Development Fees”). The Lexington County Tourism Development Fees and the Richland County Tourism Development Fees, as well as the tourism development fees imposed and collected by the City, collectively, the “Tourism Development Fees”) will be held in a separate and discrete fund of the City to be designated as the “Tourism Development Fees Fund” and applied to defray a portion of the costs of construction, furnishing and equipping of a new multipurpose convention center and related ancillary facilities (the “Project”) to be located in the City and for such other purposes as specified in the Funding Agreement, including payments under the Installment Sale Agreement (described in (f) below), with all such expenditures deemed to be used for a public purpose, including use in support and enhancement of tourism and tourist services within Lexington County, Richland County, and the City.

(f) The City will be financing the acquisition and construction of the Convention Center through the issuance of the Columbia Public Facilities Corporation, Certificates of Participation, Series 2002 (the “Series 2002 Certificates”) which represent proportionate undivided interests in Base Fee Payments (as defined in the Installment Sale Agreement) (the “Installment Sale Agreement”) by and between the City and Columbia Public Facilities Corporation, a South Carolina nonprofit corporation (the “Corporation”), pursuant to a Trust Agreement (the “Trust Agreement”) between the Corporation and Wachovia Bank, National Association, as trustee (the “Trustee”). Pursuant to the Installment Sale Agreement, an Assignment Agreement (the “Assignment Agreement”) among the City, the Corporation and the Trustee, and the Trust Agreement, the City and the Corporation will assign all their right, title and interest in and to the Tourism Development Fees to be deposited by the City to its Base Revenue Account to the Trustee for the benefit of the owners of the Series 2002 Certificates.

(g) Lexington County and Richland County shall have no liability or obligation directly or indirectly to the Series 2002 Certificates except to remit their respective Tourism Development Fees actually collected to the City in accordance with the Intergovernmental Agreement.

(h) The Intergovernmental Agreement and form of opinion of the City Attorney (the “City Attorney Opinion”) relating thereto are attached to this Ordinance.

(i) It is in the best interest of the City for the City Council to empower the Mayor and City Manager to execute and deliver, on behalf of the City, the Intergovernmental Agreement and any other documents and instruments necessary or required to effectuate the transactions contemplated thereby.

SECTION 2. Approval of Intergovernmental Agreement. The form, terms and provisions of the Intergovernmental Agreement attached hereto as Exhibit A be and hereby are approved. The Mayor and the City Manager are hereby authorized, empowered and directed to execute, acknowledge and deliver the Intergovernmental Agreement in the name of and on behalf of the City. The Intergovernmental Agreement is to be in substantially the form now

before the meeting of the City Council at which this Ordinance was enacted and hereby approved, or with such changes therein as shall be approved, upon the advice of counsel to the City, by the officials of the City executing the Intergovernmental Agreement, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Intergovernmental Agreement now before this meeting.

SECTION 3. Approval of City Attorney Opinion. The form, terms and provisions of the City Attorney Opinion attached hereto as Exhibit B be and hereby are approved. The City Attorney is hereby authorized, empowered and directed to execute and deliver the City Attorney Opinion.

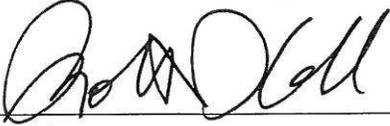
SECTION 4. Execution of Documents. The Mayor, City Manager, Clerk and City Attorney are fully empowered and authorized to take such further action and to execute and deliver such additional documents as may be reasonably requested to effect the execution and delivery of the Intergovernmental Agreement, and the transactions contemplated hereby and thereby, and the action of such officers in executing and delivering any of such documents, in such form as the officers executing such documents shall approve, is hereby fully authorized.

All rules, regulations, resolutions and parts thereof, procedural or otherwise, in conflict herewith or the proceedings, to the extent of such conflict, are hereby repealed and this Ordinance shall take effect and be in full force from and after its enactment.

