CITY OF GREER, SOUTH CAROLINA

ORDINANCE NUMBER 23-2014

PROVIDING FOR CERTAIN AMENDMENTS TO ORDINANCES PREVIOUSLY ENACTED BY THE CITY OF GREER, SOUTH CAROLINA IN CONNECTION WITH CERTAIN BORROWINGS BY THE CITY FROM THE SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY PURSUANT TO TITLE 48, CHAPTER 5, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED; AUTHORIZING CERTAIN AMENDMENTS TO LOAN AGREEMENTS BETWEEN THE CITY AND THE SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY IN ORDER TO PROVIDE FOR AMENDMENTS TO THE RESERVE FUND REQUIREMENTS FOR THE DEBT SERVICE RESERVE FUNDS THEREIN; AUTHORIZING THE CANCELLATION OF CERTAIN SURETY BONDS PROVIDED BY AMBAC ASSURANCE CORPORATION IN CONNECTION WITH THE DEBT SERVICE RESERVE FUNDS ESTABLISHED FOR CERTAIN BORROWINGS BY THE CITY FROM THE SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY; AND OTHER MATTERS RELATING THERETO.

Enacted: October 14, 2014
BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GREER, SOUTH CAROLINA:

SECTION 1. Definitions. The terms in this Section 1 and all words and terms defined in the General Bond Ordinance No. 27-97 enacted by the Council on July 22, 1997 (except as herein otherwise expressly provided or unless the context otherwise requires), shall for all purposes of this Ordinance have the respective meanings given to them in the General Bond Ordinance and in Section 1 hereof.

"2004 Debt Service Reserve Fund" shall mean the fund established pursuant to Section 6.5 of the General Bond Ordinance and Section 4.2 of the 2004 Loan Agreement to insure the timely payment of the principal of and interest on the 2004 SRF Note.

"2004 Loan Agreement" shall mean the Loan Agreement between the City and the State Authority dated June 24, 2004, as amended, in connection with the 2004 SRF Note.

"2004 Reserve Fund Requirement" shall have the meaning as set forth in Section 4.2.1 of the 2004 Loan Agreement.

"2004 SRF Note" shall mean the $9,258,873 final principal amount Promissory Note of the City, Series 2004, dated June 24, 2004, and outstanding as of the effective date of this Ordinance in the principal amount of $7,119,513, and payable to the State Authority for South Carolina Drinking Water Revolving Fund Loan No.: 3-018-04-2310005-02.

"2004 Surety Bond" shall mean AMBAC Surety Bond Policy No. SB2018BE which was provided by AMBAC and deposited with the Trustee to satisfy the 2004 Reserve Fund Requirement in connection with the 2004 Debt Service Reserve Fund.

"2005 Debt Service Reserve Fund" shall mean the fund established pursuant to Section 6.5 of the General Bond Ordinance and Section 4.2 of the 2005 Loan Agreement to insure the timely payment of the principal of and interest on the 2005 SRF Note.

"2005 Loan Agreement" shall mean the Loan Agreement between the City and the State Authority dated June 30, 2005, as amended, in connection with the 2005 SRF Note.

"2005 Reserve Fund Requirement" shall have the meaning as set forth in Section 4.2.1 of the 2005 Loan Agreement.

"2005 SRF Note" shall mean the $7,412,143 final principal amount Promissory Note of the City, Series 2005, dated June 30, 2005, and outstanding as of the effective date of this Ordinance in the principal amount of $5,961,291, and payable to the State Authority for South Carolina Drinking Water Revolving Fund Loan No. 3-022-05-2310005-03.

"2005 Surety Bond" shall mean AMBAC Surety Bond Policy No. SB2096BE which was provided by AMBAC and deposited with the Trustee to satisfy the 2005 Reserve Fund Requirement in connection with the 2005 Debt Service Reserve Fund.
“2007A Debt Service Reserve Fund” shall mean the fund established pursuant to Section 6.5 of the General Bond Ordinance and Section 4.2 of the 2007A Loan Agreement to insure the timely payment of the principal of and interest on the 2007A SRF Note.

“2007A Loan Agreement” shall mean the Loan Agreement between the City and the State Authority dated November 16, 2007, as amended, in connection with the 2007A SRF Note.

“2007A Reserve Fund Requirement” shall have the meaning as set forth in Section 4.2.1 of the 2007A Loan Agreement.

