PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 30, 2013

NEW ISSUE -- BOOK-ENTRY ONLY

Fitch Ratings: AAA
Moody's Investors Service: Aaa
Standard and Poor's: AAA
(See "Ratings")

$320,365,000*
MONTGOMERY COUNTY, MARYLAND
General Obligation Bonds
consisting of

$295,000,000* Consolidated Public Improvement Bonds of 2013, Series A

$25,365,000* Consolidated Public Improvement Refunding Bonds of 2013, Series B

Dated: Date of Initial Delivery **Due: As shown on inside front cover**

The Consolidated Public Improvement Bonds of 2013, Series A (the "Series A Bonds") and the Consolidated Public Improvement Refunding Bonds of 2013, Series B (the "Series B Bonds" and together with the Series A Bonds, collectively, the "Bonds") are issuable by Montgomery County, Maryland (the "County") in fully registered form in the denomination of $5,000 or any integral multiple thereof. Interest on the Bonds will be payable semi-annually on May 1 and November 1, commencing May 1, 2014 until maturity or earlier redemption. The County will perform the paying agency and registrar services described in this Official Statement; provided that if the book-entry only system is discontinued, the County will appoint a financial institution to perform such services on its behalf (the County and any paying agent/registrar subsequently appointed are hereinafter collectively referred to as the "Paying Agent/Registrar"). Except as otherwise governed by the procedures of The Depository Trust Company, New York, New York ("DTC"), principal of and premium, if any, on the Bonds will be payable to the registered holder when due upon presentation to the Paying Agent/Registrar.

The Bonds are available only in book-entry form, registered in the name of Cede & Co., as nominee of DTC, acting as securities depository for the Bonds. So long as the Bonds are registered in the name of Cede & Co., payment of the principal of, premium, if any, and interest on the Bonds will be made by the County to DTC. DTC is required to remit such payments to DTC participants, who are required in turn to remit such payments to beneficial owners, as described in this Official Statement. Purchasers of the Bonds will not receive certificates representing their ownership interest in the Bonds.

In the opinion of Bond Counsel, under existing law, (i) the Series A Bonds, their transfer, the interest payable on them, and any income derived from them, including any profit realized in their sale or exchange, shall be exempt from taxation of any kind by the State of Maryland or by any of its political subdivisions, or any other public entity (ii) interest on the Series B Bonds and profit realized from their sale or exchange will be exempt from State of Maryland income taxation. No opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds, their transfer or the interest therefrom. Assuming compliance with certain covenants described herein, under existing statutes, regulations and decisions, interest on the Bonds will be excludable from gross income for federal income tax purposes. Interest on the Bonds for federal income tax purposes is not includable in the alternative minimum taxable income of individuals, corporations or other taxpayers as an enumerated item of tax preference or other specific adjustment; however, interest on the Bonds may be taken into account in determining "adjusted current earnings" for purposes of computing the alternative minimum tax for corporations, and interest on the Bonds will be subject to the branch profits tax imposed on foreign corporations engaged in a trade or business in the United States of America. See "TAX MATTERS."

FOR AMOUNTS, MATURITIES, INTEREST RATES, AND YIELD, INTEREST RATES, YIELDS AND CUSIPS, SEE INSIDE COVER

DELIVERY: The Bonds are offered for delivery when, as and if issued, subject to the approving legal opinion of McKennon Shelton & Henn LLP, Bond Counsel, and other conditions specified in the official Notices of Sale for the Bonds as set forth in Appendix C. It is expected that the Bonds in definitive form will be available for delivery through DTC in New York, New York, on or about November 26, 2013.

The date of this Official Statement is _____, 2013.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

*Preliminary, subject to change.

AMOUNTS, MATURITIES, INTEREST RATES AND PRICES OR YIELDS

$295,000,000* Consolidated Public Improvement Bonds of 2013, Series A

Maturing Nov 1	Principal Amount	Interest Rate	Price or Yield	CUSIP	Maturing Nov 1	Principal Amount	Interest Rate	Price or Yield	CUSIP
2014	$14,750,000				2024	$14,750,000			
2015	14,750,000				2025	14,750,000			
2016	14,750,000				2026	14,750,000			
2017	14,750,000				2027	14,750,000			
2018	14,750,000				2028	14,750,000			
2019	14,750,000				2029	14,750,000			
2020	14,750,000				2030	14,750,000			
2021	14,750,000				2031	14,750,000			
2022	14,750,000				2032	14,750,000			
2023	14,750,000				2033	14,750,000			

$25,365,000* Consolidated Public Improvement Refunding Bonds of 2013, Series B

Maturing Nov 1	Principal Amount*	Interest Rate	Price or Yield	CUSIP
2023	$16,670,000			
2024	8,695,000			

The rates shown above are the interest rates payable by the County resulting from the successful bid for Bonds by a group of banks and investment banking firms at public sale on November 13, 2013*. The yields or prices shown above were furnished by the successful bidders. Any additional information concerning the reoffering of the Bonds should be obtained from the successful bidders and not from the County.

The above CUSIP (Committee on Uniform Securities Identification Procedures) numbers have been assigned by Standard & Poor's CUSIP Service Bureau, division of The McGraw-Hill Companies, Inc. that is not affiliated with the County, and the County is not responsible for the selection or use of the CUSIP numbers. The CUSIP numbers are included solely for the convenience of bondholders and no representation is made as to the correctness of such CUSIP numbers. CUSIP numbers assigned to securities may be changed during the term of such securities based on a number of factors including, but not limited to, the refunding or defeasance of such securities or the use of secondary market financial products. The County has not agreed to, and there is no duty or obligation to, update this Official Statement to reflect any change or correction in the assigned CUSIP numbers set forth above.

*Preliminary, subject to change.

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$320,365,000*
MONTGOMERY COUNTY, MARYLAND
General Obligation Bonds
consisting of

$295,000,000* Consolidated Public Improvement Bonds of 2013, Series A

$25,365,000* Consolidated Public Improvement Refunding Bonds of 2013, Series B

No dealer, broker, salesman or other person has been authorized by the County to give any information or to make any representation other than as contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of Bonds by any person in any jurisdiction in which it is not lawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the County and other sources which are deemed to be reliable but is not guaranteed as to accuracy or completeness.

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*Preliminary, subject to change.

MONTGOMERY COUNTY, MARYLAND
OFFICIAL ROSTER OF COUNTY OFFICIALS

COUNTY EXECUTIVE

Isiah Leggett

COUNTY COUNCIL

Nancy Navarro	*President*
Craig Rice	*Vice President*
Phil Andrews	
Roger Berliner	
Marc Elrich	
Valerie Ervin	
Nancy Floreen	
George L. Leventhal	
Hans Riemer	

The terms of the County Executive and all County Council members expire in December 2014.

APPOINTED OFFICIALS

Timothy L. Firestine	*Chief Administrative Officer*
Joseph F. Beach	*Director, Department of Finance*
Jennifer A. Hughes	*Director, Office of Management and Budget*
Marc P. Hansen	*County Attorney*
Linda M. Lauer	*Clerk of the Council*

BOND COUNSEL

McKennon Shelton & Henn LLP
Baltimore, Maryland

FINANCIAL ADVISORS

Public Resources Advisory Group
Media, Pennsylvania

VERIFICATION AGENT

ROBERT THOMAS CPA, LLC

INDEPENDENT PUBLIC ACCOUNTANTS

BDO USA, LLP
Bethesda, Maryland

ESCROW DEPOSIT AGENT

U.S. Bank National Association
Richmond, Virginia

DEBT MANAGEMENT AND DISCLOSURE INFORMATION
Montgomery County Department of Finance
101 Monroe Street
Rockville, Maryland 20850
240-777-8860
240-777-8857 (Fax)
http://bonds.montgomerycountymd.gov

INTRODUCTION TO THE OFFICIAL STATEMENT

The following information is qualified in its entirety by the detailed information contained in this Official Statement. This summary is only a brief description of the offering and potential investors should review this entire Official Statement. The Official Statement speaks only as of its date, and the information contained herein is subject to change.

Issuer:	Montgomery County, Maryland (the "County").
Issues:	$295,000,000* Consolidated Public Improvement Bonds of 2013, Series A (the "Series A Bonds") and $25,365,000* Consolidated Public Improvement Refunding Bonds of 2013, Series B (the "Series B Bonds" and together with the Series A Bonds, collectively, the "Bonds").
Dated Date:	Date of Initial Delivery.
Security:	The Bonds will be general obligation bonds to which the full faith and credit and unlimited taxing power of the County will be pledged.
Purpose:	The proceeds of the Series A Bonds will be used to refinance all or a portion of certain bond anticipation notes, the proceeds of which financed certain capital projects in the County. The proceeds of the Series B Bonds will be used to refund certain of the County's general obligation bonds. See "DESCRIPTION OF THE BONDS – Purpose of the Bonds".
Authority of Issuance:	The Bonds are issued under the provisions of the laws of the State of Maryland, the Montgomery County Charter, certain actions by the county, certain laws of the County, as amended, and an Executive Order of the County Executive of the County (the "County Executive"). See "DESCRIPTION OF THE BONDS – Authority for the Bonds."
Redemption:	The Bonds are subject to redemption prior to their stated maturities as described herein. See "DESCRIPTION OF THE BONDS – Redemption Provisions".
Denominations:	$5,000 or integral multiples thereof.
Paying Agent/Registrar:	The County will perform the paying agency and registrar services described in this Official Statement; provided that, if the book-entry only system is discontinued, the County will appoint a financial institution to perform such services on its behalf (the County and any paying agent/registrar subsequently appointed are hereinafter collectively referred to as the "Paying Agent/Registrar").
Principal Payments:	Payable annually on the dates and in the principal amounts shown on the inside cover to this Official Statement.
Interest Payments:	Interest on the Bonds will be payable semi-annually on May 1* and November 1*, commencing May 1, 2014* until maturity or earlier redemption.
Book-Entry Only:	The Bonds will be issued as book-entry only securities through The Depository Trust Company, New York, New York ("DTC").
Delivery:	Delivery of the Bonds is expected on or about November 26, 2013 through the facilities of DTC, on behalf of the purchaser of the Bonds.

*Preliminary, subject to change.

Limitations on Offering or Reoffering Securities: No dealer, broker, salesperson or other person has been authorized by the County to give any information or to make any representations other than those contained in the Official Statement and, if given or made, such information and representations must not be relied upon as having been authorized by the County. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

Litigation: There is no litigation now pending or, to the knowledge of County officials, threatened which questions the validity of the Bonds or of any proceedings of the County taken with respect to the issuance or sale thereof.

Continuing Disclosure: The County will covenant to provide continuing disclosure.

In order to enable participating underwriters, as defined in Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12" or "Rule"), to comply with the requirements of paragraph (b)(5) of Rule 15c2-12, the County will execute and deliver a Continuing Disclosure Agreement on or before the date of issuance and delivery of the Bonds, the form of which is attached to this Official Statement as Appendix B. See "CONTINUING DISCLOSURE UNDERTAKING."

This Official Statement is in a form deemed final as of its date for purposes of Rule 15c2-12, but is subject to minor revision or amendment in accordance with the Rule. Not later than seven business days following the award of the Bonds, the County shall provide copies of this Official Statement to the initial purchaser of the Bonds.

The initial purchaser of the Bonds will be supplied with Official Statements in a quantity sufficient to meet its request. Up to 100 copies of the Official Statement will be furnished to such purchaser without cost.

The information set forth herein has been obtained from the County and other sources which are believed to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made thereafter shall, under any circumstances, create any implication that there has been no change in the affairs of the County or in any other information contained herein, since the date hereof.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are set forth as such and are not representations of fact, and no representation is made that any of the estimates will be realized.

NO REGISTRATION STATEMENT RELATING TO THE BONDS HAS BEEN FILED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR WITH ANY STATE SECURITIES AGENCY. THE BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

DESCRIPTION OF THE BONDS

Purpose of the Bonds

The proceeds of the Series A Bonds will be used to (i) pay the costs of issuing the Series A Bonds and (ii) refinance all or a portion of the County's outstanding Consolidated Public Improvement Commercial Paper Bond Anticipation Notes, 2009 Series and Consolidated Public Improvement Commercial Paper Bond Anticipation Notes, 2010 Series, which such notes were used to finance and refinance the acquisition, construction and equipping of certain public facilities (the "Consolidated Public Improvement Projects"), as described in Section 20-14 of the Montgomery County Code, as amended, as follows: General County ($89,800,000), Roads and Storm Drainage ($70,200,000), Public Schools and Community College ($101,900,000), Mass Transit ($32,400,000), and Housing ($700,000).*

The proceeds of the Series B Bonds will be used to refund a portion of the County's outstanding (i) Consolidated Public Improvement Refunding Bonds of 2004, Series A (the "Series 2004 Bonds"); (ii) Consolidated Public Improvement Bonds of 2005, Series A (the "Series 2005 Bonds" and together with the Series 2004 Bonds, the "Refunded Bonds"); and (iii) to pay a portion of the costs of issuing the Series B Bonds. See Appendix D for a list of the Refunded Bonds and their respective dates of redemption and redemption prices.

A portion of the proceeds of the Series B Bonds will be deposited by the Director of Finance of the County with U.S. Bank National Association (the "Escrow Agent") in a trust fund for the Series 2004 Bonds (the "2004 Escrow Deposit Account") and in a trust fund for the Series 2005 Bonds (the "2005 Escrow Deposit Account"), each such fund to be established under an Escrow Letter Agreement to be entered into by and between the County and the Escrow Agent with respect to the Refunded Bonds (the "Escrow Letter"). The Escrow Agent will apply all of the funds so deposited in the (a) 2004 Escrow Deposit Account to pay the redemption price of the Series 2004 Bonds on April 1, 2014 and (b) 2005 Escrow Deposit Account to pay the redemption price of the Series 2005 Bonds on June 1, 2015. Amounts on deposit in the 2004 Escrow Deposit Account will be pledged only to the payment of the principal of and interest on the Series 2004 Bonds and amounts on deposit in the 2005 Escrow Deposit Account will be pledged only to the payment of the principal of and interest on the Series 2005 Bonds, and the amounts deposited to the 2004 Escrow Deposit Account and the 2005 Escrow Deposit Account are not available for the payment of principal, redemption premium, if any, or interest on the Bonds.

*Preliminary, subject to change.

Authority for the Bonds

The Series A Bonds are consolidated and issued pursuant to Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume) ("Section 10-203"); Section 19-101 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume); Chapter 36 of the Laws of Montgomery County of 2008, Chapter 22 of the Laws of Maryland of 2009, Chapter 54 of the Laws of Montgomery County of 2010, Chapter 24 of the Laws of Montgomery County of 2011; Resolution No. 16-1104 of the County Council for Montgomery County, Maryland (the "County Council"), adopted on September 15, 2009, as amended; Chapter 20 of the Code of Montgomery County, provisions of the Montgomery County Charter, and an Executive Order of the County Executive of the County, as supplemented (the "Executive Order").