This Ordinance shall be forthwith codified in the Code of City Ordinances in the manner required by law.

ENACTED this 13th day of November, 2002.

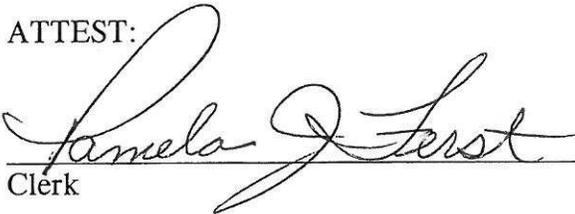
CITY OF COLUMBIA, SOUTH CAROLINA



Mayor

(SEAL)

ATTEST:



Clerk

First Reading: November 6, 2002

Second Reading: November 13, 2002

INTERGOVERNMENTAL AGREEMENT

This INTERGOVERNMENTAL AGREEMENT, dated as of November 13, 2002 (the "Agreement"), by and among Lexington County, South Carolina ("Lexington County"), and Richland County, South Carolina ("Richland County," and together with Lexington County, the "Counties"), each a body corporate and politic and a political subdivision of the State of South Carolina (the "State"), and the City of Columbia, a body politic and corporate and a municipal corporation organized under the laws of the State of South Carolina (the "City").

WITNESSETH:

WHEREAS, the County Council of Lexington County (the "Lexington County Council"), the governing body of Lexington County, has previously enacted Ordinance No. 96-21 on December 26, 1996 (the "Lexington County Ordinance"), which provides for the imposition of a uniform tourism development fee equal to 3% of gross proceeds derived from the rental of any accommodations within the County of Lexington (the "Lexington Tourism Development Fee"); and

WHEREAS, the County Council of Richland County (the "Richland County Council"), the governing body of Richland County, has previously enacted Ordinance No. 96-096HR effective on January 1, 1997 (the "Richland County Ordinance"), which provides for the imposition of a uniform tourism development fee equal to 3% of gross proceeds derived from the rental of any accommodations within the unincorporated area of Richland County (the "Richland Tourism Development Fee"); and

WHEREAS, the City Council of the City of Columbia (the "Columbia City Council"), the governing body of the City of Columbia, has previously enacted Ordinance No. 96-003 on March 20, 1996 (the "Columbia Ordinance," and together with the Lexington County Ordinance and the Richland County Ordinance, the "Ordinances"), which provides for the imposition of a uniform tourism development fee equal to 3% of gross proceeds derived from the rental of any accommodations within the boundaries of the City of Columbia (the "Columbia Tourism Development Fee," and together with the "Lexington Tourism Development Fee" and the "Richland Tourism Development Fee", the "Tourism Development Fees"); and

WHEREAS, the Lexington County Council, Richland County Council and the City Council of the City have determined and found that the acquisition, construction, and operation of the Project (as defined below) constitutes a proper expenditure of the Tourism Development Fees and have entered into that certain Governmental Entities Funding Agreement dated as of June 19, 2001 (the "Funding Agreement") whereby the Tourism Development Fees are committed to the Project; provided, however, that the Lexington Tourism Development Fees and Richland Tourism Development Fees are committed to the Project only for a period of twenty (20) years from the date of this Agreement; and

WHEREAS, Article VIII, Section 13 of the South Carolina Constitution and Section 4-9-41(A) of the Code of Laws of South Carolina 1976, as amended (the "Code"), provide that any

county, incorporated municipality, special purpose district, or other political subdivision may provide for the joint administration of any function and exercise of powers and the sharing of the costs thereof; and

WHEREAS, the Ordinances imposing the Tourism Development Fees permit such Tourism Development Fees to be applied to defray a portion of the costs of construction, furnishing and equipping of a new multipurpose convention/conference center and related ancillary facilities to be located in the City (the "Project") and for such other purposes as specified in the Funding Agreement, including debt service payments on the Certificates (as defined below), with all such expenditures deemed to be used for a public purpose, including use in support and enhancement of tourism and tourist services within Lexington County, Richland County and the City; and