"2007A SRF Note" shall mean the $13,484,454 final principal amount Promissory Note of the City, Series 2007A, dated November 16, 2007, and outstanding as of the effective date of this Ordinance in the principal amount of $10,794,652, and payable to the State Authority for South Carolina Water Pollution Control Revolving Fund Loan No. X1-110-07-463-11.

“2007A Surety Bond” shall mean AMBAC Surety Bond Policy No. SB2640BE (which was provided by AMBAC and deposited with the Trustee to satisfy the 2007A Reserve Fund Requirement in connection with the 2007A Debt Service Reserve Fund.

“2009 Debt Service Reserve Fund” shall mean the fund established pursuant to Section 6.5 of the General Bond Ordinance and Section 4.2 of the 2009 Loan Agreement to insure the timely payment of the principal of and interest on the 2009 SRF Note.

“2009 Loan Agreement” shall mean the Loan Agreement between the City and the State Authority dated September 24, 2009, as amended, in connection with the 2009 SRF Note.

“2009 Reserve Fund Requirement” shall have the meaning as set forth in Section 4.2.1 of the 2009 Loan Agreement.

“2009 SRF Note” shall mean the $5,130,485 final principal amount Promissory Note of the City, Series 2009, dated September 25, 2009, and outstanding as of the effective date of this Ordinance in the principal amount of $4,677,298, and payable to the State Authority for South Carolina Drinking Water Revolving Fund Loan No. S3-043-09-2310005-04.

“AMBAC” shall mean Ambac Assurance Corporation.

“Commission” shall mean the Board of Commissioners of Public Works of the City.

“Debt Service Reserve Funds” shall mean, collectively, the 2004 Debt Service Reserve Fund, the 2005 Debt Service Reserve Fund, the 2007A Debt Service Reserve Fund and the 2009 Debt Service Reserve Fund.

“Fifth Supplemental Ordinance” shall mean Fifth Supplemental Ordinance No. 20-2005 enacted by the City on May 24, 2005, authorizing the issuance of the 2005 SRF Note.

“Fourth Supplemental Ordinance” shall mean Fourth Supplemental Ordinance No. 7-2004 enacted by the City on May 25, 2004, authorizing the issuance of the 2004 SRF Note.
"General Bond Ordinance" shall mean General Bond Ordinance No. 27-97 duly enacted on July 22, 1997, by the Council of the City, as amended, authorizing and providing for the issuance of Combined Utility System Revenue Bonds.

"Loan Agreements" shall mean, collectively, the 2004 Loan Agreement, the 2005 Loan Agreement, the 2007A Loan Agreement, and the 2009 Loan Agreement.

"Ninth Supplemental Ordinance" shall mean Ninth Supplemental Ordinance No. 20-2009 enacted by the City on September 8, 2009, authorizing the issuance of the 2009 SRF Note.

"Ordinance No. 9-2005" shall mean Ordinance No. 9-2005 enacted by the City on March 22, 2005, which provided for, among other things, the credit of the 2004 Surety Bond to the 2004 Debt Service Reserve Fund.

"Reserve Fund Requirements" shall mean, collectively, the 2004 Reserve Fund Requirement, the 2005 Reserve Fund Requirement, the 2007A Reserve Fund Requirement, and the 2009 Reserve Fund Requirement.

"Revolving Fund" shall mean the State Drinking Water Revolving Loan Fund and the State Water Pollution Control Revolving Fund, as applicable, each created by the Revolving Fund Act.

"Revolving Fund Act" shall mean the South Carolina Water Quality Revolving Fund Authority Act, Title 48, Chapter 5, South Carolina Code of Laws 1976, as amended.

"Seventh Supplemental Ordinance" shall mean Seventh Supplemental Ordinance No. 45-2007 enacted by the City on October 23, 2007, authorizing the issuance of the 2007A SRF Note.

"SRF Notes" shall mean, collectively, the 2004 SRF Note, the 2005 SRF Note, the 2007A SRF Note and the 2009 SRF Note.

"State Authority" shall mean the South Carolina Water Quality Revolving Fund Authority.

"System" shall mean the combined waterworks system, sewer system, natural gas system and electric light system operated, controlled and managed by the Commission, as further defined in the General Bond Ordinance.

"Supplemental Ordinances" shall mean, collectively, the Fourth Supplemental Ordinance, the Fifth Supplemental Ordinance, the Seventh Supplemental Ordinance, and the Ninth Supplemental Ordinance.