The Series B Bonds are issued pursuant to Section 10-203, Section 19-207 of the Annotated Code of Maryland (2013 Replacement Volume), a Resolution adopted by the County Council on October 20, 2009, provisions of the Montgomery County Charter, and the Executive Order.

Security for the Bonds

The Bonds are general obligation bonds of the County and constitute an irrevocable pledge of its full faith and credit and unlimited taxing power. Such bonds are payable from ad valorem taxes, unlimited as to rate or amount, on all real, tangible personal and certain intangible property subject to taxation at full rates for local purposes in the County.

Additionally, Section 312 of the Charter of Montgomery County, Maryland provides as follows: "...If at any time the Council shall have failed to appropriate and to make available sufficient funds to provide for the timely payment of the interest and principal then due upon all County indebtedness, it shall be the duty of the Director of Finance to pay, or to make available for payment, to the holders of such indebtedness from the first revenues thereafter received applicable to the general funds of the County, a sum equal to such interest and principal."

Redemption Provisions

Bonds which mature on or before November 1, 2023, are not subject to redemption prior to their respective maturities. Bonds which mature on or after November 1, 2024, are subject to redemption beginning November 1, 2023, as a whole or in part at any time thereafter, in any order of their maturities, at the option of the County, at a redemption price for each bond equal to the principal amount of the Bond to be redeemed, together with interest accrued to the date fixed for redemption, without premium.

If less than all of the Bonds of any one maturity are called for redemption, the particular bonds, or portions of such bonds, to be redeemed from such maturity shall be selected by the Director of Finance of the County, acting as bond registrar and paying agent for the Bonds, or its successor as bond registrar and paying agent (the "Bond Registrar/Paying Agent") by lot or other random means in such manner as the Bond Registrar/Paying Agent in its sole discretion may determine, except that so long as DTC or its nominee is the sole registered owner of the Bonds, the particular bonds or portion to be redeemed shall be selected by DTC, in such manner as DTC shall determine. Each $5,000 portion of a bond shall be treated as a separate bond in the selection of the Bonds to be redeemed.

If the County elects to redeem all or a portion of a series of the Bonds outstanding, it shall give a redemption notice to the registered owners of such Bonds to be redeemed by publication at least once, at least thirty (30) days prior to the date of redemption, in a newspaper of general circulation in the County. The County shall also give a redemption notice by letter mailed first class, postage prepaid, to the registered owners of the Bonds to be redeemed at their last addresses appearing on the registration books maintained by the Bond Registrar/Paying Agent; provided, however, that so long as DTC or its nominee is the sole registered owner of such Bonds, any redemption notice will be given only to DTC. The failure to mail such notice with respect to a particular bond or any defect in such notice, or in the mailing thereof, shall not affect the sufficiency of proceedings for the redemption of any other bond. From and after the date fixed for redemption, if notice has been duly and properly given and if funds sufficient for the payment of the redemption price and accrued interest are available on such date, the Bonds designated for redemption shall cease to bear interest.

Notwithstanding the foregoing, so long as the Bonds are maintained under a book-entry system, selection of the Bonds to be redeemed shall be made in the manner described below under "Book-Entry Only System" and notice of redemption shall be mailed only to DTC.

Book-Entry Only System

The information contained in the following paragraphs of this subsection "Book-Entry Only System" has been extracted from a schedule prepared by DTC entitled "SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY ONLY ISSUANCE." The County makes no representation as to the completeness or the accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

General. DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds in principal amount equal to the aggregate principal amount of the Bonds of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions and defaults. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Paying Agent/Registrar and request that copies of the notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s

consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

So long as a nominee of DTC is the registered owner of the Bonds, references herein to the bondholders or the holders or owners of the Bonds shall mean DTC and shall not mean the Beneficial Owners of the Bonds. The County and the Paying Agent/Registrar will recognize DTC or its nominee as the holder of all of the Bonds for all purposes, including the payment of the principal or redemption price of and interest on, and the purchase price of, the Bonds, as well as the giving of notices. Neither the County nor the Paying Agent will have any responsibility or obligation to Direct or Indirect Participants or Beneficial Owners with respect to payments or notices to Direct or Indirect Participants or Beneficial Owners.

So long as the Bonds are held by DTC under a book-entry system, principal and interest payments and any premium on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Direct or Indirect Participant and not of DTC, DTC's nominee, the Paying Agent or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest or premium to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or its Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

Book-Entry Only System — Miscellaneous. The information in the Section "Book-Entry Only System — General" has been obtained from DTC. The County takes no responsibility for the accuracy or completeness thereof. The County will have no responsibility or obligations to DTC Participants or the persons for whom they act as nominees with respect to the payments to or the providing of notice to the DTC Participants, or the Indirect Participants, or Beneficial Owners. The County cannot and does not give any assurance that DTC Participants or others will distribute principal and interest payments paid to DTC or its nominees, as the registered owner, or any redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis or that DTC will serve and act in the manner described in this Official Statement.

Discontinuation of Book-Entry Only System. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the County. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered. The County may also decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

In the event that the Book-Entry Only System is discontinued, the Bonds in fully certificated form will be issued as fully registered Bonds without coupons in the denomination of $5,000 each or any integral multiple thereof. Such Bonds will be transferable only upon the registration books kept at the principal office of the Paying Agent/Registrar, by the registered owner thereof in person, or by an attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer in the form attached thereto and satisfactory to the Paying Agent/Registrar, and duly executed by the registered owner or a duly authorized attorney. Within a reasonable time of such surrender, the County shall cause to be issued in the name of the transferee a new registered Bond or Bonds of any of the authorized denominations in an aggregate principal amount equal to the principal amount of the Bond surrendered and maturing on the same date and bearing interest at the same rate. The new Bond or Bonds shall be delivered to the transferee only after due authentication by an authorized officer of the Paying Agent/Registrar. The County may deem and treat the person in whose name a Bond is registered as the absolute owner thereof for the purpose of receiving payment of or on account of the principal or redemption price thereof and interest due thereon and for all other purposes.

In the event that the Book-Entry Only System is discontinued, the Bonds may be transferred or exchanged at the principal office of the Paying Agent/Registrar. Upon any such transfer or exchange, the County shall execute and the Paying Agent/Registrar shall authenticate and deliver a new registered Bond or Bonds without coupons of any of the authorized denominations in an aggregate principal amount equal to the principal amount of the Bond exchanged or transferred, and maturing on the same date and bearing interest at the same rate. In each case, the Paying Agent/Registrar may require payment by any holder of Bonds requesting exchange or transfer of Bonds of any tax, fee or other governmental charge, shipping charges and insurance that may be required to be paid with respect to such exchange or transfer, but otherwise no charge shall be made to the holder of Bonds for such exchange or transfer.

The Paying Agent/Registrar shall not be required to transfer or exchange any Bond after the mailing of notice calling such Bond or portion thereof for redemption as previously described; provided, however, that the foregoing limitation shall not apply to that portion of a Bond in excess of $5,000 which is not being called for redemption.

NEITHER THE COUNTY, NOR THE PAYING AGENT/REGISTRAR, WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO 1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT; 2) THE PAYMENT BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST OR ANY PREMIUM ON THE BONDS; 3) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDHOLDERS; 4) ANY CONSENT GIVEN BY DTC OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER; OR 5) THE SELECTION BY DTC, ANY DTC PARTICIPANT OR ANY INDIRECT PARTICIPANT OF ANY BENEFICIAL OWNER TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF BONDS.

THE COUNTY

Montgomery County, Maryland is a body politic and corporate and a political subdivision of the State of Maryland. For more information respecting the County, see the County's Annual Information Statement ("AIS"), which is hereby incorporated by reference and can be found at:
http://www.montgomerycountymd.gov/BONDS/Resources/Files/AIS2013.pdf

For information respecting the County's Employees' Retirement System, see the County's Employee Retirement Plans, Comprehensive Annual Financial Report, which is hereby incorporated by reference and can be found at:
http://www.montgomerycountymd.gov/mcerp/Resources/Files/CAFR%20FY12_WebVersion_FNL.pdf

Selected Debt and Financial Information

The information (including Tables 1 through 7) presented on the following pages provide current information on the County's financial position and certain portions of such information has been updated to reflect the effect of the Bonds on the current debt of the County. For more information on the County, and a complete overview of the County's debt and the County's Basic Financial Statements for the year ended June 30, 2012, please see the AIS.

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Table 1
Statement of Direct and Overlapping Debt
As of June 30, 2013
And Including Proposed General Obligation Bonds

Direct Debt as of June 30, 2013		
General Obligation Bonds Outstanding	$2,122,095,000 *	
General Obligation Variable Rate Demand Obligations	100,000,000	
Short-Term BANs/Commercial Paper Outstanding*	205,000,000	
Proposed General Obligation Bonds	295,000,000	
Proposed General Obligation Refunding Bonds	25,365,000 **	
Revenue Bonds Outstanding	158,365,000	
Total Direct Debt		$2,905,825,000
Overlapping Debt as of June 30, 2013		
Gross Debt:		
Washington Suburban Sanitary Commission Applicable to Montgomery County	1,276,640,000	
Housing Opportunities Commission	669,351,909	
Montgomery County Revenue Authority	95,624,452	
Maryland-National Capital Park and Planning Commission Applicable to Montgomery County	33,904,922	
Kingsview Village Center Development District	1,695,000	
West Germantown Development District	13,890,000	
Towns, Cities and Villages within Montgomery County	52,027,910	
Total Overlapping Debt		2,143,134,193
Total Direct and Overlapping Debt		5,048,959,193
Less Self-Supporting Debt:		
County Government Revenue Bonds	158,365,000	
Washington Suburban Sanitary Commission Applicable to Montgomery County	1,276,640,000	
Housing Opportunities Commission	669,351,909	
Montgomery County Revenue Authority	95,624,452	
Maryland-National Capital Park and Planning Commission Applicable to Montgomery County	222,228	
Total Self-Supporting Debt		(2,200,203,589)
Net Direct and Overlapping Debt		$2,848,755,604
Ratio of Debt to June 30, 2013 Assessed Valuation of (100% Assessment):		$161,877,309,598
Direct Debt		1.80%
Net Direct Debt ***		1.70%
Direct and Overlapping Debt		3.12%
Net Direct and Overlapping Debt		1.76%
Ratio of Debt to June 30, 2013 Market Value of:		$170,369,032,129
Direct Debt		1.71%
Net Direct Debt ****		1.61%
Direct and Overlapping Debt		2.96%
Net Direct and Overlapping Debt		1.67%

* This amount has been reduced by $27,730,000 the amount of the Refunded Bonds.

** Preliminary, subject to change.

*** Net of amount retired with proceeds of General Obligation Bonds.

**** Net Direct Debt of $2,747,460,000 is derived by subtracting direct self-supporting debt, which consists only of County Government Revenue Bonds, from Total Direct Debt.

Table 2
Statement of Legal Debt Margin
As of June 30, 2013
And Including Proposed General Obligation Bonds

June 30, 2013 Assessed Valuation – Real Property		$158,272,830,848
Debt Limit (% of Assessed Valuation)		6%
Subtotal Limitation – Real Property		$ 9,496,369,851
June 30, 2013 Assessed Valuation – Personal Property		$ 3,604,478,750
Debt Limit (% of Assessed Valuation)		15%
Subtotal Limitation – Personal Property		$ 540,671,813
Total Assessed Valuation – Real and Personal Property		$161,877,309,598
Legal Limitation for the Borrowing of Funds and the Issuance of Bonds		$10,037,041,663
Less Amount of Debt Applicable to Debt Limit:		
General Obligation Bonds Outstanding	$2,122,095,000	
General Obligation Variable Rate Demand Obligations	100,000,000	
Proposed General Obligation Bonds	295,000,000	
Proposed General Obligation Refunding Bonds	25,365,000*	
Short-Term BANs/Commercial Paper	205,000,000	
Net Direct Debt		2,747,460,000
Legal Debt Margin		$7,289,581,663
Net Direct Debt as a Percentage of Assessed Valuation		1.70%

*Preliminary, subject to change.

Table 3
General Obligation Debt of the County
As of June 30, 2012 and June 30, 2013

Issue	Dated Date	Original Issue Size	Original Coupon Rates	TIC[1]	Maturity	Principal Outstanding June 30, 2012	Principal Outstanding June 30, 2013
GO Bonds	03/15/04	$154,600,000	3.00-5.00%	3.8290	2005-24	$23,190,000	$15,460,000
GO Refunding Bonds	08/15/04	97,690,000	3.00-5.25	3.7208	2008-17	80,835,000	74,895,000
GO Bonds[2]	05/15/05	200,000,000	4.00-5.00	3.8806	2006-25	50,000,000	40,000,000
GO Refunding Bonds	06/01/05	120,355,000	5.00	3.7817	2011-21	114,175,000	114,175,000
GO Bonds[3]	05/01/06	100,000,000	4.25-5.00	3.8711	2007-16	40,000,000	30,000,000
GO VRDO[4]	06/07/06	100,000,000	variable	variable	2017-26	100,000,000	100,000,000
GO Bonds	05/01/07	250,000,000	5.00	4.0821	2008-27	125,000,000	112,500,000
GO Refunding Bonds	03/12/08	70,295,000	2.75-5.00	2.8965	2009-15	21,090,000	10,150,000
GO Bonds	07/15/08	250,000,000	3.00-5.00	4.1809	2009-28	212,500,000	200,000,000
GO Bonds[5]	11/03/09	232,000,000	3.75-5.00	3.1774	2015-29	232,000,000	232,000,000
GO Refunding Bonds	11/03/09	161,755,000	2.00-5.00	2.6487	2011-20	154,770,000	147,915,000
GO Bonds	11/17/09	78,000,000	2.00-5.00	1.1823	2010-14	46,800,000	31,200,000
GO Bonds	07/08/10	195,000,000	2.00-5.00	2.2596	2011-22	178,750,000	162,500,000
GO Bonds[6]	07/08/10	130,000,000	4.75-5.40	5.0708	2023-30	130,000,000	130,000,000
GO Bonds	08/11/11	320,000,000	2.00-5.00	3.2268	2012-31	320,000,000	304,000,000
GO Refunding Bonds	08/11/11	237,655,000	2.00-5.00	1.9896	2012-22	237,655,000	226,670,000
GO Bonds	10/24/12	295,000,000	2.50-5.00	2.2599	2013-32		295,000,000
GO Refunding Bonds	10/24/12	23,360,000	2.50-5.00	0.3812	2013-16		23,360,000
Total							$2,249,825,000