WHEREAS, the Lexington County Council, Richland County Council and Columbia City Council, respectively, have determined that it is necessary and advantageous that the Tourism Development Fees shall be made available to pay all or a portion of the cost of acquiring the Project, including payments on the Certificates, during the entire term of the financing of the Project.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto hereby formally covenant, agree, and bind themselves as follows:

Section 1. Definitions. The following words, terms, or phrases, when used in this Agreement, have the following meanings respectively, unless the context clearly indicates a different meaning.

"Agreement" means this Intergovernmental Agreement and any amendments or supplements hereto.

"Assignment" means the Assignment Agreement of even date herewith, among the City, the Corporation, and the Trustee, as it may be amended and supplemented from time to time.

"Certificates" means the Columbia Public Facilities Corporation, Certificates of Participation, Series 2002, evidencing proportionate undivided interests in Base Fee Payments (as defined in the Installment Sale Agreement), issued under the Trust Agreement, and any Additional Certificates (as defined in the Trust Agreement) issued from time to time.

"City" means the City of Columbia, South Carolina.

"City Council" means the governing body of the City.

"Columbia Ordinance" means Ordinance No. 96-003 enacted on March 20, 1996, by the City Council of the City of Columbia.

“Corporation” means Columbia Public Facilities Corporation, a nonprofit corporation organized and existing under the laws of the State, and its successors and assigns.

“County Ordinances” means the Lexington County Ordinance and the Richland County Ordinance.

“County Termination Date” means the earlier of: (a) the twentieth (20th) anniversary of the date of this Agreement; or (b) December 31, 2022.

“Event of Default” means one or more events of default as defined in Section 4 of this Agreement.

“Fee Payments” means fee payments payable by the City pursuant to the Installment Sale Agreement.

“Fiscal Year” shall mean the period from July 1 in any year to and including June 30 in the following year.

“Force Majeure” means, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies, or officials or any civil or military authority; insurrection, riots; landslides; earthquakes; flood; fire; storms; droughts; explosion; breakage or accidents to machinery, transmission pipes, or canals; or any other cause or event not within the control of the party seeking the benefit of force majeure and not due to its own negligence.

“Funding Agreement” means that certain Governmental Entities Funding Agreement, dated as of June 19, 2001, among Lexington County, Richland County and the City.

“Installment Sale Agreement” means the Installment Sale Agreement, dated of even date herewith, between the Corporation and the City, as it may be amended and supplemented from time to time.

“Lexington County” means Lexington County, South Carolina.

“Lexington County Council” means the governing body of Lexington County.

“Lexington County Ordinance” means Ordinance No. 96-21 enacted on December 26, 1996, by Lexington County.

“Project” means the multipurpose convention/conference center and related ancillary facilities located in the City.

“Project Documents” shall have the meaning set forth in the Funding Agreement.

“Richland County” means Richland County, South Carolina.

“Richland County Council” means the governing body of Richland County, South Carolina.

“Richland County Ordinance” means Ordinance No. 960096HR enacted on January 1, 1997, by Richland County.

“Term” means the term of this Agreement.

“Tourism Development Fees” means the Lexington Tourism Development Fees, Richland Tourism Development Fees and Columbia Tourism Development Fees, imposed and collected by the Counties and the City pursuant to the County Ordinances and the Columbia Ordinance, as the case may be.

“Trust Agreement” means the Trust Agreement, dated of even date herewith, between the Corporation and the Trustee, pursuant to which the Certificates are being issued, as it may be amended or supplemented.

“Trustee” means Wachovia Bank, National Association, in Columbia, South Carolina, acting in the capacity of trustee for the Registered Owners pursuant to the Trust Agreement, and any successor thereto appointed under the Trust Agreement.

Section 2. Representations, Warranties, and Covenants.