"Surety Bonds" shall mean, collectively, the 2004 Surety Bond, the 2005 Surety Bond and the 2007A Surety Bond.
SECTION 2. Findings and Determinations. The Council hereby finds and determines:

(a) The City is an incorporated municipality located in portions of Greenville County and Spartanburg County, State of South Carolina, and as such has all powers granted to municipalities by the Constitution and the general law of this State.

(b) The System is operated by and under the control of the Commission.

(c) Either the City or the Commission, or both, has the power to possess and operate utility systems and is empowered by the provisions of the Revolving Fund Act (i) to undertake wastewater and drinking water projects in connection with the System; (ii) to make application for and to receive assistance; (iii) to comply with regulations relating to the receipt and disposition of money of the Revolving Fund; (iv) to apply for and receive state grants; (v) to enter into loan agreements; and (vi) to comply with all terms and conditions of any loan agreement.

(d) In accordance with the Revolving Fund Act and the provisions of Title 6, Chapter 17, Code of Laws of South Carolina 1976, as amended, the City, at the request of the Commission, has (i) enacted the General Bond Ordinance and the Supplemental Ordinances, and (ii) entered into the respective Loan Agreement with the State Authority, in order to incur the respective SRF Loans in connection with the System.

(e) The Supplemental Ordinances and the Loan Agreements each provide for the establishment of the respective Debt Service Reserve Funds and the determination of the respective Reserve Fund Requirements in connection with each of the SRF Loans.

(f) The State Authority has adopted a Fiscal Year 2014 Amendment to all Prior Loan Policies for Debt Service Reserve Fund Requirements (the “Amended Loan Policies”), which provides, among other things, for a reduction in certain circumstances of the reserve requirements necessary to be maintained by borrowers in connection with loans made pursuant to the Revolving Fund Act (the “Reserve Requirement Amendment”).

(g) The City and the Commission desire to amend the Supplemental Ordinances and the Loan Agreements in order to implement the Reserve Requirement Amendment.

(h) In connection with the implementation of the Reserve Requirement Amendment, the City and the Commission desire to cancel the Surety Bonds provided by AMBAC (the “Surety Bond Cancellation”). The State Authority and AMBAC have informed the City and the Commission that they will consent to the Surety Bond Cancellation.

SECTION 3. Amendments to the Loan Agreements. In order to accomplish the Reserve Requirement Amendment and the Surety Bond Cancellation, the City hereby authorizes the execution and delivery by the City of an amendment to each of the Loan Agreements, in substantially the form attached hereto as Exhibit A, with such changes as the executing officer shall approve (the execution thereof to be conclusive evidence of such approval). Such amendments shall be executed on behalf of the City by the Mayor or Mayor Pro-Tempore of the City, and attested by the Municipal Clerk of the City.
SECTION 4. Amendments to the Supplemental Ordinances. In order to accomplish the Reserve Requirement Amendment and the Surety Bond Cancellation, the Supplemental Ordinances are hereby amended as follows:

(a) Amendment to Fourth Supplemental Ordinance:

Amendments to the Fourth Supplemental Ordinance are set forth in the attached Exhibit B.

(b) Amendment to Fifth Supplemental Ordinance:

Amendments to the Fifth Supplemental Ordinance are set forth in the attached Exhibit C.

(c) Amendment to Seventh Supplemental Ordinance:

Amendments to the Seventh Supplemental Ordinance are set forth in the attached Exhibit D.

(d) Amendment to Ninth Supplemental Ordinance.

Amendments to the Ninth Supplemental Ordinance are set forth in the attached Exhibit E.

SECTION 5. Repeal of Ordinance No. 9-2005. In order to accomplish the Surety Bond Cancellation with respect to the 2004 Surety Bond, Ordinance No. 9-2005 is hereby repealed.

SECTION 6. Consent to Endorsement to Surety Bonds. In order to accomplish the Surety Bond Cancellation, the Mayor, or in his absence, the Mayor Pro Tempore, is authorized to execute and deliver respective Consents to Endorsements to the Surety Bonds, in substantially the form attached hereto as Exhibit F.

