DISCLAIMER

The South Carolina Legislative Council is offering access to the unannotated South Carolina Code of Laws on the Internet as a service to the public. The unannotated South Carolina Code on the General Assembly's website is now current through the 2008 session. The unannotated South Carolina Code, consisting only of Code text and numbering, may be copied from this website at the reader's expense and effort without need for permission.

The Legislative Council is unable to assist users of this service with legal questions. Also, legislative staff cannot respond to requests for legal advice or the application of the law to specific facts. Therefore, to understand and protect your legal rights, you should consult your own private lawyer regarding all legal questions.

While every effort was made to ensure the accuracy and completeness of the unannotated South Carolina Code available on the South Carolina General Assembly's website, the unannotated South Carolina Code is not official, and the state agencies preparing this website and the General Assembly are not responsible for any errors or omissions which may occur in these files. Only the current published volumes of the South Carolina Code of Laws Annotated and any pertinent acts and joint resolutions contain the official version.

Please note that the Legislative Council is not able to respond to individual inquiries regarding research or the features, format, or use of this website. However, you may notify Legislative Printing, Information and Technology Systems at LPITS@scstatehouse.net regarding any apparent errors or omissions in content of Code sections on this website, in which case LPITS will relay the information to appropriate staff members of the South Carolina Legislative Council for investigation.

CHAPTER 14.

 DEFEASANCE OF OUTSTANDING PUBLIC BONDS, NOTES AND OTHER OBLIGATIONS

**SECTION 11‑14‑110.** Defeasance of outstanding public obligations authorized; deposits in special trust fund.

The State, acting through the State Budget and Control Board, all agencies and institutions and all counties, municipal corporations, authorities, special purpose districts and other political units may effect the defeasance of any outstanding bonds, notes, or other obligations by depositing in a special irrevocable trust fund, to be held by the State Treasurer or a bank or other financial institution approved by the State Treasurer, obligations provided for in Section 6‑5‑10(a)(1) and moneys which will provide the sums required to pay when due the principal of, redemption premium, if any, and interest on the bonds sought to be defeased. Upon the establishment and funding in full of such special trust fund, the bonds so defeased shall no longer be deemed outstanding for any purpose.

**SECTION 11‑14‑120.** Defeasance of assumed debt.

In all instances where all or any portion of the debt of one public agency or political unit has been assumed by another public agency or political unit, it shall be presumed that the assumed obligations will be appropriately paid by the public agency or political unit assuming such debt and the unpaid debt shall be deemed to have been defeased to the same extent as debt defeased in the manner provided for in Section 11‑14‑110.

**SECTION 11‑14‑130.** Defeasance not to impair obligations of contract between issuer and holder.

It is not intended that any action pursuant to the authorization of this chapter shall impair any obligation of any contract between the issuer and any holder of any bond, note or other obligation of the issuer and, if for any reason any trust established shall fall, in whole or in part, to effect the payments intended or required to be made, or if in the instance of debt assumed as contemplated by Section 11‑14‑120, the public agency or political unit assuming such debt shall fail to pay such assumed debt, in whole or in part, then in each instance the issuer shall forthwith effect payment of such principal or interest through the means and in the manner originally provided.