(a) Lexington County represents and warrants that:

(i) it has full legal right, power, and authority to impose and collect the Lexington Tourism Development Fee pursuant to the terms of the Lexington County Ordinance and apply such Lexington Tourism Development Fee for the purpose of financing a portion of the cost of the Project, including payments under the Installment Sale Agreement and on the Certificates; and has full legal right, power, and authority to enter into this Agreement and carry out and consummate all other transactions contemplated by this Agreement.

(ii) it has duly authorized the execution, delivery, and performance of its obligations under this Agreement and the taking of any and all actions as may be required on the part of Lexington County to carry out, give effect to, and consummate the transactions contemplated by this Agreement.

(iii) this Agreement constitutes a legal, valid, and binding obligation of Lexington County, enforceable against it in accordance with the terms hereof, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity regardless of whether enforcement is sought in a proceeding in equity or at law;

(iv) there is no action, suit, proceeding, inquiry, or investigation at law or in equity before or by any court, public board, or body, pending or, to the best of the knowledge of

Lexington County, threatened against Lexington County, nor to the best of the knowledge of Lexington County is there any basis therefor, which in any manner questions the validity of the Lexington County Ordinance, the powers of Lexington County referred to in paragraph (a)(i) above, or the validity of any proceedings taken by Lexington County Council in connection with this Agreement or wherein any unfavorable decision, ruling, or finding could materially adversely affect the transactions contemplated by this Agreement or which, in any way, would adversely affect the validity or enforceability of the Lexington County Ordinance or this Agreement (or of any other instrument required or contemplated for use in consummating the transactions contemplated thereby and hereby).

(b) Richland County represents and warrants that:

(i) it has full legal right, power, and authority to impose and collect the Richland Tourism Development Fee pursuant to the terms of the Richland County Ordinance and apply a portion of such Richland Tourism Development Fee for the purpose of financing a portion of the cost of the Project, including payments under the Installment Sale Agreement and on the Certificates; and has full legal right, power, and authority to enter into this Agreement and carry out and consummate all other transactions contemplated by this Agreement.

(ii) it has duly authorized the execution, delivery, and performance of its obligations under this Agreement and the taking of any and all actions as may be required on the part of Richland County to carry out, give effect to, and consummate the transactions contemplated by this Agreement.

(iii) this Agreement constitutes a legal, valid, and binding obligation of Richland County, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity regardless of whether enforcement is sought in a proceeding in equity or at law.

(iv) there is no action, suit, proceeding, inquiry, or investigation at law or in equity before or by any court, public board, or body, pending or, to the best of the knowledge of Richland County, threatened against Richland County, nor to the best of the knowledge of Richland County is there any basis therefor, which in any manner questions the validity of the Richland County Ordinance, the powers of Richland County referred to in paragraph (b) (i) above, or the validity of any proceedings taken by Richland County Council in connection with this Agreement or wherein any unfavorable decision, ruling, or finding could materially adversely affect the transactions contemplated by this Agreement or which, in any way, would adversely affect the validity or enforceability of the Richland County Ordinance or this Agreement (or of any other instrument required or contemplated for use in consummating the transactions contemplated thereby and hereby).

(c) The City represents and warrants that:

(i) it has full legal right, power, and authority to impose and collect the Columbia Tourism Development Fees and apply the Tourism Development Fee received from

the Counties and itself pursuant to the terms of this Agreement for the purpose of financing a portion of the cost of the Project, including payments under the Installment Sale Agreement and on the Certificates; and has full legal right, power, and authority to enter into this Agreement and carry out and consummate all other transactions contemplated by this Agreement.

(ii) the Project will be used during the entire term of the Trust Agreement for a public purpose, which purpose includes use in support and enhancement of the tourism industry and economic development within Lexington County, Richland County and the City.

(iii) it has duly authorized the execution, delivery, and performance of its obligations under this Agreement and the taking of any and all actions as may be required on the part of the City to carry out, give effect to, and consummate the transactions contemplated by this Agreement.