SECTION 7. Further Authorization. The Mayor, or in his absence the Mayor Pro Tempore, City Administrator, Municipal Clerk and City Attorney are hereby authorized and directed to take any and all such further actions as shall be deemed necessary or desirable in order to implement the Amended Loan Policies as they relate to the SRF Loans and to accomplish the Surety Bond Cancellation, and are hereby authorized to provide such notices, to execute and deliver such certificates, instruments and agreements, and to obtain all approvals or consents, as may be necessary or desirable in order to carry out the intentions of this Ordinance. Further, the Mayor, or in his absence the Mayor Pro Tempore, and the Municipal Clerk are hereby authorized and directed to execute any agreements, including, but not limited to, any supplements or amendments to any Note Payment Fund and Debt Service Reserve Fund Agreements, Loan Agreements, or Guaranty Agreements, relating to the SRF Loans and the Surety Bonds, among the City, the State Authority, the Commission, the Trustee and the Treasurer of the State of South Carolina (or any combination thereof) in order to effectuate the intentions of this Ordinance.
SECTION 8. Effective Date. This Ordinance shall become effective upon its enactment.

[Signature Page Follows]
Enacted by the City Council of the City of Greer, South Carolina, this 14th day of October, 2014.

CITY COUNCIL OF THE CITY OF GREER, SOUTH CAROLINA

Richard W. Danner, Mayor
City of Greer, South Carolina

(SEAL)

ATTEST:

Tammela V. Duncan, Municipal Clerk
City of Greer, South Carolina

Introduced By: Councilman Wayne Griffin

Date of First Reading: September 23, 2014
Date of Second Reading: October 14, 2014
EXHIBIT A

Form of Amendment to Loan Agreements

[See attached]
EXHIBIT A

AMENDMENT TO LOAN AGREEMENT

between

SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY

and

CITY OF GREER, SOUTH CAROLINA

Dated as of

___________________________, 2014

Relating to
South Carolina [Drinking Water Revolving Loan][Water Pollution Control Revolving] Fund
Loan Number: __________

No. _____ of Two Executed Original Counterparts
_______ AMENDMENT TO LOAN AGREEMENT

This _________ AMENDMENT TO LOAN AGREEMENT is entered into as of the ______ day of _____________, 2014, between the SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY (the "Authority") and CITY OF GREER, SOUTH CAROLINA (the "Project Sponsor"), in amendment of the Loan Agreement dated as of _____________, 20____ as amended, between the Authority and the Project Sponsor (the "Loan Agreement") with respect to South Carolina [Drinking Water Revolving Loan][Water Pollution Control Revolving] Fund Loan No. _________ (the "Loan").

WITNESSETH:

WHEREAS, the Authority is authorized by Title 48, Chapter 5, Code of Laws of South Carolina, 1976, as amended (the "Act") to administer the South Carolina [Drinking Water Revolving Loan][Water Pollution Control Revolving] Fund (the "Fund") for the purpose of assisting Project Sponsors (as defined in the Act) in the construction of, among other things, [public drinking water supply, storage, treatment and distribution facilities as defined in the Federal Safe Drinking Water Act, Title 42, United States Code, Section 300f et seq., as amended][publicly owned treatment and related works as defined in the Federal Water Pollution Control Act, Chapter 26, Title 33, United States Code, as amended]; and

WHEREAS, pursuant to the Act and the terms of the Loan Agreement, and in order to finance the Project referred to in the Loan Agreement, the Authority extended the Loan to the Project Sponsor and, in connection therewith, the Project Sponsor delivered its Note (as defined in the Loan Agreement) to the Authority; and

WHEREAS, the Authority has adopted a Fiscal Year 2014 Amendment to all Prior Loan Policies for Debt Service Reserve Fund Requirements (the "Amended Loan Policies"), which provides, among other things, for a reduction in certain circumstances of the debt service reserve requirements necessary to be maintained by borrowers in connection with loans made pursuant to the Act; and

WHEREAS, in accordance with the Amended Loan Policies, the Combined Utility System of the Project Sponsor, which currently maintains published ratings by Standard & Poor’s Rating Service and by Moody’s Investors Services, Inc. of "A+" and "A2", respectively, on its publicly issued combined utility system revenue bond obligations, desires to take advantage of its current ability to proceed under the Loan Agreement with a Reserve Requirement equal to $0, and, accordingly, the Project Sponsor and the Authority desire to cause the Loan Agreement to be amended to provide for the same, as well as to provide for the circumstances under which the Reserve Requirement may have to be subsequently increased and funded.

NOW, THEREFORE, BE IT AGREED AS FOLLOWS:

(A) Sections 4.2.1 and 4.2.2 of the Loan Agreement are hereby amended and restated in their entirety to read as follows:

SECTION 4.2. Establishment and Funding of Debt Service Reserve Fund.