(1) True Interest Cost
(2) The County expects to refund $7,730,000 of the Series 2004 Bonds with a portion of the proceeds of the Series B Bonds. No assurance can be given that such refunding will occur due to market conditions.
(3) The County expects to refund $20,000,000 of the Series 2005 Bonds with a portion of the proceeds of the Series B Bonds. No assurance can be given that such refunding will occur due to market conditions.
(4) Variable Rate Demand Obligations
(5) Federally Taxable – Build America Bonds – Direct Pay
(6) Includes Federally Taxable – Build America Bonds $106.3 million – Direct Pay
(6) Includes Recovery Zone Economic Development Bonds $23.7 million – Direct Pay

Table 4
General Obligation Bonds Authorized – Unissued
As of June 30, 2013

Purpose	Chapter	Act	Amount	Amount Unissued
General County, Parks, and Consolidated Fire Tax District	36	2008	$ 68,200,000	$6,890,000
	22	2009	58,700,000	58,700,000
	54	2010	341,600,000	341,600,000
	24	2011	65,400,000	65,400,000
	19	2012	13,900,000	13,900,000
			547,800,000	486,490,000
Road & Storm Drainage	54	2010	192,000,000	182,540,000
	19	2012	38,700,000	38,700,000
			230,700,000	221,240,000
Public Schools and Community College	22	2009	272,500,000	66,268,0000
	54	2010	108,700,000	108,700,000
	24	2011	214,300,000	214,300,000
	19	2012	187,400,000	187,400,000
			782,900,000	576,668,000
Mass Transit	54	2010	32,600,000	4,605,000
	24	2011	103,200,000	103,200,000
			135,800,000	107,805,000
Public Housing	17	1981	2,650,000	2,590,000
	13	1982	995,000	995,000
	8	1983	230,000	230,000
	20	1985	900,000	900,000
	13	1986	855,000	855,000
	22	2009	1,000,000	1,000,000
	54	2010	46,400,000	46,400,000
			53,030,000	52,970,000
Easements				
Agricultural	24	2011	2,000,000	2,000,000
Facade	24	2011	1,100,000	1,100,000
			3,100,000	3,100,000
Parking Districts: Silver Spring	9	1983	2,945,000	2,045,000
	6	1984	1,220,000	1,220,000
	19	2012	20,115,000	20,115,000
			24,280,000	23,380,000
Bethesda	19	1981	7,325,000	3,040,000
	14	1982	775,000	775,000
	10	1983	1,050,000	1,050,000
			9,150,000	4,865,000
Total Parking Districts			13,315,000	28,245,000
Total General Obligation Bonds			$1,786,760,000	$1,476,518,000

In addition to the above noted authority, the County has authority under the provisions of section 56-13 of the Montgomery County Code, as amended, to issue County bonds, within statutory debt limits, to finance approved urban renewal projects.

Table 5
Bond Anticipation Notes Outstanding
As of June 30, 2013
And After Issuance of 2013 General Obligation Bonds

	Balance June 30, 2012	BANs Retired	BANs Issued	Total BANs Outstanding as of June, 30,2013	Proposed BANS to be Retired	Proposed Balance
2013 Issues						
BAN Series 2010	$ --	$ --	$ 126,790,000	$126,790,000	$ --	$ --
BAN Series 2009	--	--			--	--
Prior Years' Issues						
BAN Series 2010	300,000,000	126,790,000	--	173,210,000	--	--
BAN Series 2009	200,000,000	200,000,000	200,000,000	200,000,000	--	--
Total	$500,000,000	$326,790,000	$326,790,000	$500,000,000	$295,000,000	$205,000,000

Table 6
Montgomery County, Maryland
Schedule of General Fund Revenues, Expenditures, & Transfers In (Out)
(Budgetary, Non-GAAP Basis)

	Fiscal Year Actual[1]			Fiscal Year Budget	Actual July 1 to May 31,
	2010	2011	2012	2013 [2]	2013 (Unaudited)
Revenues:					
Taxes:					
Property, including interest & penalty	$ 1,045,604,890	$ 1,061,582,080	$ 1,042,924,958	$1,025,203,222	$1,038,390,627
Transfer tax and recordation tax	122,041,019	129,534,809	127,296,778	136,597,220	127,078,235
County income tax	1,042,098,527	1,039,234,850	1,255,089,822	1,263,585,546	1,042,917,360
Other taxes	205,594,301	304,004,588	293,532,105	304,091,600	269,061,484
Total Taxes	2,415,338,737	2,534,356,327	2,718,843,663	2,729,477,588	2,477,447,706
Licenses and permits	9,542,255	10,372,597	9,877,007	10,270,645	9,402,471
Intergovernmental revenue	50,521,703	51,645,247	41,873,345	43,370,944	41,991,451
Charges for services	9,757,107	9,483,647	8,387,285	9,282,446	9,432,013
Fines and forfeitures	23,107,769	19,249,187	18,742,899	20,461,110	19,519,458
Investment income	(144,976)	12,206	12,224	252,250	45,359
Miscellaneous	13,767,949	16,823,983	16,061,866	8,302,466	9,486,898
Total Revenues	2,521,890,544	2,641,943,194	2,813,798,289	2,821,417,449	2,567,325,356
Expenditures (including encumbrances):					
General County:					
General government	222,489,761	224,132,215	276,824,927	356,959,239	301,823,979
Public safety	344,427,956	334,915,498	342,225,124	368,811,291	342,159,044
Public works and transportation	98,647,800	63,657,144	51,076,683	53,754,533	65,039,014
Health and human services	198,470,632	183,462,232	184,255,411	202,243,415	184,548,346
Culture and recreation	46,478,007	34,021,901	33,615,205	36,073,898	32,586,902
Housing and community development	4,448,701	3,860,221	3,374,938	4,577,308	4,222,012
Environment	4,102,641	2 ,666,513	2,414,241	2,329,229	2,222,635
Total Expenditures	919,065,498	846,715,724	893,786,529	1,024,748,914	932,601,932
Transfers In (Out):					
Transfers In:					
Special Revenue Funds	95,441,777	24,649,524	25,557,670	24,502,418	17,899,161
Enterprise Funds	39,859,930	37,771,540	30,993,350	28,400,910	26,246,783
Trust Funds	14,779,000	--	--	--	--
Internal Service Funds	499,847	2,500,000	--	8,572,842	6,429,632
Component Units	255,150	247,613	240,075	247,610	232,538
Total Transfers In	150,835,704	65,168,677	56,791,095	61,723,780	50,808,114
Transfers Out:					
Special Revenue Funds	(13,137,847)	(33,625,392)	(78,066,365)	(49,842,416)	(17,560,048)
Debt Service Fund	(210,865,864)	(220,150,085)	(235,553,941)	(258,193,030)	(238,515,029)
Capital Projects Fund	(18,625,802)	(21,567,200)	(40,384,588)	(72,873,252)	(67,043,391)
Enterprise Funds	(3,171,570)	(3,420,070)	(3,389,630)	(2,980,809)	(2,165,084)
Internal Service Funds	--	--	(884,147)	(1,532,488)	--
Component Units	(1,568,829,854)	(1,532,153,074)	(1,484,536,407)	(1,570,207,231)	(1,473,411,075)
Total Transfers Out	(1,814,630,937)	(1,810,915,821)	(1,842,815,078)	(1,955,629,226)	(1,798,694,627)
Net Transfers In (Out)	(1,663,795,233)	(1,745,747,144)	(1,786,023,983)	(1,893,905,446)	(1,747,886,513)
Excess of revenues and transfers in over (under) expenditures, encumbrances and transfers out	(60,970,187)	49,480,326	133,987,777	(97,326,910)	(113,163,089)
Fund Balances, July 1 as previously stated	86,905,675	39,657,640	93,078,794	235,497,305	235,497,305
Net Adjustment for previous year encumbrances	13,722,152	3,940,828	8,430,734	19,989,373	19,989,373
Fund Balances, July 1 restated	100,627,827	43,598,468	101,509,528	255,486,678	255,486,678
Equity transfers in (out)	--	--	--	--	--
Budgetary Fund Balance – Subtotal	$ 39,657,640	$ 93,078,794	$ 235,497,305	$ 158,249,768	$ 142,323,589
Projections through year end:					
Revenue/Transfers In Remaining				--	331,303,013
Expenditures/Transfers Out Remaining				--	(223,673,657)
Budgetary Fund Balance Projected to June 30				$ 158,249,768	$ 249,952,945

(1) Amounts for FY10-12 are audited.

(2) Updated for budget adjustments as of May 31, 2013.

Table 7
General Fund
Schedule of Budgetary Fund Balance to
GAAP Fund Balance Reconciliation

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Projected July 1, 2012 to June 30, 2013 (Unaudited)
Budgetary to GAAP Reconciliation:				
Budgetary Fund Balance as noted above	$ 39,657,640	$ 93,078,794	$ 235,497,305	$ 249,952,945
Plus encumbrances outstanding	4,959,728	11,022,956	20,382,922	32,735,971
Adjustment for prior year encumbrances	(4,908,160)	(1,007,759)	(4,552,544)	(55,476)
Unrealized cumulative investment gain (loss)	(300,511)	(272,792)	(277,552)	(277,552)
Net differences between beginning fund balances	7,853,759	4,690,722	9,149,127	4,990,132
GAAP Fund Balance as Reported	$ 47,262,456	$ 107,511,921	$ 260,199,258	$ 287,346,020
Elements of GAAP Fund Balance [1]				
Nonspendable [2]	$ 7,596,839	$ 4,181,482	$ 5,635,580	$ 5,200,315
Committed [3]	34,705,889	23,275,746	41,243,696	44,877,307
Assigned [4]	4,959,728	11,022,956	20,382,922	32,735,971
Unassigned [5]	--	69,031,737	192,937,060	204,532,427
	$47,262,456	$107,511,921	$260,199,258	$ 287,346,020

Notes:

(1) GAAP fund balance amounts presented for FY10 and prior years have been restated to conform to the FY11 presentation under GASB54.
(2) Nonspendable amounts in FY10 and prior years were classified as Reservations.
(3) Committed amounts in FY10 and prior years were classified as Reservations.
(4) Assigned amounts in FY10 and prior years were classified as Unreserved Designations, primarily for encumbrances and General Fund transfers to the Capital Projects Fund.
(5) Unassigned amounts in FY10 and prior years were classified as Unreserved.

TAX MATTERS

In rendering its opinion with respect to the Bonds, Bond Counsel will rely without investigation on certifications provided by the County with respect to certain material facts within the knowledge of the County relevant to the tax-exempt status of interest on the Bonds.

Maryland Income Taxation

In the opinion of Bond Counsel, under existing law, (i) the Series A Bonds, their transfer, the interest payable on them, and any income derived from them, including any profit realized in their sale or exchange, shall be exempt from taxation of any kind by the State of Maryland or by any of its political subdivisions, or any public entity and (ii) interest on the Series B Bonds and profit realized from their sale or exchange will be exempt from State of Maryland income taxation. No opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds or the interest thereon. Interest on the Bonds may be subject to state or local income taxes in jurisdictions other than the State of Maryland under applicable state or local tax laws. Purchasers of the Bonds should consult their own tax advisors with respect to the taxable status of the Bonds in jurisdictions other than Maryland.

Federal Income Taxation

In the opinion of Bond Counsel, assuming compliance with certain covenants described herein and under existing statutes, regulations, and decisions, the interest on the Bonds will be excludable from gross income for federal income tax purposes.

Under the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the Bonds in order that the interest thereon be excludable from gross income. These include the following: (i) a requirement that certain earnings received from the investment of the proceeds of the Bonds be rebated to the United States of America under certain circumstances (or that certain payments in lieu of rebate be made); (ii) other requirements applicable to the investment of the proceeds of the Bonds; and (iii) other requirements applicable to the use of the proceeds of the Bonds and the facilities financed or refinanced with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The County has covenanted to regulate the investment of the proceeds of the Bonds and to take such other actions as may be required to maintain the excludability from gross income for federal income tax purposes of interest on the Bonds.

Further, under existing statutes, regulations, and decisions, interest on the Bonds is not included in the alternative minimum taxable income of individuals, corporations, or other taxpayers as an enumerated item of tax preference or other specific adjustment. However, for purposes of calculating the corporate alternative minimum tax, a corporation subject to such tax may be required to increase its alternative minimum taxable income by 75% of the amount by which its "adjusted current earnings" exceed its alternative minimum taxable income (computed without regard to this current earnings adjustment and the alternative net tax operating loss deduction). For such purposes, "adjusted current earnings" may include, among other items, interest income from the Bonds. In addition, interest income on the Bonds will be subject to the branch profits tax imposed by the Code on foreign corporations engaged in a trade or business in the United States.

Certain Other Federal Tax Consequences

There are other federal tax consequences of ownership of obligations such as the Bonds under certain circumstances, including the following: (i) deductions are disallowed for certain expenses of taxpayers allocable to interest on tax-exempt obligations, as well as interest on indebtedness incurred or continued to purchase or carry tax-exempt obligations and interest expense of financial institutions allocable to tax-exempt interest; (ii) for property and casualty insurance companies, the amount of the deduction for losses incurred must be reduced by 15% of the sum of tax-exempt interest income received or accrued and the deductible portion of dividends received by such companies; (iii) interest income that is exempt from tax must be taken into account for the purpose of determining whether, and what amount of, social security or railroad retirement benefits are includable in gross income for federal income tax purposes; (iv) for S corporations having Subchapter C earnings and profits, the

receipt of certain levels of passive investment income, including interest on tax-exempt obligations such as the Bonds, can result in the imposition of tax on such passive investment income and, in some cases, loss of S corporation status and (v) net gain realized upon the sale or the other disposition of the Bonds must be taken into account when computing the 3.8% Medicare tax with respect to the investment income imposed on certain higher income individuals and specified trusts and estates.

Purchase, Sale and Retirement of Bonds

Except as noted below in the case of market discount, the sale or other disposition of a Bond will normally result in capital gain or loss to its holder. A holder's initial tax basis in a Bond will be its cost. Upon the sale or retirement of a Bond, for federal income tax purposes, a holder will recognize capital gain or loss upon the disposition of such security (including sale, early redemption or payment at maturity) in an amount equal to the difference between (a) the amount received upon such disposition and (b) the tax basis in such Bond, determined by adding to the original cost basis in such Bond the amount of original issue discount that is treated as having accrued as described below under "THE BONDS -- Tax Accounting Treatment of Discount Bonds." Such gain or loss will be a long-term capital gain or loss if at the time of the sale or retirement the Bond has been held for more than one year. Present law taxes both long and short-term capital gains of corporations at the rates applicable to ordinary income. For noncorporate taxpayers, however, short-term capital gains are taxed at the rates applicable to ordinary income, while net capital gains are taxed at lower rates. Net capital gains are the excess of net long-term capital gains (gains on capital assets held for more than one year) over net short-term capital losses.

Market Discount

If a holder acquires a Bond after its original issuance at a discount below its principal amount (or in the case of a Bond issued at an original issue discount, at a price that produces a yield to maturity higher than the yield to maturity at which such bond was first issued), the holder will be deemed to have acquired the Bond at "market discount," unless the amount of market discount is *de minimis*, as described in the following paragraph. If a holder that acquires a Bond with market discount subsequently realizes a gain upon the disposition of the Bond, such gain shall be treated as taxable interest income to the extent such gain does not exceed the accrued market discount attributable to the period during which the holder held such Bond, and any gain realized in excess of such market discount will be treated as capital gain. Potential purchasers should consult their tax advisors as to the proper method of accruing market discount.

In the case of a Bond not issued at an original issue discount, market discount will be *de minimis* if the excess of the Bond's stated redemption price at maturity over the holder's cost of acquiring the Bond is less than 0.25% of the stated redemption price at maturity multiplied by the number of complete years between the date the holder acquires the Bond and its stated maturity date. In the case of a Bond issued with original issue discount, market discount will be *de minimis* if the excess of the Bond's revised issue price over the holder's cost of acquiring the Bond is less than 0.25% of the revised issue price multiplied by the number of complete years between the date the holder acquires the Bond and its stated maturity date. For this purpose, a Bond's "revised issue price" is the sum of (i) its original issue price and (ii) the aggregate amount of original issue discount that is treated as having accrued with respect to the Bond during the period between its original issue date and the date of acquisition by the holder.

Amortizable Bond Premium

A Bond will be considered to have been purchased at a premium if, and to the extent that, the holder's tax basis in the Bond exceeds the amount payable at maturity (or, in the case of a Bond callable prior to maturity, the amount payable on the earlier call date). Under tax regulations applicable to the Bonds, the amount of the premium would be determined with reference to the amount payable on that call date (including for this purpose the maturity date) which produces the lowest yield to maturity on the Bonds. The holder will be required to reduce his tax basis in the Bond for purposes of determining gain or loss upon disposition of the Bond by the amount of amortizable bond premium that accrues, determined in the manner prescribed in the regulations. Generally, no deduction (or other tax benefit) is allocable in respect of any amount of amortizable bond premium on the Bonds.

Tax Accounting Treatment of Discount Bonds

Certain maturities of the Bonds may be issued at an initial public offering price which is less than the amount payable on such Bonds at maturity (the "Discount Bonds"). The difference between the initial offering price, at which a substantial amount of the Discount Bonds of each maturity was first sold, and the principal amount of such

Discount Bonds payable at maturity constitutes original issue discount. The amount of such original issue discount which is treated as having accrued with respect to such Discount Bonds is added to the original cost basis of the holder in determining, for federal income tax purposes, gain or loss upon disposition (including sale, early redemption or repayment at maturity). For federal income tax purposes (a) any holder of a Discount Bond will recognize gain or loss upon the disposition of such Discount Bond (including sale, early redemption or payment at maturity) in an amount equal to the difference between (i) the amount received upon such disposition and (ii) the sum of (1) the holder's original cost basis in such Discount Bond, and (2) the amount of original issue discount attributable to the period during which the holder held such Discount Bond, and (b) the amount of the basis adjustment described in clause (a)(ii)(2) will not be included in the gross income of the holder.

Original issue discount on Discount Bonds will be attributed to permissible compounding periods during the life of any Discount Bonds in accordance with a constant rate of interest accrual method. The yield to maturity of the Discount Bonds of each maturity is determined using permissible compounding periods. In general, the length of a permissible compounding period cannot exceed the length of the interval between debt service payments on the Discount Bonds and must begin or end on the date of such payments. Such yield then is used to determine an amount of accrued interest for each permissible compounding period. For this purpose, interest is treated as compounding periodically at the end of each applicable compounding period. The amount of original issue discount which is treated as having accrued in respect of a Discount Bond for any particular compounding period is equal to the excess of (a) the product of (i) the yield for such Discount Bond (adjusted as necessary for an initial short period) divided by the number of compounding periods in a year multiplied by (ii) the amount that would be the tax basis of such Discount Bond at the beginning of such period if held by an original purchaser who purchased at the initial public offering price, over (b) the amount actually payable as interest on such Discount Bond during such period. For purposes of the preceding sentence the tax basis of a Discount Bond, if held by an original purchaser, can be determined by adding to the initial public offering price of such Discount Bond the original issue discount that is treated as having accrued during all prior compounding periods. If a Discount Bond is sold or otherwise disposed of between compounding dates, then interest which would have accrued for that compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Holders of Discount Bonds should note that, under the tax regulations, the yield and maturity of Discount Bonds are determined without regard to commercially reasonable sinking fund payments, and any original issue discount remaining unaccrued at the time that a Discount Bond is redeemed in advance of stated maturity will be treated as taxable gain. Moreover, tax regulations prescribe special conventions for determining the yield and maturity of certain debt instruments that provide for alternative payment schedules applicable upon the occurrence of certain contingencies.

The yields (and related prices) furnished by the successful bidder for the Bonds as shown on the inside cover of this Official Statement may not reflect the initial issue prices for the purpose of determining the original issues discount for federal income tax purposes.

The foregoing summarizes certain federal income tax consequences of original issue discount with respect to the Discount Bonds but does not purport to deal with all aspects of federal income taxation that may be relevant to particular investors or circumstances, including those set out above. Prospective purchasers of Discount Bonds should consider possible state and local income, excise or franchise tax consequences arising from original issue discount on the Discount Bonds. In addition, prospective corporate purchasers should consider possible federal tax consequences arising from original issue discount on such Discount Bonds under the alternative minimum tax or the branch profits tax. The amount of original issue discount considered to have accrued may be reportable in the year of accrual for state and local tax purposes or for purposes of the alternative minimum tax or the branch profits tax without a corresponding receipt of cash with which to pay any tax liability attributable to such discount. Purchasers with questions concerning the detailed tax consequences of transactions in the Discount Bonds should consult their tax advisors.

The foregoing is only a general summary of certain provisions of the Code as enacted and in effect on the date hereof and does not discuss all aspects of federal income taxation that may be relevant to a particular holder of the Bonds in light of such holder’s particular circumstances and income tax situation. Each holder of the Bonds should consult such holder’s tax advisors as to the specific consequences to such holder of the ownership and disposition of the Bonds, including the application of state, local, foreign and other tax laws.

Legislative Developments

Legislative proposals recently under consideration or proposed after issuance and delivery of the Bonds could adversely affect the market value of the Bonds. Further, if enacted into law, any such proposal could cause the interest on the Bonds to be subject, directly or indirectly, to federal income taxation and could otherwise alter or amend one or more of the provisions of federal tax law described above or their consequences. Prospective purchasers of the Bonds should consult with their tax advisors as to the status and potential effect of proposed legislative proposals, as to which Bond Counsel expresses no opinion.

CONTINUING DISCLOSURE UNDERTAKING

In order to enable participating underwriters, as defined in Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12") to comply with the requirements of paragraph (b)(5) of Rule 15c2-12, the County will execute and deliver a continuing disclosure agreement (the "Continuing Disclosure Agreement") on or before the date of issuance and delivery of the Bonds, the form of which is attached to this Official Statement as Appendix B. Potential purchasers of the Bonds should note that the definition of Reportable Events in Appendix B is intended to completely restate the events specified in Rule 15c2-12. It is noted that certain Reportable Events are expected to have no applicability to the Bonds, such as the possibility of unscheduled draws on debt service reserves and matters affecting collateral for the Bonds.

The County has not failed to comply with any prior continuing disclosure undertaking made pursuant to Rule 15c2-12.

LEGALITY OF THE BONDS

The authorization, sale, issuance and delivery of the Bonds will be subject to legal approval by McKennon Shelton & Henn LLP, Bond Counsel, and a copy of their unqualified approving legal opinions with respect to the Bonds will be delivered upon request, without charge, to the successful bidders for the Bonds. The opinion is expected to be substantially in the form of the draft opinion attached to this Official Statement as Appendix A.

LITIGATION

The County is currently processing numerous claims for damages and is also a defendant in a number of lawsuits which are expected to be paid, when applicable, through its self-insurance program. In addition to those suits in which claims for liability are adequately covered by insurance, the County is a defendant in various suits involving tort claims, violations of civil rights, breach of contract, inverse condemnation, and other suits and actions arising in the normal course of business. In the opinion of the County Attorney, the possible liability of the County in the resolution of these cases will not materially affect the County's ability to perform its obligations to the holders of the Bonds.

RATINGS

Rating reviews for this issue have been requested from Fitch Ratings, Moody's Investors Service, Inc., and Standard & Poor's Rating Group. A rating reflects only the view of the rating organization and explanations of the significance of such rating may be obtained from the rating agency furnishing the same. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

FINANCIAL ADVISOR

Public Resources Advisory Group, Media, Pennsylvania, is serving as financial advisor to the County (the "Financial Advisor") with respect to the issuance and sale of the Bonds. The Financial Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading, or distributing municipal securities or other public securities. The Financial Advisor has not and is not obligated to undertake or to make an independent verification of, or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

INDEPENDENT PUBLIC ACCOUNTANTS

The audited basic financial statements of the County are included in Appendix A to the County's AIS, which have been

audited by BDO USA, LLP ("BDO"), independent public accountants, as indicated in their report with respect thereto. The audited basic financial statements have been included in reliance upon the qualification of said firm to issue said report. In the report, BDO states that with respect to certain of the County's component units, its opinion is based on the reports of other independent public accountants. The report of BDO also contains an explanatory paragraph which states that BDO did not audit certain identified supplementary information and expressed no opinion thereon.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

With respect to the Series B Bonds, Robert Thomas CPA, LLC, will verify the mathematical accuracy of the computations performed by Public Resources Advisory Group, including (a) the adequacy of the maturing principal amounts of and interest on the Government Obligations and cash held in the 2004 Escrow Deposit Account and 2005 Escrow Deposit Account established and maintained under the Escrow Deposit Agreement for the payment of the principal of and redemption premium and interest due on the Series 2004 Bonds and the Series 2005 Bonds, respectively, and (b) calculations to support of the opinion of Bond Counsel that the Series B Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code. Such verification will be based upon data and information supplied to the verification agent by Public Resources Advisory Group.

CERTIFICATE OF COUNTY OFFICIALS

The Chief Administrative Officer and the Director of Finance of the County will furnish a certificate to the successful bidders for the Bonds to the effect that, to the best of their knowledge and belief, this Official Statement, as of the date of sale and the date of delivery of the Bonds, is true and correct in all material respects and does not contain an untrue statement of a material fact or omit to state a material fact, required to be stated or necessary to be stated, to make such statements, in the light of the circumstances under which they were made, not misleading.

INFORMATION IN OFFICIAL STATEMENT

All quotations, summaries and explanations in this Official Statement of State and County laws and the Montgomery County Charter do not purport to be complete and reference is made to pertinent provisions of the same for complete statements. Any estimates or opinions herein, whether or not expressly so stated, are intended as such and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date as of which such information is stated or the date hereof. This Official Statement shall not be construed as part of any contract between the County and the purchasers or holders of its bonds. The County has been advised by McKennon Shelton & Henn LLP, Baltimore, Maryland, Bond Counsel, in connection with legal statements contained in this Official Statement; however, Bond Counsel has not passed upon or assumed responsibility for the accuracy of the statistical data, financial statements and economic data contained herein.

Any questions regarding this Official Statement or the Bonds should be directed to the County's Director of Finance, Department of Finance, Montgomery County, Maryland, 101 Monroe Street, 15th floor, Rockville, Maryland 20850, Telephone: (240) 777-8860.

AUTHORIZATION OF OFFICIAL STATEMENT

The execution of this Official Statement and its delivery have been duly authorized by the County. This Official Statement is hereby deemed final for the purposes of Rule 15c2-12 of the Securities and Exchange Commission.

MONTGOMERY COUNTY, MARYLAND

By: _____
Isiah Leggett
County Executive

By: _____
Joseph F. Beach
Director, Department of Finance

APPENDIX A

FORM APPROVING OPINION OF BOND COUNSEL

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[Form of Bond Counsel Opinion]

County Executive and County Council
of Montgomery County, Maryland
Rockville, Maryland

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance by Montgomery County, Maryland (the "County") of its Consolidated Public Improvement Bonds of 2013, Series A (the "Series A Bonds") and its Consolidated Public Improvement Series B Bonds of 2013, Series B (the "Series B Bonds" and together with the Series A Bonds collectively, the "Bonds").

The Bonds are dated the date of their initial delivery, and are issued in fully registered in form in the denomination of $5,000 each or any integral multiple thereof. The Bonds are issued pursuant to Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Volume) ("Section 10-203"); Section 19-101 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume) and Section 19-207 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume); Chapter 36 of the Laws of Montgomery County of 2008, Chapter 22 of the Laws of Maryland of 2009, Chapter 54 of the Laws of Montgomery County of 2010, Chapter 24 of the Laws of Montgomery County of 2011; Resolution No. 16-1104 of the County Council for Montgomery County, Maryland (the "County Council"), adopted on September 15, 2009, as amended, a Resolution of the County Council adopted on October 20, 2009, as amended; Chapter 20 of the Code of Montgomery County, provisions of the Montgomery County Charter, and an Executive Order of the County Executive of the County passed as of October 22, 2013, as supplemented (the "Order").

In rendering this opinion, we have relied without investigation on the County's Tax and Section 148 Certificate dated this date made on behalf of the County by officers thereof with respect to certain material facts within the knowledge of the County relevant to the tax-exempt status of interest on the Bonds.

With respect to the executed and authenticated Bond that we have examined, and the Bonds similarly executed and identical thereto in form except for numbers, interest rates, denominations, and maturities, and under existing statutes, regulations, and decisions, we are of the opinion that:

(a) The County is a validly created and existing body politic and corporate and political subdivision of the State of Maryland, possessing authority under the Enabling Laws, the Charter, the Resolutions and the Order to issue the Bonds.

(b) The Bonds constitute an irrevocable pledge of the full faith and credit and unlimited taxing power of the County, and for the payment of which the County is empowered to levy ad valorem taxes upon all assessable property within the corporate limits of the County.

(c) To provide for the payment of the principal of and interest on the Bonds, the County has covenanted to levy or cause to be levied ad valorem taxes upon all the assessable property within the corporate limits of the County, in rate and amount sufficient for that purpose in each fiscal year in which provision must be made for the payment of such principal and interest.

(d) (i) the Series A Bonds, their transfer, the interest payable on them and any income derived from them, including any profit realized in their sale or exchange, shall be exempt from taxation of any kind by the State of Maryland or by any of its political subdivisions, or any public entity and (ii) interest on the Series B Bonds and profit realized from their sale or exchange will be exempt from State of Maryland income taxation. No opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds or the

interest thereon.

(e) Assuming compliance with certain covenants referred to herein, interest on the Bonds will be excludable from gross income for federal income tax purposes under existing statutes, regulations and decisions. It is noted that under the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the Bonds, in order that the interest thereon be excludable from gross income. These include (i) a requirement that certain investment earnings received from the investment of the proceeds of the Bonds be rebated (or that certain payments in lieu of rebate be made) to the United States of America under certain circumstances; (ii) other requirements applicable to the investment of the proceeds of the Bonds; and (iii) requirements applicable to the use of the proceeds of the Bonds and the use of the facilities financed or refinanced with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The County has covenanted to regulate the investment of the proceeds of the Bonds and to take such other actions as may be required to maintain the excludability of interest on the Bonds from gross income for federal income tax purposes. It is our opinion that, assuming compliance with such covenants, the interest on the Bonds will remain excludable from gross income for federal income tax purposes under the provisions of the Code.

(f) Interest on the Bonds is not includable in the alternative minimum taxable income of individuals, corporations or other taxpayers as an enumerated item of tax preference or other specific adjustment. However, for purposes of calculating the corporate alternative minimum tax, a corporation subject to tax may be required to increase its alternative minimum taxable income by 75% of the amount by which its "adjusted current earnings" exceed its alternative minimum taxable income (computed without regard to this current earnings adjustment and the alternative tax net operating loss deduction). For such purposes, "adjusted current earnings" would include, among other items, interest income from the Bonds. In addition, interest income on the Bonds will be subject to the branch profits tax imposed by the Code on foreign corporations engaged in a trade or business in the United States of America.

The opinions expressed above are limited to the matters set forth above, and no other opinions should be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable laws or interpretations thereof change after the date hereof or if we become aware of any facts or circumstances that might change the opinions expressed herein after the date hereof.

Very truly yours,

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APPENDIX B

FORM OF CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement dated as of _____ ___, 2013 (this "Disclosure Agreement") is executed and delivered by MONTGOMERY COUNTY, MARYLAND (the "County") in connection with the issuance of its Consolidated Public Improvement Bonds of 2013, Series A and Consolidated Public Improvement Refunding Bonds of 2013, Series B (collectively, the "Bonds"). The County, intending to be legally bound hereby and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby covenant and agree as follows:

SECTION 1. *Purpose of the Disclosure Agreement.* This Disclosure Agreement is being executed and delivered by the County for the benefit of the owners of the Bonds, including beneficial owners, and in order to assist the Participating Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5). The County's obligations hereunder shall be limited to those required by written undertaking pursuant to the Rule.

SECTION 2. *Definitions.* In addition to the definitions set forth above, which apply to any capitalized term used in this Disclosure Agreement, the following capitalized terms shall have the following meanings:

"EMMA" shall mean Electronic Municipal Market Access System maintained by the MSRB. For more information on EMMA, see www.emma.msrb.org.

"Listed Events" shall mean any of the events listed in Section 4(a) of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board, established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended or replaced from time to time.

"State" shall mean the State of Maryland.

SECTION 3. *Provision of Annual Financial Information, Operating Data and Audited Information.*

(a) The County shall provide to the MSRB, the following annual financial information and operating data, such information and data to be updated as of the end of the preceding fiscal year and made available within 275 days after the end of the fiscal year, commencing with the fiscal year ended June 30, 2013:

(i) Statement of Direct and Overlapping Debt;

(ii) General Bonded Debt Ratios;

(iii) Assessed Value of All Taxable Property By Class;

(iv) Property Tax Levies and Collections;

(v) Property Tax Rates and Tax Levies, By Purpose; and

(vi) Schedule of General Fund Revenues, Expenditures and Transfers In (Out).

(b) The County shall provide to the MSRB annual audited financial statements for the County, such information to be made available within 275 days after the end of the County's fiscal year, commencing with the fiscal year ended June 30, 2013, unless the audited financial statements are not available on or before such date, in which event said financial statements will be provided promptly when and if available. In the event that audited financial statements

are not available within 275 days after the end of the County's fiscal year (commencing with the fiscal year ended June 30, 2013), the County will provide unaudited financial statements within such time period.

(c) The presentation of the financial information referred to in paragraph (a) and in paragraph (b) of this Section shall be made in accordance with the same accounting principles as utilized in connection with the presentation of applicable comparable financial information included in the final official statement for the Bonds.

(d) If the County is unable to provide the annual financial information and operating data within the applicable time periods specified in (a) and (b) above, the County shall send in a timely manner a notice of such failure to the MSRB.

(e) The County hereby represents and warrants that it has not failed to comply with any prior disclosure undertaking made pursuant to the Rule.

SECTION 4. *Reporting of Significant Events.*

(a) This Section 4 shall govern the giving of notices of the occurrence of any of the following events with respect to the Bonds:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

(5) substitution of credit or liquidity providers, or their failure to perform;

(6) adverse tax opinions or events affecting the tax-exempt status of the Bonds;

(7) modifications to rights of Bondholders, if material;

(8) bond calls;

(9) defeasances;

(10) release, substitution or sale of property securing repayment of the Bonds, if material;

(11) rating changes;

(12) the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds;

(13) tender offers;

(14) bankruptcy, insolvency, receivership or similar event of the County;

(15) appointment of a successor or additional trustee or the change of name of a trustee, if material; and

(16) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or

the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

(b) In a timely manner, not in excess of ten business days after the occurrence of an event listed in Section 4(a) above, the County shall file a notice of such occurrence with the MSRB.

SECTION 5. *Filing with EMMA.* Unless otherwise required by the MSRB, all filings with the MSRB shall be made with EMMA and shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 6. *Termination of Reporting Obligations.* The County's obligations under this Disclosure Agreement shall terminate upon the payment in full of all of the Bonds either at their maturity or by early redemption. In addition, the County may terminate its obligations under this Disclosure Agreement if and when the County no longer remains an obligated person with respect to the Bonds within the meaning of the Rule.

SECTION 7. *Amendments.*

(a) The County may provide further or additional assurances that will become part of the County's obligations under this Disclosure Agreement. In addition, this Disclosure Agreement may be amended by the County in its discretion, provided that:

(1) the amendment is being made in connection with a change of circumstances that arises from a change in legal requirements, change in law, change in the identity, nature or status of the County as the obligated person with respect to the Bonds, or type of business conducted by the County;

(2) this Disclosure Agreement, as amended, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(3) the amendment does not materially impair the interests of owners of the Bonds, including beneficial owners, as determined by bond counsel selected by the County or by an approving vote of at least 25% of the outstanding principal amount of the Bonds.

(b) The reasons for the County agreeing to provide any further or additional assurances or for any amendment and the impact of the change in the type of financial information or operating data being provided will be explained in narrative form in information provided with the annual financial information containing the additional or amended financial information or operating data.

SECTION 8. *Additional Information.* Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including disclaimers or any other information in any disclosure made pursuant to Section 3(a) or 3(b) hereof or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the County chooses to include any information in any disclosure made pursuant to Section 3(a) or 3(b) hereof or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future disclosure made pursuant to Section 3(a) or 3(b) hereof or notice of occurrence of a Listed Event.

SECTION 9. *Limitation on Remedies and Forum.*

(a) The County shall be given written notice at the address set forth below of any claimed failure by the County to perform its obligations under this Disclosure Agreement, and the County shall be given 15 days to remedy any such claimed failure. Any suit or other proceeding seeking further redress with regard to any such claimed failure by the County shall be limited to specific performance as the adequate and exclusive remedy available in connection with such action. Written notice to the County shall be given to Director of Finance, 15th Floor, Executive Office Building, 101 Monroe Street, Rockville, Maryland 20850, or at such alternate address as

shall be specified by the County in disclosures made pursuant to Section 3(a) or 3(b) hereof or a notice of occurrence of a Listed Event.

(b) Any suit or proceeding seeking redress with regard to any claimed failure by the County to perform its obligations under this Disclosure Agreement must be filed in the Circuit Court for Montgomery County, Maryland.

SECTION 10. *Beneficiaries.* This Disclosure Agreement shall inure solely to the benefit of the current owners from time to time of the Bonds, including beneficial owners, and shall create no rights in any other person or entity.

SECTION 11. *Relationship to Bonds.* This Disclosure Agreement constitutes an undertaking by the County that is independent of the County's obligations with respect to the Bonds. Any breach or default by the County under this Disclosure Agreement shall not constitute or give rise to a breach or default under the Bonds.

SECTION 12. *Severability.* In case any section or provision of this Disclosure Agreement or any covenant, stipulation, obligation, agreement, or action, or any part thereof, made, assumed, entered into or taken under this Disclosure Agreement, or any application thereof, is for any reason held to be illegal or invalid or is at any time inoperable, such illegality, invalidity or inoperability shall not affect the remainder thereof or any other section or provision of this Disclosure Agreement, or any other covenant, stipulation, obligation, agreement, act or action, or part thereof, made, assumed, entered into or taken under this Disclosure Agreement, which shall at the time be construed and enforced as if such illegal or invalid or inoperable portion were not contained therein.

SECTION 13. *Entire Agreement.* This Disclosure Agreement contains the entire agreement of the County with respect to the subject matter hereof and supersedes all prior arrangements and understandings with respect thereto; provided, however, that this Disclosure Agreement shall be interpreted and construed with reference to and in pari materia with the Rule.

SECTION 14. *Captions.* The captions or headings herein shall be solely for convenience of reference and shall in no way define, limit or describe the scope or intent of any provisions or sections hereof.

SECTION 15. *Governing Law.* This Disclosure Agreement and any claim made with respect to the performance by the County of its obligations hereunder shall be governed by, subject to and construed in accordance with the federal securities laws, where applicable, and the laws of the State, without reference to the choice of law principles thereof.

IN WITNESS WHEREOF, the County has caused this Disclosure Agreement to be duly executed as of the day and year first above written.

MONTGOMERY COUNTY, MARYLAND

By:_____
Director of Finance

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APPENDIX C

NOTICES OF SALE

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OFFICIAL NOTICE OF SALE

$295,000,000*
MONTGOMERY COUNTY, MARYLAND
General Obligation Bonds
Consolidated Public Improvement Bonds of 2013, Series A

NOTICE IS HEREBY GIVEN that electronic bids will be received on the date and up to the time specified below:

SALE DATE: **Wednesday, November 13, 2013**

SALE TIME: **10:30 a.m. Prevailing Eastern Time**

ELECTRONIC BIDS: Must be submitted through ***PARITY®*** as described below.

No other form of bid or provider of electronic bidding services will be accepted.

Bids will be received for the purchase of all, but not less than all, of the Montgomery County, Maryland general obligation bonds, Consolidated Public Improvement Bonds of 2013, Series A (the "Series A Bonds" or the "Bonds") to be issued by Montgomery County, Maryland (the "County"). The Bonds are more particularly described in the Preliminary Official Statement dated October 30, 2013 relating to the Bonds (the "Preliminary Official Statement"), available at the County's website, http://bonds.montgomerycountymd.gov. Prior to accepting bids, the County reserves the right to adjust the aggregate principal amount and principal amounts of each maturity of the Bonds being offered, to change the terms of the Bonds, to postpone the sale of the Bonds to a later date, or to cancel the sale of the Bonds based on market conditions.

Consideration of the bids and the award will be made by the County on the Sale Date (as set forth above and in the Bidding Parameters Table herein). The County also reserves the right to adjust the principal amount of the Bonds offered, to eliminate maturities, or to cancel the sale of the Bonds after the bids are opened as further described herein. See "Adjustment of Amounts and Maturities" and "Change or Cancellation of Sale Date and/or Date of Delivery."

*Preliminary, subject to change.

Contact Information

MONTGOMERY COUNTY, MARYLAND (ISSUER)

Joseph F. Beach, *Director of Finance*
Department of Finance
101 Monroe Street, 15th Floor
Rockville, Maryland 20850
Phone: (240) 777-8860 / Fax: (240) 777-8857
Email: joseph.beach@montgomerycountymd.gov

Jacqueline D. Carter, *Debt Manager*
Department of Finance
101 Monroe Street, 15th Floor
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I-DEAL/PARITY® (ELECTRONIC BIDDING PLATFORM)

Client Services
Phone: (212) 849-5024
Email: parity@i-deal.com

Bidding Parameters Table*

INTEREST		PRICING	
Dated Date:	Date of Delivery	Max. Aggregate Bid Price:	Unlimited
Anticipated Date of Delivery**:	November 26, 2013	Min. Aggregate Bid Price:	100.0%
Interest Payment Dates:	May 1 and November 1		
First Interest Payment Date:	May 1, 2014	Max. Reoffering Price (each maturity):	Unlimited
Coupon Multiples:	1/8 or 1/20 of 1%	Min. Reoffering Price (each maturity):	98.5%
Maximum Coupon:	N/A		
Minimum Coupon:	N/A		
Maximum TIC:	N/A		
Maximum Difference Between Coupons:	4%		
No Zero Coupon may be specified			
PRINCIPAL		**PROCEDURAL**	
Optional Redemption:	Bonds maturing on or before November 1, 2023, are not subject to redemption. Bonds maturing on or after November 1, 2024, are subject to redemption beginning November 1, 2023, as a whole or in part at any time thereafter.	Sale Date: Sale Time:	November 13, 2013 10:30 a.m. Prevailing Eastern Time
Post-bid Principal Increases Each Maturity: Aggregate:	 N/A 15%	Bid Submission:	Electronic bids through PARITY only
Post-bid Principal Reductions Each Maturity: Aggregate:	 N/A 15%	All or None?	Yes
Term Bonds:	No maturities in the bonds may be designated as term bonds.	Bid Award Method:	Lowest TIC Electronically
		Bid Confirmation:	Fax Signed PARITY screen
		Awarding of Bid:	On the Sale Date by the County
		Good Faith Deposit**:	$2,950,000; as more fully described herein. See "Good Faith Deposit."

* If numerical or date references contained in the body of this Official Notice of Sale conflict with the Bidding Parameters Table, the Bidding Parameters Table of this Official Notice of Sale shall control. Consult the body of this Official Notice of Sale for a detailed explanation of the items contained in the Bidding Parameters Table, including interpretation of such items and methodologies used to determine such items.

** Preliminary, subject to change.

PRINCIPAL AMORTIZATION SCHEDULE

The Bonds will be issued in serial form as designated by the successful bidder for the Bonds in its proposal, as described below. The principal of the Bonds shall be payable in installments on the dates in the following years and in the following amounts:

$295,000,000* Consolidated Public Improvement Bonds of 2013, Series A

Maturing Nov 1	Principal Amount	Maturing Nov 1	Principal Amount
2014	$14,750,000	2024	$14,750,000
2015	14,750,000	2025	14,750,000
2016	14,750,000	2026	14,750,000
2017	14,750,000	2027	14,750,000
2018	14,750,000	2028	14,750,000
2019	14,750,000	2029	14,750,000
2020	14,750,000	2030	14,750,000
2021	14,750,000	2031	14,750,000
2022	14,750,000	2032	14,750,000
2023	14,750,000	2033	14,750,000

*Preliminary, subject to change.

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The Bonds

Security

The Bonds are general obligations of the County, and its full faith and credit and unlimited taxing power are irrevocably pledged to the punctual payment of principal of and interest on such Bonds when due and payable.

Use of Proceeds

The proceeds of the Series A Bonds will be used to refinance all or a portion of the County's outstanding Consolidated Public Improvement Commercial Paper Bond Anticipation Notes, 2009 Series and Consolidated Public Improvement Commercial Paper Bond Anticipation Notes, 2010 Series, which notes were used to finance and refinance the acquisition, construction and equipping certain public facilities of the County.

Description of the Bonds

The Bonds will be issued in fully registered form in denominations of $5,000 or integral multiples thereof, will be dated the anticipated date of delivery (the "Dated Date") set forth in the Bidding Parameters Table, and will bear interest from the Dated Date until paid or duly called for redemption at the annual rate or rates specified by the successful bidder, subject to the limitations specified below, payable as shown on the Bidding Parameters Table. Interest will be computed on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board ("MSRB").

The Bonds will mature on the month and day, in the years and principal amounts shown in the Principal Amortization Schedule, subject in each case to adjustment to the extent permitted in this Official Notice of Sale. See "Adjustments of Amounts and Maturities."

Authority for Issuance

The Series A Bonds are consolidated and issued pursuant to Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Volume); Section 19-101 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume); Chapter 36 of the Laws of Montgomery County of 2008, Chapter 22 of the Laws of Maryland of 2009, Chapter 54 of the Laws of Montgomery County of 2010, Chapter 24 of the Laws of Montgomery County of 2011; Resolution No. 16-1104 of the County Council for Montgomery County, Maryland (the "County Council"), adopted on September 15, 2009, as amended; Chapter 20 of the Code of Montgomery County, provisions of the Montgomery County Charter, and an Executive Order of the County Executive of the County, as supplemented.

Book-Entry Only

The Bonds will be issued in fully registered, book-entry only form and a bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York ("DTC"), registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The successful bidder, as a condition to delivery of the Bonds, will be required to deposit the Bonds with DTC, registered in the name of Cede & Co. Principal of, premium, if any, and interest on the Bonds will be payable by the paying agent by wire transfer or in clearinghouse funds to DTC or its nominee as registered owner of the Bonds. Transfer of principal, premium, if any, and interest payments to the beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The County will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. The successful bidder will be required to furnish to DTC within seven days after the sale the customary underwriter's questionnaire and information as to each DTC participant and the Bonds to be held for it. See the Preliminary Official Statement for more information regarding DTC.

Redemption

Optional Redemption

Bonds which mature on or before November 1, 2023, are not subject to redemption prior to their respective maturities. Bonds which mature on or after November 1, 2024, are subject to redemption beginning November 1, 2023, as a whole or in part at any time thereafter, in any order of their maturities, at the option of the County, at a redemption price for each bond equal to the principal amount of the bond to be redeemed, together with interest accrued to the date fixed for redemption, without premium.

Selection of Bonds to Be Redeemed

If less than all of the Bonds of any one maturity are called for redemption, the particular bonds, or portions of such bonds, to be redeemed from such maturity shall be selected by the Director of Finance of the County, acting as bond registrar and paying agent for the Bonds, or its successor as bond registrar and paying agent (the "Bond Registrar/Paying Agent") by lot or other random means in such manner as the Bond Registrar/Paying Agent in its sole discretion may determine, except that so long as DTC or its nominee is the sole registered owner of the Bonds, the particular bonds or portion to be redeemed shall be selected by DTC, in such manner as DTC shall determine. Each $5,000 portion of a bond shall be treated as a separate bond in the selection of Bonds to be redeemed.

If the County elects to redeem all or a portion of a series of the Bonds outstanding, it shall give a redemption notice to the registered owners of such Bonds to be redeemed by publication at least once, at least thirty (30) days prior to the date of redemption, in a newspaper of general circulation in the County and also in a financial newspaper or journal circulating in the City of New York, New York. The County shall also give a redemption notice by letter mailed first class, postage prepaid, to the registered owners of the Bonds to be redeemed at their last addresses appearing on the registration books maintained by the Bond Registrar/Paying Agent; provided, however, that so long as DTC or its nominee is the sole registered owner of such Bonds, any redemption notice will be given only to DTC. The failure to mail such notice with respect to a particular bond or any defect in such notice, or in the mailing thereof, shall not affect the sufficiency of proceedings for the redemption of any other bond. From and after the date fixed for redemption, if notice has been duly and properly given and if funds sufficient for the payment of the redemption price and accrued interest are available on such date, the Bonds designated for redemption shall cease to bear interest.

Notwithstanding the foregoing, so long as the Bonds are maintained under a book-entry system, selection of the Bonds to be redeemed shall be made in the manner described below under "Book-Entry Only System" and notice of redemption shall be mailed only to DTC.

Adjustment of Amounts and Maturities

Prior to the Sale Date, the County may cancel the sale of the Bonds or adjust the aggregate principal amount and the principal amount of any maturity of the Bonds. The preliminary aggregate principal amount of the Bonds and the preliminary principal amount of each installment payment on the Bonds as set forth in this Official Notice of Sale (the "Preliminary Aggregate Principal Amount" and the "Preliminary Principal Amount", and collectively the "Preliminary Amounts") may be revised before the receipt and opening of the bids for their purchase. **ANY SUCH REVISIONS MADE PRIOR TO THE OPENING OF THE BIDS** (the "Revised Aggregate Principal Amount" and the "Revised Principal Amount", and collectively the "Revised Amounts") **WILL BE PUBLISHED ON THOMPSON MUNICIPAL MARKET MONITOR ("TM3") (www.tm3.com) NOT LATER THAN 4:00 P.M., PREVAILING EASTERN TIME, ON THE BUSINESS DAY IMMEDIATELY PRIOR TO THE SALE DATE FOR THE BONDS.**

In the event that no such revisions are made, the Preliminary Amounts will constitute the Revised Amounts. Bidders shall submit bids based on the Revised Amounts and the Revised Amounts will be used to compare bids and select a winning bidder.

After the receipt and opening of the bids for their purchase, the County may reject the bids for the Bonds or adjust the aggregate principal amount and the principal amount of each maturity of the Bonds; provided that such adjustments are within the limitations set forth in the Bidding Parameters Table, calculated based on the applicable bid amount. The County will consult with the successful bidder before adjusting the amount of any maturity of the Bonds or canceling the sale of the Bonds; however, the County reserves the sole right to make adjustments, within the limits described above, or to cancel the sale of the Bonds. The County intends to notify the successful bidder, if any, of any adjustments made after the opening of the bids promptly and in any event not later than twenty-four (24) hours after the bid opening unless waived by the successful bidder. Adjustments within the limits described above will not relieve the successful bidder from its obligation to purchase all of the Bonds offered by the County, assuming the County has satisfied all other conditions of this Official Notice of Sale.

If the principal amount of any maturity of the Bonds is adjusted after the award, the interest rate and reoffering price (as a percentage of the adjusted principal) for each maturity and the Underwriter's Discount, per $1,000 of par amount of the Bonds, as submitted by the successful bidder shall be held constant. The "Underwriter's Discount" shall be defined as the difference between the purchase price of the Bonds submitted by the bidder and the price at which the Bonds will be issued to the public, calculated from information provided by the bidder, divided by the par amount of the Bonds bid.

Change or Cancellation of Sale Date and/or Date of Delivery

The County may cancel or postpone the sale of the Bonds prior to the Sale Date. Notice of a cancellation or postponement will be announced via the Thomson Municipal News wire at *www.tm3.com* not later than 9:00 am, prevailing Eastern Time, on the Sale Date. Such notice will specify the revised principal amount or other revised feature, if any, and any later date selected for the sale, which may be postponed or cancelled in the same manner. If the sale is postponed, a later public sale may be held at the hour and place and on such date as communicated on at least twenty-four (24) hours notice via the Thomson Municipal News wire at *www.tm3.com*.

The County may change the scheduled delivery date for the Bonds by notice given in the same manner as that set forth above.

Preliminary Official Statement; Continuing Disclosure

The County has deemed the Preliminary Official Statement to be final as of its date for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission (the "SEC"), except for the omission of certain information permitted to be omitted by the Rule. The County agrees to deliver to the successful bidder for its receipt no later than seven business days after the date of sale of the Bonds an electronic copy of the final official statement.

The County has made certain covenants for the benefit of the holders from time to time of the Bonds to provide certain continuing disclosure, in order to assist bidders for the Bonds in complying with Rule 15c2-12(b)(5) of the SEC. Such covenants are described in the Preliminary Official Statement.

Electronic Bidding

Procedures

Only electronic bids submitted via PARITY® will be accepted. No other provider of electronic bidding services will be accepted. No bid delivered in person or by facsimile directly to the County will be accepted. Bidders are permitted to submit bids for the Bonds during the bidding time period, provided they are eligible to bid as described under "ELIGIBILITY TO BID" below.

Each bid must be unconditional and received by PARITY® before the Sale Time set forth in the Bidding Parameters Table. No proposal to purchase the Bonds may be withdrawn after the deadline set for receiving bids. Prior to the deadline set for receiving bids, an eligible prospective bidder may, subject to any limitations which may be imposed by PARITY®, modify the proposed terms of its bid in which event the proposed terms last modified will constitute its bid for Bonds. At the deadline stated above for receiving bids, the bidding process will close and each bid shall

then constitute an irrevocable offer to purchase the Bonds on the terms provided in the bid and this Official Notice of Sale.

Eligibility to Bid

All prospective bidders shall be solely responsible for making necessary arrangements to access PARITY® for purposes of submitting such bidder's bid in a timely manner and in compliance with the requirements of the County pursuant to this Official Notice of Sale. The County shall have no duty or obligation to provide or assure such access to any bidder. Without limiting the generality of the foregoing, bidders submitting an electronic proposal must fulfill any requirements of the bidding service provider, if any, over and above the requirements of the County set forth in this Official Notice of Sale. Each bidder may contact BiDCOMP at 212-849-5059 for further information regarding its services.

Form of Bid, Interest Rates and Bid Prices

All bids must conform to the requirements of this Official Notice of Sale. Bidders must bid to purchase all maturities of the Bonds. No bid will be considered which does not offer to purchase all of the Bonds. Each bid must specify (i) an annual rate of interest for each maturity, (ii) a reoffering price or yield for each maturity, and (iii) a dollar purchase price for the entire issue of the Bonds.

A bidder must specify the rate of interest per annum per maturity, which the Bonds are to bear, to be expressed in the coupon rate multiples set forth in the Bidding Parameters Table. Any number of interest rates may be named, but the Bonds of each maturity must bear interest at the same single rate for all bonds of that maturity.

Each bid for the Bonds must meet the minimum and maximum coupon and pricing criteria shown in the Bidding Parameters Table on a maturity and aggregate basis.

Each bidder must specify, as part of its bid, the prices or yields at which a substantial amount (i.e., at least 10%) of the Bonds of each maturity will be offered and sold to the public. Reoffering prices presented as a part of the bids will not be used in computing the bidders' true interest cost. As promptly as reasonably possible after bids are received, the County will notify each successful bidder that it is an apparent winner.

Disclaimer

The use of PARITY® electronic bidding shall be at the bidder's risk and expense, and the County shall have no liability with respect thereto. The County is using electronic bidding as a communications medium and solely as a courtesy to prospective bidders. PARITY® is not acting as the County's agent. The County shall assume no responsibility or liability for bids submitted through such electronic bidding service provider. The County shall not be responsible for proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, the approved provider's service. Without limiting the generality of the foregoing disclaimers, the County does not assume responsibility for any communications or negotiations between bidders and any electronic bidding service provider, or for any failure of such a provider to accurately or timely submit any electronic proposal.

Each electronic bid submitted via PARITY® shall be deemed an offer, in response to this Official Notice of Sale, and shall be binding on the bidder as if made by a signed, sealed bid delivered to the County. The successful bidder must confirm such bid by a signed PARITY® Bid Form and a signed statement of reoffering prices, both delivered by fax to the County's Department of Finance (at (240) 777-8860, Attention: Director of Finance) no later than one hour after being notified by the County of being the winning bidder, the original of each of which must be received by the County on the following business day at the address shown above. Failure to deliver this written confirmation does not relieve the bidder of the obligation to purchase the Bonds.

Any electronic proposals shall be deemed to incorporate all of the provisions of this Official Notice of Sale. If any provision of this Official Notice of Sale conflicts with information provided by PARITY®, this Official Notice of Sale shall control. The County is not bound by any advice or determination of PARITY® as to whether any bid

complies with the terms of this Official Notice of Sale. The time as maintained by PARITY® shall constitute the official time with respect to all bids submitted.

Award of Bid

The County expects to award the Bonds (or a series of Bonds) to the winning bidder or bidders on the Sale Date. It is anticipated that all bids will be reviewed by the Director of Finance of the County at the time stated above and will be acted on following the opening, tabulation and verification of the bids received. The decision as to the award of each series of Bonds will be final. Bids may not be withdrawn prior to the award.

The Bonds (or a series of Bonds) will be awarded by the County on the Sale Date to the bidder or bidders whose bid complies with this Official Notice of Sale and results in the lowest true interest cost to the County. The lowest true interest cost will be determined in accordance with the True Interest Cost ("TIC") method by doubling the semi-annual interest rate, compounded semi-annually, necessary to discount the debt service payments from the payment dates to the Dated Date of the Bonds and to the aggregate purchase price of the Bonds. If two or more bidders offer to purchase the Bonds (or a series of Bonds) at the same lowest TIC, such Bonds may be apportioned between such bidders if it is agreeable to each of the bidders who have offered the price producing the same lowest TIC; provided, that if apportionment is not acceptable to such bidders, the County will have the right to award such Bonds to one of such bidders.

Right of Rejection

The County expressly reserves the right (i) to waive any informalities, (ii) to reject all bids, any incomplete bid or any bid not fully complying with all of the requirements set forth herein, and (iii) to solicit new bids or proposals for the sale of the Bonds or otherwise provide for the public sale of the Bonds if all bids are rejected or the winning bidder defaults, including, without limitation, sale of the Bonds to one or more of the losing or rejected bidders without regard to their original bid or its relationship to any other bid.

Delivery and Payment

Delivery of the Bonds will be made by the County to DTC in book-entry only form, in New York, New York on or about the Dated Date, or on or about such other date as may be agreed on by the County and the successful bidder.