(iv) this Agreement constitutes a legal obligation of the City, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity regardless of whether enforcement is sought in a proceeding in equity or at law.

(v) there is no action, suit, proceeding, inquiry, or investigation at law or in equity before or by any court, public board, or body, pending or, to the best of the knowledge of the City, threatened against the City, nor to the best of the knowledge of the City is there any basis therefor, which in any manner questions the powers of the City referred to in paragraph (c)(i) above, or the validity of any proceedings taken by the City Council in connection with this Agreement or wherein any unfavorable decision, ruling, or finding could materially adversely affect the transactions contemplated by this Agreement or which, in any way, would adversely affect the validity or enforceability of this Agreement (or of any other instrument required or contemplated for use in consummating the transactions contemplated thereby and hereby).

Section 3. Tourism Development Fees.

(a) Upon the terms and conditions of this Agreement, the Assignment, and the Trust Agreement, each of the Counties agrees to pay, or cause to be paid, to the City on or before the 10th day of each month during the entire Term hereof (commencing January 10, 2003) all of its respective Tourism Development Fees (less all operational and administrative costs associated with the billing and collection thereof) imposed and collected pursuant to its respective County Ordinance; provided, however, that the obligations of the Counties under this Agreement shall cease as of the County Termination Date. The City agrees to deposit the portion of Tourism Development Fees received from the Counties, together with all Columbia Tourism Development Fees (less all operational and administrative costs associated with the billing and collection thereof) imposed and collected by the City pursuant to the Columbia Ordinance, to a separate and discrete fund of the City (the "Tourism Development Fee Fund"). There shall be established in the Tourism Development Fee Fund the following two accounts:

- (i) Base Revenue Account; and
- (ii) Authority General Account.

On and after July 1 of each Fiscal Year, the City shall deposit into the Base Revenue Account all Tourism Development Fees until the amounts on deposit therein will equal all Base Fee Payments and, if necessary, Additional Fee Payments (each as described in the Installment Sale Agreement) coming due through June 30 of the then current Fiscal Year. The Base Revenue Account shall be maintained, and disbursements made therefrom, in accordance with the Installment Sale Agreement and Trust Agreement. Upon making all such deposits into the Base Revenue Account, and so long as no Event of Default has occurred, until June 30 of the then current Fiscal Year, the remaining Tourism Development Fees shall be deposited by the City into the Authority General Account. The Authority General Account shall be maintained, and disbursements made therefrom, solely as specified in the Project Documents in a manner consistent with the Funding Agreement and as otherwise may be required by the Installment Sale Agreement and Trust Agreement.

All Tourism Development Fees from time to time received by the City in accordance with the terms of this Agreement shall be used solely to defray the costs of constructing, furnishing and equipping the Project and for such other purposes as specified in the Trust Agreement and Installment Sale Agreement and the Project Documents in a manner consistent with the Funding Agreement, including Base Fee Payments on the Certificates and Additional Fee Payments, if necessary, with all such expenditures deemed to be used for a public purpose, including use in support and enhancement of tourism and tourist services, and all Tourism Development Fees shall be held and applied in accordance with the provisions of the Trust Agreement and the Project Documents.

(b) Until the County Termination Date, the obligations of the Counties to make payments of the respective Tourism Development Fees under this Section 3 shall be absolute and unconditional and are not subject to, nor shall they be paid from, annual appropriation by the respective County Councils, and the Counties shall make the payments without abatement, diminution, or deduction regardless of any cause or circumstances whatsoever, including, without limitation, any defense, setoff, recoupment, or counterclaim which either of the Counties may have or assert against the City, the Trustee, or any other person; provided, however, each of the Counties' obligations is subject to the ability to collect its respective portion of the Tourism Development Fees and is limited to the collection of its respective portion of the Tourism Development Fees (less all operational and administrative costs associated with the billing and collection thereof).