4.2.1. Based on the Project Sponsor’s receipt of a long-term, unenhanced underlying rating on the System and/or any Parity Debt in at least the "A" category from S&P or Moody’s respectively, and from each if both S&P and Moody’s issued ratings, and the submission of such to the Authority, the Debt Service Reserve Fund Requirement with respect to the Note (the "Reserve Requirement") shall equal zero on the effective date of this _________ Amendment to the Agreement and shall
continue to be zero subject to provisions of the following Section 4.2.2. At such time as the Reserve Requirement is greater than zero as provided in Section 4.2.2, the Project Sponsor shall establish, and there shall be maintained until payment in full of the Note, a Debt Service Reserve Fund (the "Debt Service Reserve Fund") to provide a reserve for payment of principal and interest on the Note.

4.2.2. (a) The Reserve Requirement shall continue to be zero if the Project Sponsor fully complies with all requirements of Section 3.6 herein for submitting S&P/Moody's ratings/affirmations/credit reports and for immediately providing any other rating agency actions related to the System and/or any Parity Debt, and all such ratings are maintained at least in the "A" category.

(b) If there is no longer any current rating or if either the S&P or Moody's rating is downgraded below the "A" category, the Reserve Requirement shall immediately increase to the maximum annual amount due on the Note, and the Project Sponsor shall meet the new requirement within one year through twelve (12) equal monthly deposits, beginning in the month following any such downgrade or loss of the rating for the System and/or Parity Debt.

(c) In the event the Reserve Requirement is ever increased as provided in Section 4.2.2(b) above due to a ratings downgrade or loss and is subsequently upgraded to the level established in Section 4.2.2(a), then the Reserve Requirement, shall revert to zero and any excess money in the Debt Service Reserve Fund shall be applied as provided in Section 4.4.3 hereof.

[For the 2004 SRF Note, the 2005 SRF Note and the 2007A SRF Note][B] The [Sixth][Fifth][Fifth] Amendment to Loan Agreement dated August 28, 2012 is hereby amended to delete subsection (F) therein relating to notice to be provided to Ambac Assurance Corporation in the event of any changes to the rating of the System (as defined in the Loan Agreement) by Moody's or S&P.]

[(B)][(C)] All other terms and provisions of the Loan Agreement shall remain in full force and effect.

[(C)][(D)] In accordance with the Amended Loan Policies and the aforesaid amendments in (A) above, and based on the ratings currently in effect with respect to the System as recited above, the Authority will, promptly after the effective date of this ______ Amendment to Loan Agreement, request [Branch Banking and Trust Company][the South Carolina State Treasurer's Office], as custodian/trustee of the existing Debt Service Reserve Fund established pursuant to the Loan Agreement, to return all funds on deposit therein to the Project Sponsor.

[(D)][(E)] This ______ Amendment to Loan Agreement shall be effective as of the date first above written.
IN WITNESS WHEREOF, the Project Sponsor and the Authority have caused these presents to be signed, sealed and delivered as of the date first above written.

CITY OF GREER, SOUTH CAROLINA

(SEAL)

By: Richard W. Danner
Mayor

Attest: Tammela V. Duncan
Municipal Clerk, City of Greer, South Carolina

SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY

By: Ashlie Lancaster
Interim Director
Office of Local Government,
South Carolina Budget and Control Board
EXHIBIT B

Amendments to Fourth Supplemental Ordinance

The Definition of “2004 Reserve Fund Requirement” in Section 1 of the Fourth Supplemental Ordinance shall be amended and restated as follows: “2004 Reserve Fund Requirement” shall have the meaning set forth in the Loan Agreement, as such Loan Agreement may be amended from time to time.
EXHIBIT C

Amendments to Fifth Supplemental Ordinance

The Definition of “2005 Reserve Fund Requirement” in Section 1 shall be amended and restated as follows: “2005 Reserve Fund Requirement” shall have the meaning set forth in the Loan Agreement, as such Loan Agreement may be amended from time to time.

The following definitions in Section 1 shall be deleted: “Ambac Assurance”, “Guaranty Agreement”, “Surety Bond”.

Section 2(i)(v) shall be amended and restated as follows: The 2005 Reserve Fund Requirement, pursuant to the Loan Agreement, as amended, is currently $0 and will hereafter be satisfied, if necessary, in accordance with the provisions of the General Bond Ordinance and the Loan Agreement, as amended.

