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COUNTY COUNCIL OF  
DORCHESTER COUNTY, MARYLAND

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CIRCUIT COURT  
DORCHESTER COUNTY

RESOLUTION NO. 479

CIRCUIT COURT  
DORCHESTER COUNTY

**A RESOLUTION** of the County Council of Dorchester County, Maryland authorizing the issuance and sale by Dorchester County, Maryland (the "County") of two (2) separate series of its general obligation bonds, one in the aggregate principal amount of Eight Million Seven Hundred Sixty Thousand Dollars (\$8,760,000.00) and the other in the aggregate principal amount of Twelve Million Seventy Thousand Dollars (\$12,070,000.00), pursuant to the authority of Section 5(P) of Article 25A of the Annotated Code of Maryland, the Charter of the County, Bill No. 2009-7, passed by the County Council of the County (the "County Council") on July 14, 2009 and effective on September 11, 2009, and Bill No. 2009-10, passed by the County Council on September 8, 2009 and effective on November 6, 2009, such bonds to be designated as provided herein, the proceeds of the sale thereof to be used and applied for the public purpose of financing, reimbursing or refinancing costs of the public purpose projects identified herein and costs of issuance; prescribing the form and tenor of the bonds and the terms and conditions for the issuance and sale thereof at public sale, including the form of the official notice of sale and all other details incident to the issuance, sale and delivery of the bonds; authorizing the County Manager to execute and deliver an order or orders determining certain matters provided for herein in connection with the sale of the bonds; authorizing and approving the preparation and distribution of a preliminary and a final official statement in connection with the sale of the bonds; selecting a bond registrar and paying agent for the bonds and providing for certain determinations in accordance with such engagement; authorizing the preparation, execution and delivery of a continuing disclosure undertaking pursuant to Securities and Exchange Commission Rule 15c2-12 and covenanting to provide continuing disclosure relating to the bonds; providing for the disbursement and investment of the proceeds of the bonds; providing for the levy and collection of any taxes necessary for the prompt payment of the maturing principal of and interest on the bonds; providing that the full faith and credit and unlimited taxing power of the County shall be pledged to the payment of such principal and interest; providing that the principal of and interest on the bonds also may be paid from any other sources of revenue lawfully available to the County for such purpose; making certain covenants and determinations relating to the tax-exempt or taxable status of the bonds, as applicable; providing for the engagement of bond counsel and the financial advisor to the County; and generally relating to the issuance, sale, delivery and payment of and for the bonds.

RECITALS

1. For convenience of reference throughout this Resolution, Dorchester County, Maryland, a validly created and existing body corporate and politic of the State of Maryland, is hereinafter referred to as the "County".

2. The authority for the powers herein exercised is contained in, as applicable, Section 5(P) of Article 25A of the Annotated Code of Maryland, as amended (the "Enabling Act"), the American Recovery and Reinvestment Act of 2009 as passed by the United States Congress and signed by the President of the United States (the "ARRA"), the Charter of Dorchester County, Maryland (the "Charter") and, as applicable, Bill No. 2009-7, passed by the County Council of the County (the "County Council") on July 14, 2009 and effective on

September 11, 2009 ("Bill No. 2009-7"), and Bill No. 2009-10, passed by the County Council on September 8, 2009 and effective on November 6, 2009 ("Bill No. 2009-10").

3. Bill No. 2009-7 authorizes the issuance by the County of one or more series of general obligation bonds from time to time in an aggregate principal amount not to exceed \$6,579,873 in order to finance, refinance or reimburse the costs of certain projects identified therein, and the County has not yet utilized any of the bonding authority available under Bill No. 2009-7.

4. Bill No. 2009-10 authorizes the issuance by the County of one or more series of general obligation bonds from time to time in an aggregate principal amount not to exceed \$14,297,298 in order to finance, refinance or reimburse the costs of certain projects identified therein, and the County has not yet utilized any of the bonding authority available under Bill No. 2009-10.

5. Pursuant to the ARRA, Section 54AA was added to the Internal Revenue Code of 1986, as amended (the "Code"), allowing issuers to issue a new type of taxable credit bond in calendar years 2009 and 2010 that is referred to in such Section 54AA as a "build America bond". A build America bond must meet all of the requirements applicable to tax-exempt bonds under Section 103 of the Code, but income on such bond is treated as includable in gross income of the holder thereof for federal income tax purposes. The issue price for a build America bond must not have more than a de minimis amount of premium over the stated principal amount of the bond. In addition, the issuer must make an irrevocable election to treat a build America bond as a taxable bond that carries with it a tax credit for 35% of the interest payable during the tax year. Section 6431 was added to the Code by the ARRA providing that, upon irrevocable election by an issuer, the issuer of a build America bond will be allowed a 35% credit with respect to each interest payment under such bond. Upon such election, the Secretary of the Treasury shall pay (contemporaneously with each interest payment on such bond, provided the issuer makes a necessary filing on a timely basis) 35% of the interest payable on a build America bond to the issuer (or to any person who makes such interest payments on behalf of the issuer); this option has come to be known as the "direct payment" option. In order to qualify for the direct payment option, 100% of the "available project proceeds" (proceeds from the sale, less costs of issuance not in excess of 2%, plus earnings) must be used to finance capital expenditures.

6. The financial advisor to the County advises that direct payment build America bonds have become accepted in the municipal marketplace and, given current interest rate trends, may result in lower overall borrowing costs to the County. The financial advisor to the County further advises that it would be more advantageous overall to the County to issue the bonds authorized by the Enabling Act, Bill No. 2009-7 and Bill No. 2009-10 as two separate series of bonds, and to allow bidders for each series to submit bids on either a tax-exempt basis and/or as taxable build America bonds with the direct payment option.

7. Bill No. 2009-7 and Bill No. 2009-10 each provides that the method of sale of any series of bonds authorized thereby, which may be by private (negotiated) sale or public sale at competitive bid, shall be determined by the County Council by administrative resolution. The financial advisor to the County advises that given current favorable market conditions, and the

ability to achieve economics of scale through the simultaneous sale of the bonds identified herein, it is more advantageous to the County to issue the bonds contemplated hereby by the solicitation of competitive bids at public sale.

8. The Enabling Act authorizes and empowers the County to borrow money and to incur indebtedness for any proper public purpose and to evidence such borrowing by the issuance and sale of its general obligation bonds, subject to the limitation that no general obligation bonds shall be issued by the County if, by the issuance thereof, the aggregate amount of bonds, certificates of indebtedness, notes or other obligations issued by the County on its faith and credit and for its corporate uses and outstanding at any one time would then exceed 6% of the assessable basis of real property and 15% of the assessable basis of personal property and certain operating real property of public utilities in the County. The Director of Finance of the County (the "Director of Finance") has advised that issuance of the bonds contemplated hereby shall not cause the County to violate such debt limit.