(c) The obligation of the City to make payments of its Tourism Development Fees shall be absolute and unconditional and not subject to nor shall such Tourism Development Fees be paid from, annual appropriations by the City Council, and the City shall make the payments, without abatements, diminution, or deduction regardless of any cause or circumstance whatsoever, including, without limitation, any defense, setoff, recoupment, or counterclaim which the City may have or assert against the Counties, the Trustee or any other person; provided, however, the City's obligations are subject to the ability to collect Tourism Development Fees and are limited to the collection of Tourism Development Fees (less all operational and administrative costs associated with the billing and collection thereof).

(d) The City hereby expressly agrees that, upon payment by the respective Counties of their portion of the Tourism Development Fees to the City and the deposit thereof into the Tourism Development Fee Fund and upon deposit of the Columbia Tourism Developments Fees into the Tourism Development Fee Fund, the City will have no rights or interest in or to such City's portion of the Tourism Development Fees pledged by the City to secure its obligations under the Installment Sale Agreement, and thereafter such Tourism Development Fees shall be utilized as specified in the Project Documents in a manner consistent with the Funding Agreement.

(e) Each of the Counties hereby expressly agrees that, upon payment by the respective Counties of their portion of the Tourism Development Fees to the City and the deposit thereof into the Tourism Development Fee Fund, such Counties will have no rights or interest in or to such Counties' portion of the Tourism Development Fees pledged by the City to secure the City's obligations under the Installment Sale Agreement, and thereafter such Tourism Development Fees shall be utilized as specified in the Project Documents in a manner consistent with the Funding Agreement.

(f) Any interest in the portions of the Tourism Development Fees collected by the City and each of the Counties shall be subject in all respects to the provisions of the Installment Sale Agreement and this Agreement.

(g) The obligation of the Counties to remit their respective Tourism Development Fees pursuant to this Agreement is separate and independent of the City's obligations to remit its Tourism Development Fees and the Counties' obligations shall terminate on the County Termination Date.

(h) The City and the Counties shall use their good faith commercially reasonable efforts to collect all Tourism Development Fees coming due under the Ordinances so long as obligations exist to make payments pursuant to this Section.

(i) The Counties shall not amend, modify, alter, replace or terminate the County Ordinances, and the City shall not amend, modify, alter, replace or terminate the City Ordinance, in each case so long as obligations exist to make payments pursuant to this Agreement.

Section 4. Events of Default.

(a) Each of the following shall be an Event of Default:

(i) Either of the Counties or the City shall fail to observe and perform any agreement, term, or condition contained in this Agreement, and the continuation of the failure for a period of thirty (30) days after written notice thereof shall have been given to such party by any other party hereto; provided, that if the failure is other than the payment of money and is of such nature that it can be corrected, but not within the applicable cure period, that failure shall not constitute an Event of Default so long as such party institutes curative action within the applicable period and diligently pursues that action to completion.

(ii) Either of the Counties or the City shall (a) admit in writing its inability to pay its debts generally as they become due; (b) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect; (c) commence a proceeding under any other federal or state bankruptcy, insolvency, reorganization, or similar law, or have such a proceeding commenced against it and, in the case of an involuntary proceeding, either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for ninety (90) days; (d) make an assignment for the benefit of creditors; or (e) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

(iii) There shall occur an "Event of Default" pursuant to the terms of the Trust Agreement or the Installment Sale Agreement that is not cured within any applicable grace period.

(iv) Any other event shall occur which results in the termination of the Installment Sale Agreement.

(b) Notwithstanding the foregoing, if, by reason of Force Majeure, the defaulting party is unable to perform or observe any agreement, term, or condition hereof which would give rise to an Event of Default under paragraph (a) hereof, provided the inability to perform is other than the payment of money, that party shall not be deemed in default during the continuance of that inability. That party, however, shall promptly give notice to the other parties hereto of the existence of an event of Force Majeure and shall use its best efforts to remove the effects thereof; provided, that the settlement of strikes or other industrial disturbances shall be entirely within that party's discretion.

Section 5. Remedies on Default. Whenever an Event of Default shall have happened and be continuing, any one or more of the following remedial steps may be taken:

(a) Any of the parties hereto may have access to, inspect, examine, and make copies of the books, records, accounts, and financial data of the defaulting party pertaining to the Project.

(b) Any non-defaulting party hereto may seek an injunction or order of specific performance to collect all amounts and to enforce all obligations then due and thereafter to become due from the defaulting party under this Agreement; provided, however, that no remedy against the City may affect the financial obligations, revenues, expenses, liabilities, or prospects of the Project; and provided further that any remedies against the City or each of the Counties shall be limited to recovery of its respective portion of Tourism Development Fees which are the subject of this Agreement.

(c) Any party may avail itself of any other remedies available at law or in equity.

Section 6. Miscellaneous.

(a) All notices, certificates, requests, or other communications hereunder shall be in writing and shall be delivered personally, or sent by certified or registered mail, postage prepaid, return receipt requested or overnight delivery service, telex or telecopy to the party to whom they are directed at the following addresses, or at such other addresses as may be designated by notice from such party to all other parties:

If to Lexington County:

Lexington County
212 South Lake Drive
Lexington, South Carolina 29072
Attn: County Administrator

If to Richland County:

Richland County
2020 Hampton Street
Columbia, South Carolina 29204
Attn: County Administrator

If to the City:

City of Columbia
1737 Main Street
Post Office Box 147
Columbia, South Carolina 29217
Attn: City Manager

A duplicate copy of each notice, certificate, request, or other communication given hereunder to the Counties, the City or the Trustee, shall also be given to the others. The Counties, the City and the Trustee, by notice given hereunder, may designate any further or different address as to which subsequent notices, certificates, requests, or other communication shall be sent.

(b) No covenant, obligation, or agreement contained herein shall be deemed to be a covenant, obligation, or agreement of any present or future member, officer, agent or employee, of the Counties or the City, in any other than his official capacity, and neither the members of the respective County Council or the City Council, nor any official executing this Agreement shall be personally liable thereon or be subject to any personal liability or accountability by reason of the covenants, obligations, or agreements of the respective County or the City contained in this Agreement.

(c) This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon each of the Counties, the City, and their respective successors and assigns. The parties expressly acknowledge that the City has simultaneously herewith collaterally assigned its rights to receive the Tourism Development Fees pursuant to this Agreement to the

Corporation and the Trustee pursuant to the terms of the Installment Sale Agreement and the Assignment.

(d) This Agreement may not be effectively amended, changed, modified, altered or terminated, except in accordance with the express provisions of this Agreement or with the written consent of all parties hereto and with the written consent of the Trustee.

(e) This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

(f) If any other provision of this Agreement, or any covenant, obligation, or agreement contained herein, is determined by a court of competent jurisdiction to be invalid or unenforceable, that determination shall not affect any other provision, covenant, obligation or agreement, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained herein. That invalidity or unenforceability shall not affect any valid and enforceable application thereof, and each such provision, covenant, obligation, or agreement shall be deemed to be effective, operative, made, entered into, or taken in the manner and to the full extent permitted by law.

(g) This Agreement shall be deemed to be a contract made under the laws of the State of South Carolina and for all purposes shall be governed by and construed in accordance with the laws of the State of South Carolina.

IN WITNESS WHEREOF, the Counties and the City have caused this Agreement to be duly executed in their respective names, all as of the date first above written.