Section 8 shall be amended and restated as follows: SECTION 8. [Reserved]

Section 9 shall be amended and restated as follows: SECTION 9. [Reserved]

Section 11 shall be amended by deleting the following words: “the purchase of the Surety Bond, the execution of the Guaranty Agreement”

Section 12 shall be amended and restated as follows: SECTION 12. [Reserved]

Section 13 shall be amended by deleting the notice provisions therein relating to Ambac Assurance Corporation.
EXHIBIT D

Amendments to Seventh Supplemental Ordinance

The Definition of “2007A Reserve Fund Requirement” in Section 1 shall be amended and restated as follows: “2007A Reserve Fund Requirement” shall have the meaning set forth in the Loan Agreement, as such Loan Agreement may be amended from time to time.

The following definitions in Section 1 shall be deleted: “Ambac Assurance”, “Guaranty Agreement”, “Surety Bond”.

Section 2(i)(v) shall be amended and restated as follows: The 2005 Reserve Fund Requirement, pursuant to the Loan Agreement, as amended, is currently $0 and will hereafter be satisfied, if necessary, in accordance with the provisions of the General Bond Ordinance and the Loan Agreement, as amended.

Section 8 shall be amended and restated as follows: SECTION 8. [Reserved]

Section 9 shall be amended and restated as follows: SECTION 9. [Reserved]

Section 11 shall be amended by deleting the following words: “the purchase of the Surety Bond, the execution of the Guaranty Agreement”

Section 12 shall be amended and restated as follows: SECTION 12. [Reserved]

Section 13 shall be amended by deleting the notice provisions therein relating to Ambac Assurance Corporation.
EXHIBIT E

Amendments to Ninth Supplemental Ordinance

The Definition of “2009 Reserve Fund Requirement” in Section 1 shall be amended and restated as follows: “2009 Reserve Fund Requirement” shall have the meaning set forth in the Loan Agreement, as such Loan Agreement may be amended from time to time.
EXHIBIT F

Form of Endorsements to Surety Bonds and Consent Thereto

ENDORSEMENT

Surety Bond No. [SB2018BE][SB2096BE][SB2640BE], dated [March 30, 2005][June 30, 2005][November 16, 2007], is hereby amended to provide that such Surety Bond shall expire on September __, 2014 and shall be of no further force and effect as of such date. Such expiration is consented to and agreed by the Obligor, the Commission of Public Works of the City of Greer, South Carolina, the Trustee and the South Carolina Water Quality Revolving Fund Authority.

IN WITNESS WHEREOF, Ambac has caused this Endorsement to be executed and attested on its behalf this __ day of September, 2014.

AMBAC ASSURANCE CORPORATION

Attest: ____________________________  By: ____________________________
    Title: Assistant Secretary        Title: First Vice President and Assistant General Counsel
Each of the Obligor, the Commission of Public Works of the City of Greer, South Carolina, the Trustee and the South Carolina South Carolina Water Quality Revolving Fund Authority (the “Parties”) hereby consents to the issuance of the Endorsement to Surety Bond [SB2018BE][SB2096BE][SB2640BE], dated [March 30, 2005][June 30, 2005][November 16, 2007], and agrees that, notwithstanding anything to the contrary contained in the Surety Bond, as of September __, 2014, the Surety Bond is expired and has no further force and effect. Each of the Parties hereby releases Ambac from any obligations, liabilities, claims and demands, causes of action and losses of any nature whatsoever, whether now existing or which may exist in the future, arising from, based upon or related to the Surety Bond. The Obligor hereby represents and confirms that it is replacing the Surety Bond with cash or a surety bond or letter of credit, to the extent required by, in accordance with, and that meets the requirements of, the Ordinances, as amended as of the date hereof, and each of the Parties agrees that no refund, credit or other payment is due from Ambac in respect of any premium paid for the Surety Bond or for any other reason related to the Surety Bond or its expiration in accordance herewith.

Consented to and agreed:

CITY OF GREER, SOUTH CAROLINA

By: ________________________________
Name: Richard W. Danner
Title: Mayor

COMMISSION OF PUBLIC WORKS OF THE CITY OF GREER, SOUTH CAROLINA

By: ________________________________
Name:
Title:

BRANCH BANKING & TRUST COMPANY, as Trustee

By: ________________________________
Name:
Title:

SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY

By: ________________________________
Name:
Title: