

REPRESENTATIONS

Section 2.1. Representations by the County. The County makes the following representations as the basis for the undertakings on its part herein contained:

(a) The County is a body politic and corporate and a political subdivision of the State of South Carolina, and is authorized and empowered by the provisions of the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. The Project constitutes and will constitute a "project" within the meaning of the Act. By proper action by the County Board and the State Budget and Control Board of South Carolina, the County has been duly authorized to deliver this Agreement.

(b) The County has all of the necessary powers, authorizations, consents and approvals and has agreed to enter into, execute, deliver and perform (i) this Lease Agreement, (ii) the Note Purchase Agreement dated as of the date hereof between the County, as vendee, and the Bank, as purchaser, (iii) the Assignment of Lease Agreement dated as of the date hereof between the County, as assignor, and the Bank, as assignee, and (iv) the Note; and further to apply the proceeds from the issuance of the Note as set forth in this Agreement.

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