At the time of delivery of the Bonds, payment of the amount due for the Bonds must be made by the successful bidder to the order of the County immediately available in federal funds or other funds immediately available to the County, or by such other means as may be acceptable to the Director of Finance of the County. Any expense incurred in providing immediately available funds, whether by transfer of federal funds or otherwise, shall be borne by the purchaser.

Good Faith Deposit

A Good Faith Deposit in the amount of $2,950,000 is required only of the winning bidder for the Bonds. The winning bidder for the Bonds is required to submit such Good Faith Deposit payable to the order of the County in the form of a wire transfer in federal funds as instructed by the County's Financial Advisor, Public Resources Advisory Group. The winning bidder shall submit the Good Faith Deposit not more than two hours after verbal award is made. The winning bidder should provide as quickly as it is available, evidence of wire transfer by providing the County the federal funds reference number. If the Good Faith Deposit is not received in the time allotted, the bid of the winning bidder may be rejected and the County may direct the next lowest bidder to submit a Good Faith Deposit and thereafter may award the sale of the Bonds to the same. If the winning bidder fails to comply with the Good Faith Deposit requirement as described herein, that bidder is nonetheless obligated to pay to the County the sum of $2,950,000 as liquidated damages due to the failure of the winning bidder to timely deposit the Good Faith Deposit.

Submission of a bid to purchase the Bonds serves as acknowledgement and acceptance of the terms of the Good Faith Deposit requirement.

The Good Faith Deposit so wired will be retained by the County until the delivery of the Bonds, at which time the Good Faith Deposit will be applied against the purchase price of the Bonds or the Good Faith Deposit will be retained by the County as partial liquidated damages in the event of the failure of the successful bidder to take up and pay for such Bonds in compliance with the terms of this Official Notice of Sale and of its bid. No interest on the Good Faith Deposit will be paid by the County. The balance of the purchase price must be wired in federal funds to the account detailed in the closing memorandum, simultaneously with delivery of the Bonds.

CUSIP Numbers; Expenses of the Bidder

It is anticipated that CUSIP numbers will be assigned to each of the Bonds, but neither the failure to type or print such numbers on any of the Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. The policies of the CUSIP Service Bureau will govern the assignment of specific numbers to the Bonds. The successful bidder will be responsible for applying for and obtaining, subject to the CUSIP Service Bureau policy and procedures, CUSIP numbers for the Bonds promptly upon award of the bid. All expenses of typing or printing CUSIP numbers for the Bonds will be paid for by the County; provided the CUSIP Service Bureau charges for the assignment of the numbers shall be the responsibility of and shall be paid for by the successful bidder.

All charges of DTC and all other expenses of the successful bidder will be the responsibility of the successful bidder for the Bonds.

Reoffering Prices and Certificate

The successful bidder shall make a bona fide public offering of all of the Bonds and shall represent to the County that such reoffering is in compliance with all applicable securities laws of the jurisdictions in which such Bonds are offered. **Within 30 minutes after being notified of the tentative award of the bonds, the successful bidder shall advise the county in writing (via facsimile or e-mail transmission) to Thomas Huestis or Christine Fay at thuestis@pragny.com or cfay@pragny.com, respectively, of the initial public offering prices of the Bonds. The County will review the initial public offering prices for compliance with applicable securities laws prior to final confirmation of the award.**

SIMULTANEOUSLY WITH OR BEFORE DELIVERY OF THE BONDS, THE SUCCESSFUL BIDDER SHALL FURNISH TO THE COUNTY A CERTIFICATE ACCEPTABLE TO BOND COUNSEL TO THE EFFECT THAT (I) THE SUCCESSFUL BIDDER HAS MADE A BONA FIDE PUBLIC OFFERING OF EACH MATURITY OF THE BONDS AT THE INITIAL REOFFERING PRICES, (II) AS OF THE DATE OF THE SALE OF THE BONDS, THE SUCCESSFUL BIDDER REASONABLY EXPECTED TO SELL A SUBSTANTIAL AMOUNT OF EACH MATURITY OF THE BONDS TO THE PUBLIC (EXCLUDING BOND HOUSES, BROKERS AND OTHER INTERMEDIARIES) AT THEIR RESPECTIVE REOFFERING PRICES, AND (III) A SUBSTANTIAL AMOUNT OF EACH MATURITY OF THE BONDS WAS SOLD TO THE PUBLIC (EXCLUDING BOND HOUSES, BROKERS AND OTHER INTERMEDIARIES) AT THEIR RESPECTIVE INITIAL REOFFERING PRICES OR SUCH OTHER FACTS REGARDING THE ACTUAL SALE OF THE BONDS AS BOND COUNSEL SHALL REQUEST, AS DESCRIBED BELOW. Bond Counsel advises that (i) such certificate must be made on the best knowledge, information and belief of the successful bidder, (ii) the sale to the public of 10% or more in par amount of each maturity of the Bonds at the initial reoffering prices would be sufficient to certify as of the sale of a substantial amount of the Bonds, and (iii) reliance on other facts as a basis for such certification would require evaluation by Bond Counsel to assure compliance with the statutory requirement to avoid the establishment of an artificial price for the Bonds.

Tax Status, Legal Opinions, Closing Documents and No Litigation

The approving legal opinion of McKennon Shelton & Henn LLP, Baltimore, Maryland, Bond Counsel, will be furnished without cost to purchasers of the Bonds. A summary description of the tax treatment of the Bonds is contained in the Preliminary Official Statement under the heading "Tax Matters." The proposed form of legal opinion of bond counsel is attached as Appendix C to the Preliminary Official Statement.

Additional Information

This Official Notice of Sale is not a summary of the terms of the Bonds. Reference is made to the Preliminary Official Statement for a further description of the Bonds and the County. Prospective investors or bidders for the Bonds must read the entire Preliminary Official Statement to obtain information essential to making an informed investment decision. The Preliminary Official Statement is deemed final by the County as of its date for purposes of the Rule but is subject to revision, amendment and completion in a final Official Statement. Additional information concerning the matters discussed in this Official Notice of Sale, and copies of the Official Bid Form and Preliminary Official Statement may be obtained online at http://bonds.montgomerycountymd.gov or by request from any of the following: Joseph F. Beach, the County's Director of Finance, at (240) 777-8860 or joseph.beach@montgomerycountymd.gov; Jacqueline Carter, the County's Debt Manager, at (240) 777-8979 or jacqueline.carter@montgomerycountymd.gov; Thomas Huestis at (610) 565-5990 or thuestis@pragny.com ; or Christine Fay at (610) 565-5990 or cfay@pragny.com.

MONTGOMERY COUNTY, MARYLAND

By /s/Joseph F. Beach
Joseph F. Beach
Director of Finance

Dated: October 30, 2013

OFFICIAL NOTICE OF SALE

$25,365,000*
MONTGOMERY COUNTY, MARYLAND
General Obligation Bonds
Consolidated Public Improvement Refunding Bonds of 2013, Series B

NOTICE IS HEREBY GIVEN that electronic bids will be received on the date and up to the time specified below:

SALE DATE: **Wednesday, November 13, 2013**

SALE TIME: **11:00 a.m. Prevailing Eastern Time**

ELECTRONIC BIDS: Must be submitted through ***PARITY®*** as described below.

No other form of bid or provider of electronic bidding services will be accepted.

Bids will be received for the purchase of all, but not less than all, of the Montgomery County, Maryland general obligation bonds, Consolidated Public Improvement Refunding Bonds of 2013, Series B (the "Series B Bonds" or the "Bonds") to be issued by Montgomery County, Maryland (the "County"). The Bonds are more particularly described in the Preliminary Official Statement dated October 30, 2013 relating to the Bonds (the "Preliminary Official Statement"), available at the County's website, http://bonds.montgomerycountymd.gov. Prior to accepting bids, the County reserves the right to adjust the aggregate principal amount and principal amounts of each maturity of the Bonds being offered, to change the terms of the Bonds, to postpone the sale of the Bonds to a later date, or to cancel the sale of the Bonds based on market conditions.

Consideration of the bids and the award will be made by the County on the Sale Date (as set forth above and in the Bidding Parameters Table herein). The County also reserves the right to adjust the principal amount of the Bonds offered, to eliminate maturities, or to cancel the sale of the Bonds after the bids are opened as further described herein. See "Adjustment of Amounts and Maturities" and "Change or Cancellation of Sale Date and/or Date of Delivery."

*Preliminary, subject to change.

Contact Information

MONTGOMERY COUNTY, MARYLAND (ISSUER)

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Christine Fay, *Managing Director*
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MCKENNON SHELTON & HENN LLP (BOND COUNSEL)

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Kiana Taylor
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David Gregory
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I-DEAL/PARITY® (ELECTRONIC BIDDING PLATFORM)

Client Services
Phone: (212) 849-5024
Email: parity@i-deal.com

Bidding Parameters Table*

INTEREST		PRICING	
Dated Date:	Date of Delivery	Max. Aggregate Bid Price:	Unlimited
Anticipated Date of Delivery**:	November 26, 2013	Min. Aggregate Bid Price:	100.0%
Interest Payment Dates:	May 1 and November 1		
First Interest Payment Date:	May 1, 2014	Max. Reoffering Price (each maturity):	Unlimited
Coupon Multiples:	1/8 or 1/20 of 1%	Min. Reoffering Price (each maturity):	98.5%
Maximum Coupon:	N/A		
Minimum Coupon:	N/A		
Maximum TIC:	N/A		
Maximum Difference Between Coupons:	4%		
No Zero Coupon may be specified			
PRINCIPAL		**PROCEDURAL**	
Optional Redemption:	Bonds maturing on or before November 1, 2023, are not subject to redemption. Bonds maturing on or after November 1, 2024, are subject to redemption beginning November 1, 2023, as a whole or in part at any time thereafter.	Sale Date: Sale Time:	November 13, 2013 11:00 a.m. Prevailing Eastern Time
Post-bid Principal Increases Each Maturity: Aggregate:	 N/A 15%	Bid Submission:	Electronic bids through PARITY only
Post-bid Principal Reductions Each Maturity: Aggregate:	 N/A 15%	All or None?	Yes
Term Bonds:	No maturities in the bonds may be designated as term bonds.	Bid Award Method:	Lowest TIC Electronically
		Bid Confirmation:	Fax Signed PARITY screen
		Awarding of Bid:	On the Sale Date by the County
		Good Faith Deposit**:	$253,650; as more fully described herein. See "Good Faith Deposit."

* If numerical or date references contained in the body of this Official Notice of Sale conflict with the Bidding Parameters Table, the Bidding Parameters Table of this Official Notice of Sale shall control. Consult the body of this Official Notice of Sale for a detailed explanation of the items contained in the Bidding Parameters Table, including interpretation of such items and methodologies used to determine such items.

** Preliminary, subject to change.

PRINCIPAL AMORTIZATION SCHEDULE

The Bonds will be issued in serial form as designated by the successful bidder for the Bonds in its proposal, as described below. The principal of the Bonds shall be payable in installments on the dates in the following years and in the following amounts:

$25,365,000* Consolidated Public Improvement Refunding Bonds of 2013, Series B

Maturing Nov 1	Principal Amount*
2023	$16,670,000
2024	8,695,000

THE BONDS

Security

The Bonds are general obligations of the County, and its full faith and credit and unlimited taxing power are irrevocably pledged to the punctual payment of principal of and interest on such Bonds when due and payable.

Use of Proceeds

The proceeds of the Series B Bonds will be used to redeem certain maturities of the County's outstanding general obligation bonds, as more particularly described in the Preliminary Official Statement of the County.

Description of the Bonds

The Bonds will be issued in fully registered form in denominations of $5,000 or integral multiples thereof, will be dated the anticipated date of delivery (the "Dated Date") set forth in the Bidding Parameters Table, and will bear interest from the Dated Date until paid or duly called for redemption at the annual rate or rates specified by the successful bidder, subject to the limitations specified below, payable as shown on the Bidding Parameters Table. Interest will be computed on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board ("MSRB").

The Bonds will mature on the month and day, in the years and principal amounts shown in the Principal Amortization Schedule, subject in each case to adjustment to the extent permitted in this Official Notice of Sale. See "Adjustments of Amounts and Maturities."

Authority for Issuance

The Series B Bonds are issued pursuant to Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Volume), Section 19-207 of the Annotated Code of Maryland (2013 Replacement Volume), a Resolution adopted by the County Council on October 20, 2009, provisions of the Montgomery County Charter, and the Executive Order passed by the County Executive on October 22, 2013, as supplemented.

*Preliminary, subject to change.

Book-Entry Only

The Bonds will be issued in fully registered, book-entry only form and a bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York ("DTC"), registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The successful bidder, as a condition to delivery of the Bonds, will be required to deposit the Bonds with DTC, registered in the name of Cede & Co. Principal of, premium, if any, and interest on the Bonds will be payable by the paying agent by wire transfer or in clearinghouse funds to DTC or its nominee as registered owner of the Bonds. Transfer of principal, premium, if any, and interest payments to the beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The County will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. The successful bidder will be required to furnish to DTC within seven days after the sale the customary underwriter's questionnaire and information as to each DTC participant and the Bonds to be held for it. See the Preliminary Official Statement for more information regarding DTC.

Redemption

Optional Redemption

Bonds which mature on or before November 1, 2023, are not subject to redemption prior to their respective maturities. Bonds which mature on or after November 1, 2024, are subject to redemption beginning November 1, 2023, as a whole or in part at any time thereafter, in any order of their maturities, at the option of the County, at a redemption price for each bond equal to the principal amount of the bond to be redeemed, together with interest accrued to the date fixed for redemption, without premium.

Selection of Bonds to Be Redeemed

If less than all of the Bonds of any one maturity are called for redemption, the particular bonds, or portions of such bonds, to be redeemed from such maturity shall be selected by the Director of Finance of the County, acting as bond registrar and paying agent for the Bonds, or its successor as bond registrar and paying agent (the "Bond Registrar/Paying Agent") by lot or other random means in such manner as the Bond Registrar/Paying Agent in its sole discretion may determine, except that so long as DTC or its nominee is the sole registered owner of the Bonds, the particular bonds or portion to be redeemed shall be selected by DTC, in such manner as DTC shall determine. Each $5,000 portion of a bond shall be treated as a separate bond in the selection of Bonds to be redeemed.

If the County elects to redeem all or a portion of a series of the Bonds outstanding, it shall give a redemption notice to the registered owners of such Bonds to be redeemed by publication at least once, at least thirty (30) days prior to the date of redemption, in a newspaper of general circulation in the County and also in a financial newspaper or journal circulating in the City of New York, New York. The County shall also give a redemption notice by letter mailed first class, postage prepaid, to the registered owners of the Bonds to be redeemed at their last addresses appearing on the registration books maintained by the Bond Registrar/Paying Agent; provided, however, that so long as DTC or its nominee is the sole registered owner of such Bonds, any redemption notice will be given only to DTC. The failure to mail such notice with respect to a particular bond or any defect in such notice, or in the mailing thereof, shall not affect the sufficiency of proceedings for the redemption of any other bond. From and after the date fixed for redemption, if notice has been duly and properly given and if funds sufficient for the payment of the redemption price and accrued interest are available on such date, the Bonds designated for redemption shall cease to bear interest.