BE IT RESOLVED BY THE COUNTY COUNCIL OF DORCHESTER COUNTY, MARYLAND THAT:

Section 1. The Recitals hereto constitute an integral part of this Resolution and are incorporated herein by reference. Capitalized terms used in the Recitals and defined therein that are not otherwise defined in the remaining Sections of this Resolution shall have the meanings given to such terms in the Recitals.

Section 2. Pursuant to the authority of the Enabling Act, the Charter, Bill No. 2009-7 and Bill No. 2009-10, the County hereby determines to borrow money and incur indebtedness for the public purpose of financing, reimbursing or refinancing costs of the Projects as listed below, including, without limitation, the costs of planning, design, construction, reconstruction, furnishing, equipping, improvements, renovations, remodeling, enlargements, engineering services, architect's services, surveys, landscaping, site development, utilities, evaluation studies, land acquisition and related items, appurtenances and incidental activities, capitalized interest during construction and for a reasonable period thereafter, whether or not specifically stated, and which may represent the County's share or contribution to the financing or refinancing of such Projects, and costs of issuance:

North Dorchester Middle School Replacement.....	\$ 5,377,433
School of Technology Replacement.....	\$15,329,738
Costs of Issuance.....	\$ 122,829

Section 3. To evidence the borrowing and indebtedness authorized in Section 2 of this Resolution, the County, acting pursuant to the authority of the Enabling Act, the Charter, Bill No. 2009-7 and Bill No. 2009-10, hereby determines to issue and sell, upon its full faith and credit two separate series of its general obligation bonds. One such series shall be issued in the aggregate principal amount of Eight Million Seven Hundred Sixty Thousand Dollars (\$8,760,000.00) and shall be designated as either the "Dorchester County, Maryland Consolidated Public Improvement Bonds, Tax-Exempt Series 2010A" (the "Tax-Exempt Series 2010A Bonds") or the "Dorchester County, Maryland Consolidated Public Improvement Bonds, Taxable Build America Bonds (Direct Payment) Series 2010A" (the "Taxable Series 2010A Bonds") depending on whether the County

Manager determines to award such series on a tax-exempt basis or on a taxable basis (as build America bonds for purposes of Section 54AA of the Code) upon the sale thereof in accordance with the provisions of Section 10 hereof. The other such series shall be issued in the aggregate principal amount of Twelve Million Seventy Thousand Dollars (\$12,070,000.00) and shall be designated as either the "Dorchester County, Maryland Consolidated Public Improvement Bonds, Tax-Exempt Series 2010B" (the "Tax-Exempt Series 2010B Bonds") or the "Dorchester County, Maryland Consolidated Public Improvement Bonds, Taxable Build America Bonds (Direct Payment) Series 2010B" (the "Taxable Series 2010B Bonds") depending on whether the County Manager determines to award such series on a tax-exempt basis or on a taxable basis (as build America bonds for purposes of Section 54AA of the Code) upon the sale thereof in accordance with the provisions of Section 10 hereof. Whether issued on a tax-exempt or a taxable basis and designated as provided above, the Tax-Exempt Series 2010A Bonds and the Taxable Series 2010A Bonds are referred to herein, as applicable, as the "Series 2010A Bonds". Whether issued on a tax-exempt or a taxable basis and designated as provided above, the Tax-Exempt Series 2010B Bonds and the Taxable Series 2010B Bonds are referred to herein, as applicable, as the "Series 2010B Bonds". The Series 2010A Bonds and the Series 2010B Bonds are referred to herein collectively as the "Bonds".

Section 4. (a) Subject to the provisions of Section 10 hereof, the Bonds of each series shall be dated the date of their delivery and shall be issued initially in book-entry only form as fully registered bonds, without coupons attached, by issuing a single bond for each maturity of each series registered in the name of Cede & Co., as partnership nominee for The Depository Trust Company, New York New York, or its successor ("DTC"); provided that, if DTC so requests, or a system of book-entry only registration of the Bonds of a series is discontinued, replacement bonds for such series shall be issued in denominations of \$5,000 and integral multiples thereof and shall be consecutively numbered in such manner as shall be determined by the Bond Registrar and Paying Agent (as defined in Section 12 of this Resolution).

(b) The Series 2010A Bonds shall mature in serial maturities as provided in this subsection (b). The Series 2010B Bonds shall mature, subject to prior redemption at the option of the County as provided for in accordance with Section 5 of this Resolution, in serial maturities and/or by mandatory sinking fund redemptions as designated by the successful bidder for the Series 2010B Bonds in accordance with the official Notice of Sale provided for in Section 10 hereof, on February 1 as follows:

[CONTINUED ON FOLLOWING PAGE]

<u>Series 2010A Bonds</u>		<u>Series 2010B Bonds</u>	
<u>Date</u>	<u>Serial Maturity</u>	<u>Date</u>	<u>Serial Maturity or Sinking Fund Payment</u>
2011	\$830,000	2021	\$1,015,000
2012	810,000	2022	1,050,000
2013	820,000	2023	1,090,000
2014	835,000	2024	1,130,000
2015	850,000	2025	1,170,000
2016	870,000	2026	1,220,000
2017	895,000	2027	1,265,000
2018	920,000	2028	1,320,000
2019	950,000	2029	1,375,000
2020	980,000	2030	1,435,000

(c) The Bonds of each series shall bear interest at the rate or rates named by the successful bidder for such series in accordance with the terms of the official Notice of Sale provided for in Section 10 of this Resolution and as approved by the County Manager's execution and delivery of an order or orders upon award of the Bonds of such series. Interest on the Bonds of each series shall be payable on August 1, 2010 and semi-annually thereafter on each February 1 and August 1 until maturity or, with respect to the Series 2010B Bonds only, prior redemption. Interest payments due on the Bonds of each series shall be made to the registered owners thereof who are the registered owners of record as of the 15<sup>th</sup> day of the month immediately preceding each interest payment date. The Bonds of each series shall bear interest from the most recent date to which interest has been paid or, if no interest has been paid, from their dated date. Interest shall be computed on the basis of a 360-day year consisting of 12 30-day months.

(d) The principal or, with respect to the Series 2010B Bonds only, redemption price of the Bonds of each series shall be payable at the office designated by the Bond Registrar and Paying Agent. Interest on the Bonds of each series shall be payable by check or draft of the Bond Registrar and Paying Agent mailed to the owners thereof; provided that, so long as the Bonds of a series are registered in book-entry form under a book-entry only system maintained by DTC or any replacement Securities Depository provided for in Section 6 hereof, payments of the principal or redemption price of and interest on the Bonds of such series shall be made as required by the rules and regulations of DTC or such replacement Securities Depository.

Section 5. (a) The Series 2010A Bonds are not subject to redemption at the option of the County prior to their stated maturities and are not subject to mandatory sinking fund redemption.

(b) If the successful bidder for the Series 2010B Bonds designates any two or more sequential annual maturities of the Series 2010B Bonds provided for in Section 4(b) above as

mandatory sinking fund payments for a term bond (a "Term Bond") in accordance with the official Notice of Sale provided for in Section 10 hereof, such Term Bond shall be subject to mandatory sinking fund redemption at a redemption price of 100% of the principal amount thereof on such dates and in such principal amounts as specified by the successful bidder for the Series 2010B Bonds, plus accrued interest to the date fixed for redemption.

(c) The Series 2010B Bonds shall be subject to redemption prior to maturity at the option of the County, in whole or in part, on February 1, 2020 or on any date thereafter, at a redemption price of 100% of the principal amount of the Series 2010B Bonds (or portions thereof) to be redeemed, plus interest accrued to the date fixed for redemption, without penalty or premium.

(d) If fewer than all of the outstanding Series 2010B Bonds shall be called for optional redemption, the County shall choose the maturities to be redeemed and the principal amount of each such maturity in its sole discretion. If fewer than all of the Series 2010B Bonds of any one maturity shall be called for optional or mandatory sinking fund redemption, the particular Series 2010B Bonds or portions thereof to be redeemed from such maturity shall be selected by lot by the Bond Registrar and Paying Agent; provided that, so long as all of the Series 2010B Bonds are registered in book-entry only form in accordance with Section 6 hereof, such selection shall be made by DTC or any replacement Securities Depository, as applicable, in accordance with its rules and regulations.

(e) When less than all of a Series 2010B Bond in a denomination in excess of \$5,000 is redeemed, then, upon surrender thereof, there shall be issued without charge to the registered owner thereof, for the unredeemed balance of the principal amount of such Series 2010B Bond, at the option of such owner, Series 2010B Bonds in any of the authorized denominations specified by the registered owner. The aggregate face amount of Series 2010B Bonds so issued shall be equal to the unredeemed balance of the principal amount of the Series 2010B Bond surrendered, and the Series 2010B Bonds issued shall bear interest at the same rate and shall mature on the same date as the unredeemed balance of the Series 2010B Bond surrendered.

(f) When the Series 2010B Bonds are to be redeemed (whether by optional or mandatory sinking fund redemption), the County shall cause a redemption notice to be given to the registered owners of the Series 2010B Bonds (or portions thereof) to be redeemed by letter mailed first class, postage prepaid, at least thirty (30) days prior to the date fixed for redemption to the addresses of such registered owners appearing on the registration books for such series kept by the Bond Registrar and Paying Agent; provided, however, that the failure to mail a redemption notice or any defect in a notice so mailed, or in the mailing thereof, shall not affect the validity of the redemption proceedings. The redemption notice shall state (i) whether the Series 2010B Bonds are to be redeemed in whole or in part and, if in part, the maturities, numbers, principal amounts, interest rates and CUSIP numbers of the Series 2010B Bonds to be redeemed, (ii) that the interest on the Series 2010B Bonds (or portions thereof) to be redeemed shall cease to accrue on the date fixed for redemption, (iii) the date fixed for redemption, (iv) the address of the office of the Bond Registrar and Paying Agent with a contact person and phone number, and (v) that the Series 2010B Bonds or portions thereof to be redeemed shall be presented for redemption and payment on the date fixed for redemption at the designated office of the Bond Registrar and Paying Agent. Such notice may state that it is conditioned upon

receipt of sufficient funds to effect such redemption by the date fixed for redemption. Notwithstanding anything to the contrary contained in this subsection (f), so long as the Series 2010B Bonds to be redeemed are registered in book-entry only form with a Securities Depository, any redemption notice relating to the Series 2010B Bonds shall be given in the manner and at the time required by the rules and regulations of such Securities Depository.

(g) From and after the date fixed for redemption, if funds sufficient for the payment of the redemption price and accrued interest are available on such date, the Series 2010B Bonds or portions thereof designated for redemption shall cease to bear interest from and after such date. Upon presentation and surrender for redemption, the Series 2010B Bonds or portions thereof to be redeemed shall be paid by the Bond Registrar and Paying Agent at the redemption price, plus accrued interest to the date fixed for redemption. If they are not paid upon presentation, the Series 2010B Bonds or portions thereof designated for redemption shall continue to bear interest at the rate or rates stated therein until paid.

Section 6. Except as otherwise provided in this Resolution, the registered owner of all of the Bonds of each series shall be, and the Bonds of each series shall be registered in the name of, Cede & Co. ("Cede"), as partnership nominee of DTC. Payment of interest on any Bond, as applicable, shall be made in accordance herewith for the account of Cede on each interest payment date at the address indicated for Cede in the applicable bond register maintained by the Bond Registrar and Paying Agent for such series of the Bonds (a "Bond Register"). So long as Cede is the registered owner of the Bonds of a series, the form of the Bonds of such series shall be as set forth in Exhibit B hereto.

The Bonds of each series shall be initially issued in the form of a single fully registered Bond in the aggregate principal amount of each maturity for such series. Upon initial issuance, the ownership of each such Bond shall be registered on the applicable Bond Register in the name of Cede, as partnership nominee of the Depository. With respect to the Bonds of a series so registered in the name of Cede, the County and the Bond Registrar and Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of the DTC, Cede or any DTC participant (references herein to "DTC participants" shall be deemed to refer to direct participants or indirect participants of DTC, as the context requires) or any nominee of a beneficial owner of any of the Bonds of such series (a "Beneficial Owner") with respect to any beneficial ownership interest in the Bonds of such series, (ii) the delivery to any DTC participant, Beneficial Owner or other person, other than DTC, of any notice with respect to the Bonds of such series, including any notice of redemption, or (iii) the payment to any DTC participant, Beneficial Owner or other person, other than Cede, as partnership nominee of DTC, of any amount with respect to the principal or redemption price of, or interest on, the Bonds of such series. With respect to the Bonds of a series so registered in the name of Cede, the County and the Bond Registrar and Paying Agent may treat and deem Cede, as partnership nominee of DTC, as the absolute owner of each Bond of such series for all purposes whatsoever, including (but not limited to) (i) payment of the principal or redemption price of, and interest on, each such Bond, (ii) giving notices of redemption and other matters with respect to each such Bond, and (iii) registering transfers with respect to each such Bond. The Bond Registrar and Paying Agent shall pay the principal or redemption price of, and interest on, the Bonds of each series only to or upon the order of Cede or as otherwise required by DTC, and all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to such

principal, redemption price and interest, to the extent of the sum or sums so paid. So long as the Bonds of a series are registered in book-entry-only form, no person other than DTC shall receive a Bond of such series evidencing the obligation of the County to make payments of principal of and interest on, the Bonds of such series, unless the Bonds of such series are held by the Bond Registrar and Paying Agent under DTC's "FAST" system or unless DTC discontinues its services or is replaced as provided herein.

Upon delivery by DTC to the Bond Registrar and Paying Agent of written notice to the effect that DTC has determined to substitute a new partnership nominee in place of Cede, the word "Cede" herein shall refer to such new partnership nominee of DTC, provided that, notwithstanding any provision of this Resolution to the contrary, until the termination of the book-entry-only system of registration of the Bonds of a series, the Bonds of such series may be transferred in whole, but not in part, only to a partnership nominee of DTC, or by a nominee of DTC to DTC or any nominee thereof.

DTC may determine to discontinue providing its services with respect to the Bonds of either series at any time by giving not less than 30 days' prior written notice to the County and the Bond Registrar and Paying Agent and discharging its responsibilities with respect thereto under applicable law.

The County, at its sole discretion and without the consent of any other person, may terminate the services of DTC with respect to the Bonds of a series if the County determines that the continuation of the system of book-entry-only transfer through DTC is not in the best interests of the Beneficial Owners of the Bonds of such series or is burdensome to the County.

Upon the termination of the services of DTC with respect to the Bonds of any series, the Bonds of such series shall no longer be restricted to being registered on the applicable Bond Register in the name of Cede, as partnership nominee of DTC. In such event, the County shall issue and the Bond Registrar and Paying Agent shall authenticate, transfer and exchange Bond certificates of the same series, in like principal amount, in authorized denominations, to DTC participants or the identifiable Beneficial Owners (as identified by DTC or the DTC participants) in replacement of such Beneficial Owners' beneficial interests in the Bonds of such series in such form as deemed appropriate by the County Manager and the Director of Finance and approved by bond counsel. Notwithstanding the preceding sentence, if the County designates a replacement Securities Depository, the County shall issue and the Bond Registrar and Paying Agent shall transfer and exchange a Bond certificate or certificates, in such name as is directed by the replacement Securities Depository, in the amount of Bonds of the applicable series then outstanding and the Securities Depository shall take such other action as is necessary so that the beneficial ownership interests of the Beneficial Owners are properly reflected on the records of the replacement Securities Depository and its participants. In such event, references herein to the "DTC" shall be deemed to refer to the replacement Securities Depository and references herein to "Cede" shall be deemed to refer to the replacement Securities Depository, or its nominee, as the context requires.

The County and the Bond Registrar and Paying Agent may conclusively rely on (A) a certificate of DTC or any other Securities Depository as to the identity of the participants in the

book-entry system, and (B) a certificate of such participants as to the identity of, and the respective principal amounts of Bonds of any series beneficially owned by, the Beneficial Owners.

Whenever, during the term of the Bonds of a series, beneficial ownership thereof is determined by a book-entry-only system at DTC or another Securities Depository, the requirements of holding, delivering or transferring Bonds of such series shall be deemed modified to require the appropriate person to meet the requirements of DTC or such other Securities Depository as to registering or transferring the book-entry to produce the same effect.

If and to the extent any Bond of a series is registered in the name of Cede as partnership nominee of DTC: (i) the Bond Registrar and Paying Agent shall give DTC all special notices required by the Blanket Letter of Representations (previously executed by the County and delivered to DTC) at the times, in the forms and by the means required by the Blanket Letter of Representations or as otherwise required by DTC; (ii) the Bond Registrar and Paying Agent shall make payments to Cede at the times and by the means specified in the Blanket Letter of Representations or as otherwise required by DTC; (iii) Cede shall not be required to surrender Bonds of such series which have been partially paid or prepaid to the extent permitted by the Blanket Letter of Representations or as otherwise required by DTC; and (iv) the Bond Registrar and Paying Agent shall set a special record date (and shall notify the registered owners of the Bonds of such series thereof in writing) prior to soliciting any Bondholder consent or vote, such notice to be given not less than 15 calendar days prior to such record date or as otherwise required by DTC (any Bond of such series transferred by a registered owner subsequent to the establishment of the special record date and prior to obtaining such consent or vote shall have attached to it a copy of the notice to Bondholders of such series by the Bond Registrar and Paying Agent).

References in this Section 6 to DTC shall be deemed to refer to any successor entity to DTC.

Section 7. The Bonds of each series shall be executed in the name of the County and on its behalf by the President of the County Council, by manual or facsimile signature. The corporate seal of the County shall be affixed to the Bonds of each series (manually or by facsimile) and attested by the signature of the County Manager or the Director of Finance, by manual or facsimile signature. The Bonds of each series shall be issued subject to registration as to principal and interest in the name of the owner or owners thereof on the books kept for registration and registration of transfer of the Bonds of such series at the designated office of the Bond Registrar and Paying Agent. The Bonds of each series shall be authenticated by the manual signature of an authorized officer of the Bond Registrar and Paying Agent. The Bonds of each series shall not be valid for any purpose or constitute an obligation of the County unless so authenticated. In the event any official of the County whose signature appears on the Bonds of a series shall cease to be such official prior to the delivery of the Bonds of such series, or, in the event any such official whose signature appears on the Bonds of such series shall have become such after the date of issue thereof, the Bonds of such series shall nevertheless be valid and binding obligations of the County in accordance with their terms.

Section 8. (a) The Bonds of each series shall be transferable only upon the registration books for such series kept at the designated office of the Bond Registrar and Paying Agent and by the registered owner in person, or by his duly authorized attorney in writing, upon surrender thereof, together with a written instrument of transfer in the form attached thereto and satisfactory to the Bond Registrar and Paying Agent and duly executed by the registered owner thereof in person, or by his attorney duly authorized in writing, but no Bond will be transferred unless the Security Depository then in place determines to discontinue providing its services as a securities depository or directs that the Bonds of such series be re-registered in a different name or denomination, or unless the Securities Depository then in place is removed.

(b) The Bonds of each series may be transferred or exchanged at the designated office of the Bond Registrar and Paying Agent. Upon any such transfer or exchange, the County shall issue, and the Bond Registrar and Paying Agent shall authenticate and deliver, a new registered Bond or Bonds of such series in authorized denomination or denominations equal to the aggregate principal amount of the Bond transferred or exchanged, of the same series, with the same maturity date, and bearing interest at the same rate. In each case, the Bond Registrar and Paying Agent may require payment by the registered owner requesting such transfer or exchange of any tax, fee or other governmental charge, shipping charges or insurance that may be required to be paid with respect to such transfer or exchange, but otherwise no charge shall be made to the registered owner for such transfer or exchange.

(c) The Bond Registrar and Paying Agent shall not be required to transfer or exchange any Series 2010B Bond after the mailing or giving of notice of call of such Series 2010B Bond or portion thereof for redemption.

Section 9. Except as provided hereinafter or in a resolution or resolutions of the County Council adopted prior to the issuance of the Bonds, the Bonds of each series shall be issued in substantially the form attached hereto as Exhibit A and incorporated by reference herein. Appropriate variations and insertions may be made by the President of the County Council as indicated in Exhibit A with respect to a particular series and to provide names, dates, numbers and amounts, and modifications not altering the substance of the Bonds of each series to carry into effect the purposes of this Resolution, including (without limitation) to comply with recommendations of legal counsel, or as required by any rating agency as a condition precedent to, or as otherwise related to, obtaining a rating of the Bonds of such series from such rating agency, or as may be required by any provider of municipal bond insurance selected by the successful bidder for the Bonds of such series in accordance with the official Notice of Sale. All of the covenants contained in the form attached hereto as Exhibit A are hereby adopted by the County as and for the forms of obligations to be incurred by the County, and the covenants and conditions contained therein are hereby made binding upon the County, including the promise to pay therein contained. The execution and delivery of the Bonds of a series by the President of the County Council in accordance with this Resolution shall be conclusive evidence of the approval by the President of the County Council of the form of the Bonds of such series and any variations, insertions, omissions, notations, legends or endorsements authorized by this Resolution.

Section 10. (a) The County has determined that it shall be in the best interests of the County to sell the Bonds by the solicitation of competitive bids at public sale. Further, with respect to the Bonds, the County has determined that it shall be in the best interests of the County

to allow bidders for each series of the Bonds to make offers for all the Bonds of such series on either a tax-exempt basis (in which case such Bonds shall be given the designation provided for the Tax-Exempt Series 2010A Bonds or the designation provided for the Tax-Exempt Series 2010B Bonds in Section 4 hereof, as applicable) or a taxable basis (as build America bonds with the direct payment option) (in which case such Bonds shall be given the designation provided for the Taxable Series 2010A Bonds or the designation provided for the Taxable Series 2010B Bonds in Section 4 hereof, as applicable); provided that, any bidder may submit separate bids for (i) the Series 2010A Bonds as Tax-Exempt Series 2010A Bonds, (ii) the Series 2010A Bonds as Taxable Series 2010A Bonds, (iii) the Series 2010B Bonds as Tax-Exempt Series 2010B Bonds and/or (iv) the Series 2010B Bonds as Taxable Series 2010B Bonds. The County Manager, with the advice of the financial advisor to the County, is hereby authorized and empowered to determine, on behalf of the County, whether it is more advantageous to issue (i) the Series 2010A Bonds as the Tax-Exempt Series 2010A Bonds or as the Taxable Series 2010A Bonds and (ii) the Series 2010B Bonds as the Tax-Exempt Series 2010B Bonds or as the Taxable Series 2010B Bonds, which determinations shall be evidenced conclusively by such official's execution and delivery of an order or orders upon any award of the Bonds provided for in this Section 10.

(b) Sealed bids or electronic bids shall be received by the County Manager until 11:00 a.m. prevailing Eastern time on the date fixed for sale (such time to be determined as provided by **Parity®**). Sale will be held at the offices of the County, 501 Court Lane, Cambridge, Maryland 21613, on February 2, 2010 or such later date as may be designated by the County Manager, either by arranging for a later date of sale before the official Notice of Sale provided for herein is published or, after the official Notice of Sale is published, by his execution and delivery of an order or orders in accordance with the official Notice of Sale. The County Manager, on behalf of the County, with the advice of the County's financial advisor, is hereby authorized from time to time to postpone and reschedule the date of sale either before or after the official Notice of Sale has been published. The County Manager shall conduct the sale and shall sell the Bonds of each series in the name of the County and on its behalf for cash at no less than par (and within any premium limitations provided for in the official Notice of Sale with respect to a particular series of the Bonds) to the bidder whose bid is determined to be the best responsible bid for such series received in compliance with the terms and conditions of the official Notice of Sale. The sale of the Bonds of each series shall be made upon an order or orders of award signed by the County Manager. Upon receipt of the bids for the Bonds, the County Manager is hereby authorized and empowered to reject the bids for the Bonds if such official determines with the advice of the County's financial advisor that such action is in the County's best interest.

(c) Public notice of the sale shall be given by advertisement which shall be published in a newspaper of general circulation in the County by two insertions thereof over a period beginning not less than ten (10) days preceding the date fixed for sale (subject to postponement and rescheduling as provided herein). Notice of the sale or a summary notice of sale may also be given by publication in one or more journals having a circulation primarily among banks and investment banks as the County Manager may determine. The official Notice of Sale (which shall also constitute the form of advertisement to be published pursuant to this Section) shall be in substantially the form attached hereto as Exhibit B and incorporated by reference herein. Appropriate variations, modifications and insertions may be made by the County Manager prior to the publication of the official Notice of Sale to provide dates, numbers and amounts, and

modifications not altering the substance of the form of Notice of Sale attached hereto (including, without limitation, to the bid specifications or to include provisions required by the ARRA) to carry into effect the purposes of this Resolution or to comply with recommendations of legal counsel, the Director of Finance or the County's financial advisor in order to reflect shifting market conditions. The terms and conditions stated in the final and official Notice of Sale as published, as the same may be modified as provided in subsection (d) below, are made a part hereof and are hereby adopted and approved as the terms and conditions under which and the manner in which the Bonds of each series shall be sold, issued and delivered at public sale.