LEXINGTON COUNTY, SOUTH CAROLINA

By: _____

Its: Chairman, County Council

RICHLAND COUNTY, SOUTH CAROLINA

By: _____

Its: Chairman, County Council

CITY OF COLUMBIA, SOUTH CAROLINA

By: _____

Its: Mayor

[Opinion of Counsel to City of Columbia]

[Date]

Lexington County
Lexington, South Carolina

Banc of America Securities LLC
Charlotte, North Carolina

Richland County
Columbia, South Carolina

[Name of Trustee]

Midlands Regional Convention Center Authority
Columbia, South Carolina

[Name of Bond Insurer]

RE: Intergovernmental Agreement effective [_____, 2002]; and
Governmental Entities Funding Agreement effective date June 19, 2001

Dear Ladies and Gentlemen:

I am City Attorney for the City of Columbia, South Carolina (the "City") and have acted as such in connection with the approval, execution and delivery by the City of the following agreements:

1. Intergovernmental Agreement [effective _____, 2002] (the "Intergovernmental Agreement"), by and among the City, Lexington County, South Carolina ("Lexington County"), and Richland County, South Carolina ("Richland County"); and

2. The Governmental Entities Funding Agreement effective date June 19, 2001 (the "Governmental Entities Funding Agreement" and together with the Intergovernmental Agreement, the "Agreements") by and among the City, Lexington County and Richland County.

Based upon my examination of the proceedings of Columbia City Council ("City Council"), the governing body of the City, relating to the approval, execution and delivery of the Intergovernmental Agreement by the City pursuant to Ordinance No. 2002-103 enacted on November 13, 2002 ("Ordinance No. 2002-103"); Ordinance No. 96-003 enacted by City Council effective July 1, 1996 ("Ordinance No. 96-003"), establishing a Tourism Development Fee; the rules of procedure of the City Council; the books and records of the City Council; the laws of the State of South Carolina; such other public records and matters as I have deemed appropriate; and my review of the Agreements, Ordinance No. 2002-103 and Ordinance No. 96-003, I am of the opinion that:

1. Ordinance No. 2002-103 and Ordinance No. 96-003, respectively, have been duly enacted by City Council and have not been repealed, revoked, rescinded or amended, and no further action of City Council is required for its continued validity.

2. The Agreements have been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery of the Agreements by the other parties thereto, each constitutes a legal, valid and binding obligation of the City, enforceable in accordance with its terms, except that the enforceability thereof may be subject to the exercise of judicial discretion in accordance with general principles of equity and to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights.

3. To the best of my knowledge, the City has not granted or consented to any lien, mortgage, pledge or other encumbrance upon any portion of the City of Columbia Tourism Development Fees (as described in Ordinance No. 96-003) other than as agreed to in the Intergovernmental Agreement.

4. The enactment of Ordinance No. 2002-103 and Ordinance No. 96-003, respectively, and the execution and delivery by the City of the Agreements and the compliance by the City with the terms thereof do not and will not conflict with, or result in any violation or breach of any of the provisions of, or constitute a default under, any activating ordinance, resolution, proceeding or bylaw of the City or any agreements, indenture, note, mortgage, deed of trust, resolution or other agreements or other instrument to which the City is a party or by which it is bound, or any license, judgment, decree or order applicable to the City.

5. To the best of my knowledge, after reasonable inquiry, all consents, approvals or authorizations, if any, of any governmental authority required on the part of the City in connection with the execution and delivery of the Agreements and the consummation of the transactions contemplated thereby have been obtained, and the City has complied with all applicable provisions of law requiring any designation, declaration, filing, registration and/or qualification with any governmental authority in connection with the Agreements.

6. There are no proceedings pending or threatened against the City in any court or before any governmental authority or arbitration board or tribunal, (a) challenging the enactment or implementation of Ordinance No. 2002-103 or Ordinance No. 96-003; or (b) that could materially and adversely affect the transactions contemplated by the Agreements or that, in any way, would adversely affect the Agreements, the ability of the City to perform the Agreements or to contest the legal existence or powers of the City or the title to any of their offices of any officer of the City or members of the City Council.

Very truly yours,

James S. Meggs
City Attorney