(d) The County Manager, on behalf of the County, is hereby further authorized and empowered to make any determinations or to take any actions provided for in this Resolution or the official Notice of Sale subsequent to the first date of publication of such official Notice of Sale including (without limitation) modifying the bid specifications for the Bonds of either series based on the recommendation of the County's financial advisor to reflect then-current municipal market conditions or to include provisions required by the ARRA (any of which such modifications shall be announced by TM3 News Service prior to the sale date), providing for notification of the postponement or rescheduling of the date of sale for the Bonds, changing the dated date of the Bonds or the date for delivery of the Bonds, and rejecting the proposals for the Bonds. Any actions taken by the County Manager in accordance with this Section 10, unless otherwise expressly provided herein, may be evidenced conclusively by such official's execution and delivery of an order or orders pursuant to the provisions of and within any limitations specified in this Resolution and the official Notice of Sale.

(e) No re-publication of the official Notice of Sale or a summary thereof shall be required if the original date of sale is postponed or rescheduled from time to time, the dated date of the Bonds or the date of delivery of the Bonds is changed or if changes to the bid specifications for the Bonds of either series or other provisions of the official Notice of Sale are made in accordance with the provisions of this Section 10 and such date, bid specifications or other changes are disseminated by TM3 News Service as provided in this Section 10.

(f) Any sealed bids for the Bonds shall be submitted in substantially the applicable form or forms attached hereto as Exhibit C and incorporated by reference herein, which forms shall be included in the Preliminary Official Statement for the Bonds provided for in Section 11 hereof. Appropriate variations, modifications and insertions may be made by the County Manager and the Director of Finance prior to the release of the Preliminary Official Statement provided for in Section 11 hereof to provide dates, numbers and amounts, and modifications not altering the substance of the forms of proposals for the Bonds attached hereto to carry into effect the purposes of this Resolution or to comply with recommendations of legal counsel, the Director of Finance or the County's financial advisor in order to reflect shifting market conditions.

(g) References in this Resolution to the successful bidder for the Bonds of a series are deemed to be to multiple successful bidders in the event the Bonds of a series are allocated among bidders for such series in accordance with the official Notice of Sale.

Section 11. (a) The preparation and distribution of a Preliminary Official Statement of the County in connection with the issuance and sale of the Bonds (the "Preliminary

Official Statement”), in such form as may be approved by the County Manager and the Director of Finance, with the advice of the County’s financial advisor and bond counsel, is hereby approved. The County Manager and the Director of Finance, on behalf of the County, are hereby authorized and directed to approve the final form of the Preliminary Official Statement in accordance with this Section 11(a) and to make any appropriate variations, insertions or modifications to the Preliminary Official Statement not inconsistent with the provisions of the Enabling Act, the Charter, Bill No. 2009-7, Bill No. 2009-10 or this Resolution, or to comply with the recommendations of legal counsel or the County’s financial advisor, or as required by any rating agency as a condition precedent to, or as otherwise related to, obtaining a rating on the Bonds of a series from any such rating agency, such approval to be evidenced conclusively by the execution and delivery by the County Manager and the Director of Finance, on behalf of the County, of a certificate deeming the Preliminary Official Statement to be final as of its date for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), subject to revision, completion and amendment in a final official statement. The Preliminary Official Statement shall be posted electronically and/or printed as the County’s financial advisor shall advise.

(b) The preparation and distribution of a final Official Statement relating to the Bonds (the “Official Statement”), substantially in the form of the Preliminary Official Statement, with such changes, corrections, additions and deletions not inconsistent with the provisions of the Enabling Act, the Charter, Bill No. 2009-7, Bill No. 2009-10 or this Resolution, to reflect matters determined in connection with the sale of the Bonds, or to comply with the recommendations of legal counsel or the County’s financial advisor, or as required by any rating agency as a condition precedent to, or as otherwise related to, obtaining a rating on the Bonds of a series from any such rating agency, or as required by any provider of municipal bond insurance selected by the successful bidder for the Bonds of a series in accordance with the official Notice of Sale, as the County Manager and the Director of Finance shall approve on behalf of the County, is hereby authorized and approved. The County Manager and the Director of Finance, with the advice of the County’s financial advisor and bond counsel, are hereby authorized and directed to approve the final form of the Official Statement on behalf of the County, such approval to be evidenced conclusively by the County Manager’s and the Director of Finance’s execution and delivery of the Official Statement. The Official Statement shall be printed and, if the County’s financial advisor shall so advise, posted electronically.

(c) The County Manager and the Director of Finance, with the advice of the County’s financial advisor and bond counsel, is hereby authorized and directed to approve any supplements or amendments to the Preliminary Official Statement or the Official Statement deemed necessary or desirable after the printing or posting of the same, such approval to be evidenced conclusively by the County Manager’s and the Director of Finance’s execution and delivery of any such supplement or amendment.

Section 12. (a) The Bank of New York Mellon (by whatever legal name known), or any successor thereof, by merger, consolidation, or otherwise, is hereby designated as the Bond Registrar and Paying Agent (the “Bond Registrar and Paying Agent”) for the Bonds of both series. The President of the County Council and the County Manager are each hereby authorized to negotiate and to execute and deliver such written agreement with the Bond Registrar and Paying Agent as they shall deem to be necessary or appropriate. The County may designate another entity as Bond Registrar and Paying Agent for a series of the Bonds upon 30

days prior written notice to the registered owners of the Bonds of such series. In the event the County subsequently designates a separate bond registrar and paying agent for each series of the Bonds, references in this Resolution to the Bond Registrar and Paying Agent with respect to the Bonds shall be construed to mean the bond registrar and paying agent so appointed for the applicable series of the Bonds.

(b) Prior to each semi-annual interest payment date, the Director of Finance or other appropriate County official shall deposit with the Bond Registrar and Paying Agent, from the tax proceeds described in Section 16 below and from any other funds then legally available for such purpose, the amounts needed to pay the principal of and interest on the Bonds coming due on each such interest payment date. All moneys so deposited with the Bond Registrar and Paying Agent shall be deemed and treated by the Bond Registrar and Paying Agent as trust funds for the use and benefit of the registered owners from time to time of the Bonds hereby authorized. Any such trust funds held by the Bond Registrar and Paying Agent for the payment of particular Bonds for periods of more than three years from their maturities or such other periods as may be required by applicable law, because of the failure of the registered owners of such Bonds to present them for payment or because checks issued by the Bond Registrar and Paying Agent in payment of interest shall not have been cashed and no registered owner of a Bond shall have established a right to payment of interest within such period, shall be returned by the Bond Registrar and Paying Agent to the County and, thereafter, the registered owners of any such Bonds shall have claims only against the County for payment of the obligations held by them, and the Bond Registrar and Paying Agent shall be relieved of the trust hereby imposed.

Section 13. The President of the County Council and the County Manager shall approve, execute and deliver in the name and on behalf of the County a continuing disclosure undertaking for the benefit of the owners and beneficial owners of the Bonds in order to assist the bidders for the Bonds of each series in complying with Securities and Exchange Commission Rule 15c2-12(b)(5). The County shall covenant in the continuing disclosure undertaking that the County will provide to the repository or repositories required by Securities and Exchange Commission Rule 15c2-12, annual financial information and operating data and annual audited financial statements. The County shall further covenant in the continuing disclosure undertaking to provide notice of specified significant events, if material, to the repository or repositories required by Securities and Exchange Commission Rule 15c2-12. The continuing disclosure undertaking may provide that the place or places of delivery of such information shall be subject to change in accordance with the rules and pronouncements of the Securities and Exchange Commission or other appropriate authority and shall otherwise meet the requirements of Rule 15c2-12.

Section 14. As soon as may be practicable after the sale hereinabove provided for has been held, the Bonds of each series shall be suitably prepared in definitive form, executed and delivered to the successful bidder therefor upon receipt of the purchase price therefor, less the good faith deposit for such series provided for in the official Notice of Sale. The President of the County Council, the County Manager, the Director of Finance, and all other appropriate officials and employees of the County are expressly authorized, empowered and directed to take any and all action necessary to complete and close the award, sale and delivery of the Bonds of each series to the successful bidder therefor, and to negotiate, execute and deliver all documents, certificates and instruments necessary or appropriate in connection therewith, including, without limitation,

executing and delivering any agreements required by DTC with respect to the book-entry system of registration of the Bonds of each series or any documents relating to municipal bond insurance to be provided with respect to the Bonds of a series as identified by the successful bidder for the Bonds of such series.

Section 15. The County Manager or the Director of Finance is each hereby designated and authorized to receive payment on behalf of the County of the proceeds of the sale of the Bonds of each series and to invest such proceeds. The proceeds of the Bonds of each series shall be deposited in the proper account or accounts of the County, shall be invested within the limits prescribed by Maryland and federal law, and shall be used and applied exclusively for the purposes described herein. Within the limitations of the Code, any premium received for the Bonds of a series shall be applied in the discretion of the Director of Finance, including (without limitation) to pay costs of the Projects or to pay debt service on the Bonds. Within the limitations of the Code, any investment earnings on the proceeds of the Bonds of a series shall be applied in the discretion of the Director of Finance, including (without limitation) to pay costs of the Projects or transferred to the General Fund and applied for general County purposes. Within the limitations of the Code, if the proceeds received from the sale of the Bonds of a series exceed the amount needed for the public purposes hereinabove described, the amount of such unexpended excess shall be set apart in a separate fund and applied to the payment of the next principal installment(s) on the Bonds, unless a supplemental resolution is adopted by the County Council to provide for the expenditure of that excess for any purpose authorized by Bill No. 2009-7 or Bill No. 2009-10 or unless a supplemental act is passed by the County Council to provide for the expenditure of that excess for some other valid purpose authorized by the Enabling Act and the Charter, as applicable. Nothing in this Resolution shall be construed to authorize the expenditure of any moneys except for a proper public purpose.

Section 16. For the purpose of paying the principal of and interest on the Bonds of each series when due, the County shall levy or cause to be levied, for each and every fiscal year during which the Bonds of a series may be outstanding, ad valorem taxes upon all taxable property within its corporate limits subject to assessment for unlimited taxation in rate and amount sufficient to provide for the prompt payment, when due, of the principal of and interest on the Bonds of such series in each such fiscal year. In the event the proceeds from the collection of the taxes so levied may prove inadequate for such purposes in any fiscal year, additional taxes shall be levied in the subsequent fiscal year to make up such deficiency. The full faith and credit and unlimited taxing power of the County are hereby pledged to the prompt payment of the principal of and interest on the Bonds of each series as and when the same become due and are payable and to the levy and collection of the taxes hereinabove prescribed as and when such taxes may become necessary in order to provide sufficient funds to meet the debt service requirements of the Bonds of such series. The County hereby covenants with the registered owners of the Bonds of each series to take any further action that may be lawfully appropriate from time to time during the period that the Bonds of such series remain outstanding and unpaid to provide the funds necessary to pay promptly the principal thereof and interest due thereon. The foregoing provisions shall not be construed so as to prohibit the County from paying the principal of and interest on the Bonds of a series from the proceeds of the sale of any other obligations of the County or from any other funds legally available for that purpose. Subject to any limitation provided for in the Code, the County may apply to the payment of the principal of or interest on the Bonds of a series any funds received by it from the State of Maryland or the United States of America, or any governmental agency or instrumentality,

or from any other source, if such funds are granted, paid or available to the County for the purpose of assisting the County in accomplishing the type of project or projects which the Bonds of such series are issued to finance, and to the extent of any such funds received or receivable in any fiscal year, the taxes hereby required to be levied may be reduced proportionately.

Section 17. (a) Any two of the President of the County Council, the County Manager and the Director of Finance are the officials of the County responsible for the issuance of the Bonds within the meaning of Section 1.148-2(b)(2) of the Arbitrage Regulations (defined below). Any two of the President of the County Council, the County Manager and the Director of Finance also shall be the officials of the County responsible for the execution and delivery (on the date of the issuance of the Bonds) of a certificate of the County (the "Section 148 Certificate") that complies with the requirements of Section 148 of the Code and the applicable regulations thereunder (the "Arbitrage Regulations"), and such officials are hereby authorized and directed to execute and deliver the Section 148 Certificate to counsel rendering an opinion on the validity and tax status of each series of the Bonds on the date of the issuance of the Bonds.

(b) The County shall set forth in the Section 148 Certificate its reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of the Bonds of each series or of any monies, securities or other obligations to the credit of any account of the County which may be deemed to be proceeds of the Bonds of each series pursuant to Section 148 or the Arbitrage Regulations (collectively, the "Bond Proceeds"). The County covenants with the registered owners of the Bonds that the facts, estimates and circumstances set forth in the Section 148 Certificate will be based on the County's reasonable expectations on the date of issuance of the Bonds and will be, to the best of the certifying officials' knowledge, true and correct as of that date.

(c) The County covenants with the registered owners of the Bonds of each series that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the Bond Proceeds that would cause the Bonds of such series to be "arbitrage bonds" within the meaning of Section 148 and the Arbitrage Regulations, to the extent applicable, and that it will comply with those provisions of Section 148 and the Arbitrage Regulations as may be applicable to the Bonds of each series on the date of issuance and which may subsequently lawfully be made applicable to the Bonds of each series as long as the Bonds of such series remain outstanding and unpaid.

Section 18. (a) The County specifically covenants that it will comply with the provisions of the Code applicable to the Bonds of each series, including, without limitation, compliance with provisions regarding the timing of the expenditure of the proceeds of the Bonds of such series, the use of such proceeds and the facilities financed with such proceeds, the restriction of investment yields, the filing of information with the Internal Revenue Service, and the rebate of certain earnings resulting from the investment of the proceeds of the Bonds of such series or payments in lieu thereof. The County further covenants that it shall make such use of the proceeds of the Bonds of each series, regulate the investment of the proceeds thereof and take such other and further actions as may be required to maintain the exemption from federal income taxation of interest on either series of the Bonds issued on a tax-exempt basis or, to the extent either series of the Bonds is issued as taxable build America bonds, to maintain the qualification of such series of the Bonds as "build America bonds" and as "qualified bonds" within the meaning of Sections 54AA and 6431 of the Code. All officials, officers, employees and agents of the County are hereby

authorized and directed to provide such certifications of facts and estimates regarding the amount and use of the proceeds of the Bonds as may be necessary or appropriate.

(b) To the extent the Series 2010A Bonds are issued as the Taxable Series 2010A Bonds or the Series 2010B Bonds are issued as the Taxable Series 2010B Bonds (as determined upon the award of the Bonds as provided for in Section 10 hereof), the County hereby makes the irrevocable election to treat such series of the Bonds as build America bonds for purposes of Section 54AA of the Code and to have Section 54AA of the Code apply with respect to such series of the Bonds. In addition, to the extent the Series 2010A Bonds are issued as the Taxable Series 2010A Bonds or the Series 2010B Bonds are issued as the Taxable Series 2010B Bonds (as determined upon the award of the Bonds as provided for in Section 10 hereof), the County hereby makes the irrevocable election to have the provisions of Section 54AA(g) of the Code apply with respect to such series of the Bonds (in order to elect the direct payment option provided for in Section 6431 of the Code).

(c) To the extent the Series 2010A Bonds are issued as the Taxable Series 2010A Bonds or the Series 2010B Bonds are issued as the Taxable Series 2010B Bonds (as determined upon the award of the Bonds as provided for in Section 10 hereof), (i) any two of the President of the County Council, the County Manager and the Director of Finance are hereby authorized, empowered and directed to memorialize the elections provided for in subsection (b) above in the Section 148 Certificate and, on behalf of the County, to make any additional irrevocable elections required by Sections 54AA and 6431 of the Code and any related provisions or regulations and (ii) the appropriate officials of the County are hereby authorized, empowered and directed from time to time to make any necessary filings and to take such other actions as may be necessary in order to obtain payment of the credit provided for in Section 6431 of the Code.

Section 19. (a) To the extent the Series 2010A Bonds are issued as the Tax-Exempt Series 2010A Bonds (as determined upon the award of the Bonds as provided for in Section 10 hereof) the County hereby designates the Series 2010A Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code (relating to the exception from the disallowance of the deduction for that portion of a financial institution’s interest expense which is allocable to tax-exempt interest), and, in connection therewith, represents and certifies that (i) the Series 2010A Bonds are not “private activity bonds” within the meaning of Section 141 of the Code, (ii) the reasonably anticipated amount of tax-exempt obligations (excluding private activity bonds) which will be issued by the County (and all on-behalf-of issuers and subordinate entities of the County) during calendar year 2010 does not exceed Thirty Million Dollars (\$30,000,000), and (iii) not more than Thirty Million Dollars (\$30,000,000) of obligations issued by the County (and all on-behalf-of issuers and subordinate entities of the County) during calendar year 2010, including the Series 2010A Bonds and, to the extent applicable as provided in subsection (b) below, the Series 2010B Bonds, have been or will be designated qualified tax-exempt obligations by the County.

(b) To the extent the Series 2010B Bonds are issued as the Tax-Exempt Series 2010B Bonds (as determined upon the award of the Series 2010B Bonds as provided for in Section 10 hereof), the County hereby designates the Series 2010B Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code (relating to the exception from the disallowance of the deduction for that portion of a financial institution’s interest expense which is allocable to tax-exempt interest), and, in connection therewith, represents and certifies that (i) the Series 2010B Bonds are not “private activity bonds” within the meaning of Section 141 of the Code,

(ii) the reasonably anticipated amount of tax-exempt obligations (excluding private activity bonds) which will be issued by the County (and all on-behalf-of issuers and subordinate entities of the County) during calendar year 2010 does not exceed Thirty Million Dollars (\$30,000,000), and (iii) not more than Thirty Million Dollars (\$30,000,000) of obligations issued by the County (and all on-behalf-of issuers and subordinate entities of the County) during calendar year 2010, including the Series 2010B Bonds and, to the extent applicable as provided in subsection (a) above, the Series 2010A Bonds, have been or will be designated qualified tax-exempt obligations by the County.

Section 20. At the discretion of bond counsel and/or the financial advisor, the Bonds of each series hereby authorized may be imprinted with a CUSIP number; however, the validity of the Bonds of a series shall not be impaired by either the failure to place a CUSIP number on the Bonds of such series or by any error in the imprinting of a CUSIP number.

Section 21. The County hereby ratifies, confirms and approves the engagement of: (a) the law firm of Funk & Bolton, P.A. of Chestertown, Maryland and Baltimore, Maryland, as bond counsel to perform any and all legal services necessary or desirable, including, but not limited to, serving as special legislative draftsmen or codifiers and assisting in the preparation of the Preliminary Official Statement and the Official Statement, in connection with the Bonds authorized to be issued, sold and delivered as provided by this Resolution, and compensating said law firm for such services; and (b) Public Advisory Consultants, Inc., Owings Mills, Maryland, as financial advisor to the County and compensating said firm for such services.

[CONTINUED ON FOLLOWING PAGE]

Section 22. This Resolution shall become effective immediately upon its adoption.

ADOPTED this 19th day of January, 2010.

ATTEST:

COUNTY COUNCIL OF  
DORCHESTER COUNTY:

By Jane Baynard  
Jane Baynard, County Manager

Jay L. Newcomb  
Jay L. Newcomb, President

William V. Nichols  
William V. Nichols, Vice President

Effie M. Elzey  
Effie M. Elzey

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Rick Price

Ricky Travers  
Ricky Travers

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