Notwithstanding the foregoing, so long as the Bonds are maintained under a book-entry system, selection of the Bonds to be redeemed shall be made in the manner described below under "Book-Entry Only System" and notice of redemption shall be mailed only to DTC.

Adjustment of Amounts and Maturities

Prior to the Sale Date, the County may cancel the sale of the Bonds or adjust the aggregate principal amount and the principal amount of any maturity of the Bonds. The preliminary aggregate principal amount of the Bonds and the preliminary principal amount of each installment payment on the Bonds as set forth in this Official Notice of Sale (the "Preliminary Aggregate Principal Amount" and the "Preliminary Principal Amount", and collectively the "Preliminary Amounts") may be revised before the receipt and opening of the bids for their purchase. **ANY SUCH REVISIONS MADE PRIOR TO THE OPENING OF THE BIDS** (the "Revised Aggregate Principal Amount" and the "Revised Principal Amount", and collectively the "Revised Amounts") **WILL BE PUBLISHED ON THOMPSON MUNICIPAL MARKET MONITOR ("TM3") (www.tm3.com) NOT LATER THAN 4:00 P.M., PREVAILING EASTERN TIME, ON THE BUSINESS DAY IMMEDIATELY PRIOR TO THE SALE DATE FOR THE BONDS.**

In the event that no such revisions are made, the Preliminary Amounts will constitute the Revised Amounts. Bidders shall submit bids based on the Revised Amounts and the Revised Amounts will be used to compare bids and select a winning bidder.

After the receipt and opening of the bids for their purchase, the County may reject the bids for the Bonds or adjust the aggregate principal amount and the principal amount of each maturity of the Bonds; provided that such adjustments are within the limitations set forth in the Bidding Parameters Table, calculated based on the applicable bid amount. The County will consult with the successful bidder before adjusting the amount of any maturity of the Bonds or canceling the sale of the Bonds; however, the County reserves the sole right to make adjustments, within the limits described above, or to cancel the sale of the Bonds. The County intends to notify the successful bidder, if any, of any adjustments made after the opening of the bids promptly and in any event not later than twenty-four (24) hours after the bid opening unless waived by the successful bidder. Adjustments within the limits described above will not relieve the successful bidder from its obligation to purchase all of the Bonds offered by the County, assuming the County has satisfied all other conditions of this Official Notice of Sale.

If the principal amount of any maturity of the Bonds is adjusted after the award, the interest rate and reoffering price (as a percentage of the adjusted principal) for each maturity and the Underwriter's Discount, per $1,000 of par amount of the Bonds, as submitted by the successful bidder shall be held constant. The "Underwriter's Discount" shall be defined as the difference between the purchase price of the Bonds submitted by the bidder and the price at which the Bonds will be issued to the public, calculated from information provided by the bidder, divided by the par amount of the Bonds bid.

Change or Cancellation of Sale Date and/or Date of Delivery

The County may cancel or postpone the sale of the Bonds prior to the Sale Date. Notice of a cancellation or postponement will be announced via the Thomson Municipal News wire at *www.tm3.com* not later than 9:00 am, prevailing Eastern Time, on the Sale Date. Such notice will specify the revised principal amount or other revised feature, if any, and any later date selected for the sale, which may be postponed or cancelled in the same manner. If the sale is postponed, a later public sale may be held at the hour and place and on such date as communicated on at least twenty-four (24) hours notice via the Thomson Municipal News wire at *www.tm3.com*.

The County may change the scheduled delivery date for the Bonds by notice given in the same manner as that set forth above.

Preliminary Official Statement; Continuing Disclosure

The County has deemed the Preliminary Official Statement to be final as of its date for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission (the "SEC"), except for the omission of certain information permitted to be omitted by said Rule. The County agrees to deliver to the successful bidder for its receipt no later than seven business days after the date of sale of the Bonds an electronic copy of the final official statement.

The County has made certain covenants for the benefit of the holders from time to time of the Bonds to provide certain continuing disclosure, in order to assist bidders for the Bonds in complying with Rule 15c2-12(b)(5) of the SEC. Such covenants are described in the Preliminary Official Statement.

Electronic Bidding

Procedures

Only electronic bids submitted via PARITY® will be accepted. No other provider of electronic bidding services will be accepted. No bid delivered in person or by facsimile directly to the County will be accepted. Bidders are permitted to submit bids for the Bonds during the bidding time period, provided they are eligible to bid as described under "ELIGIBILITY TO BID" below.

Each bid must be unconditional and received by PARITY® before the Sale Time set forth in the Bidding Parameters Table. No proposal to purchase the Bonds may be withdrawn after the deadline set for receiving bids. Prior to the deadline set for receiving bids, an eligible prospective bidder may, subject to any limitations which may be imposed by PARITY®, modify the proposed terms of its bid in which event the proposed terms last modified will constitute its bid for Bonds. At the deadline stated above for receiving bids, the bidding process will close and each bid shall then constitute an irrevocable offer to purchase the Bonds on the terms provided in the bid and this Official Notice of Sale.

Eligibility to Bid

All prospective bidders shall be solely responsible for making necessary arrangements to access PARITY® for purposes of submitting such bidder's bid in a timely manner and in compliance with the requirements of the County pursuant to this Official Notice of Sale. The County shall have no duty or obligation to provide or assure such access to any bidder. Without limiting the generality of the foregoing, bidders submitting an electronic proposal must fulfill any requirements of the bidding service provider, if any, over and above the requirements of the County set forth in this Official Notice of Sale. Each bidder may contact BiDCOMP at 212-849-5059 for further information regarding its services.

Form of Bid, Interest Rates and Bid Prices

All bids must conform to the requirements of this Official Notice of Sale. Bidders must bid to purchase all maturities of the Bonds. No bid will be considered which does not offer to purchase all of the Bonds. Each bid must specify (i) an annual rate of interest for each maturity, (ii) a reoffering price or yield for each maturity, and (iii) a dollar purchase price for the entire issue of the Bonds.

A bidder must specify the rate of interest per annum per maturity, which the Bonds are to bear, to be expressed in the coupon rate multiples set forth in the Bidding Parameters Table. Any number of interest rates may be named, but the Bonds of each maturity must bear interest at the same single rate for all bonds of that maturity.

Each bid for the Bonds must meet the minimum and maximum coupon and pricing criteria shown in the Bidding Parameters Table on a maturity and aggregate basis.

Each bidder must specify, as part of its bid, the prices or yields at which a substantial amount (i.e., at least 10%) of the Bonds of each maturity will be offered and sold to the public. Reoffering prices presented as a part of the bids will not be used in computing the bidders' true interest cost. As promptly as reasonably possible after bids are received, the County will notify each successful bidder that it is an apparent winner.

Disclaimer

The use of PARITY® electronic bidding shall be at the bidder's risk and expense, and the County shall have no liability with respect thereto. The County is using electronic bidding as a communications medium and solely as a courtesy to prospective bidders. PARITY® is not acting as the County's agent. The County shall assume no responsibility or liability for bids submitted through such electronic bidding service provider. The County shall not be responsible for proper operation of, or have any liability for, any delays or interruptions of, or any damages caused by, the approved provider's service. Without limiting the generality of the foregoing disclaimers, the County does not assume responsibility for any communications or negotiations between bidders and any electronic bidding service provider, or for any failure of such a provider to accurately or timely submit any electronic proposal.

Each electronic bid submitted via PARITY® shall be deemed an offer, in response to this Official Notice of Sale, and shall be binding on the bidder as if made by a signed, sealed bid delivered to the County. The successful bidder must confirm such bid by a signed PARITY® Bid Form and a signed statement of reoffering prices, both delivered by fax to the County's Department of Finance (at (240) 777-8860, Attention: Director of Finance) no later than one hour after being notified by the County of being the winning bidder, the original of each of which must be received by the County on the following business day at the address shown above. Failure to deliver this written confirmation does not relieve the bidder of the obligation to purchase the Bonds.

Any electronic proposals shall be deemed to incorporate all of the provisions of this Official Notice of Sale. If any provision of this Official Notice of Sale conflicts with information provided by PARITY®, this Official Notice of Sale shall control. The County is not bound by any advice or determination of PARITY® as to whether any bid complies with the terms of this Official Notice of Sale. The time as maintained by PARITY® shall constitute the official time with respect to all bids submitted.

Award of Bid

The County expects to award the Bonds (or a series of Bonds) to the winning bidder or bidders on the Sale Date. It is anticipated that all bids will be reviewed by the Director of Finance of the County at the time stated above and will be acted on following the opening, tabulation and verification of the bids received. The decision as to the award of each series of Bonds will be final. Bids may not be withdrawn prior to the award.

The Bonds (or a series of Bonds) will be awarded by the County on the Sale Date to the bidder or bidders whose bid complies with this Official Notice of Sale and results in the lowest true interest cost to the County. The lowest true interest cost will be determined in accordance with the True Interest Cost ("TIC") method by doubling the semi-annual interest rate, compounded semi-annually, necessary to discount the debt service payments from the payment dates to the Dated Date of the Bonds and to the aggregate purchase price of the Bonds. If two or more bidders offer to purchase the Bonds (or a series of Bonds) at the same lowest TIC, such Bonds may be apportioned between such bidders if it is agreeable to each of the bidders who have offered the price producing the same lowest TIC; provided, that if apportionment is not acceptable to such bidders, the County will have the right to award such Bonds to one of such bidders.

Right of Rejection

The County expressly reserves the right (i) to waive any informalities, (ii) to reject all bids, any incomplete bid or any bid not fully complying with all of the requirements set forth herein, and (iii) to solicit new bids or proposals for the sale of the Bonds or otherwise provide for the public sale of the Bonds if all bids are rejected or the winning bidder defaults, including, without limitation, sale of the Bonds to one or more of the losing or rejected bidders without regard to their original bid or its relationship to any other bid.

Delivery and Payment

Delivery of the Bonds will be made by the County to DTC in book-entry only form, in New York, New York on or about the Dated Date, or on or about such other date as may be agreed on by the County and the successful bidder.

At the time of delivery of the Bonds, payment of the amount due for the Bonds must be made by the successful bidder to the order of the County immediately available in federal funds or other funds immediately available to the County, or by such other means as may be acceptable to the Director of Finance of the County. Any expense incurred in providing immediately available funds, whether by transfer of federal funds or otherwise, shall be borne by the purchaser.

Good Faith Deposit

A Good Faith Deposit in the amount of $253,650 is required only of the winning bidder for the Bonds. The winning bidder for the Bonds is required to submit such Good Faith Deposit payable to the order of the County in the form of a wire transfer in federal funds as instructed by the County's Financial Advisor, Public Resources Advisory Group. The winning bidder shall submit the Good Faith Deposit not more than two hours after verbal award is made. The winning bidder should provide as quickly as it is available, evidence of wire transfer by providing the County the federal funds reference number. If the Good Faith Deposit is not received in the time allotted, the bid of the winning bidder may be rejected and the County may direct the next lowest bidder to submit a Good Faith Deposit and thereafter may award the sale of the Bonds to the same. If the winning bidder fails to comply with the Good Faith Deposit requirement as described herein, that bidder is nonetheless obligated to pay to the County the sum of $253,650 as liquidated damages due to the failure of the winning bidder to timely deposit the Good Faith Deposit.

Submission of a bid to purchase the Bonds serves as acknowledgement and acceptance of the terms of the Good Faith Deposit requirement.

The Good Faith Deposit so wired will be retained by the County until the delivery of the Bonds, at which time the Good Faith Deposit will be applied against the purchase price of the Bonds or the Good Faith Deposit will be retained by the County as partial liquidated damages in the event of the failure of the successful bidder to take up and pay for such Bonds in compliance with the terms of this Official Notice of Sale and of its bid. No interest on the Good Faith Deposit will be paid by the County. The balance of the purchase price must be wired in federal funds to the account detailed in the closing memorandum, simultaneously with delivery of the Bonds.

CUSIP Numbers; Expenses of the Bidder

It is anticipated that CUSIP numbers will be assigned to each of the Bonds, but neither the failure to type or print such numbers on any of the Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. The policies of the CUSIP Service Bureau will govern the assignment of specific numbers to the Bonds. The successful bidder will be responsible for applying for and obtaining, subject to the CUSIP Service Bureau policy and procedures, CUSIP numbers for the Bonds promptly upon award of the bid. All expenses of typing or printing CUSIP numbers for the Bonds will be paid for by the County; provided the CUSIP Service Bureau charges for the assignment of the numbers shall be the responsibility of and shall be paid for by the successful bidder.

All charges of DTC and all other expenses of the successful bidder will be the responsibility of the successful bidder for the Bonds.

Reoffering Prices and Certificate

The successful bidder shall make a bona fide public offering of all of the Bonds and shall represent to the County that such reoffering is in compliance with all applicable securities laws of the jurisdictions in which such Bonds are offered. **Within 30 minutes after being notified of the tentative award of the bonds, the successful bidder shall advise the county in writing (via facsimile or e-mail transmission) to Thomas Huestis or Christine Fay at thuestis@pragny.com or cfay@pragny.com, respectively, of the initial public offering prices of the Bonds. The County will review the initial public offering prices for compliance with applicable securities laws prior to final confirmation of the award.**

SIMULTANEOUSLY WITH OR BEFORE DELIVERY OF THE BONDS, THE SUCCESSFUL BIDDER

SHALL FURNISH TO THE COUNTY A CERTIFICATE ACCEPTABLE TO BOND COUNSEL TO THE EFFECT THAT (I) THE SUCCESSFUL BIDDER HAS MADE A BONA FIDE PUBLIC OFFERING OF EACH MATURITY OF THE BONDS AT THE INITIAL REOFFERING PRICES, (II) AS OF THE DATE OF THE SALE OF THE BONDS, THE SUCCESSFUL BIDDER REASONABLY EXPECTED TO SELL A SUBSTANTIAL AMOUNT OF EACH MATURITY OF THE BONDS TO THE PUBLIC (EXCLUDING BOND HOUSES, BROKERS AND OTHER INTERMEDIARIES) AT THEIR RESPECTIVE REOFFERING PRICES, AND (III) A SUBSTANTIAL AMOUNT OF EACH MATURITY OF THE BONDS WAS SOLD TO THE PUBLIC (EXCLUDING BOND HOUSES, BROKERS AND OTHER INTERMEDIARIES) AT THEIR RESPECTIVE INITIAL REOFFERING PRICES OR SUCH OTHER FACTS REGARDING THE ACTUAL SALE OF THE BONDS AS BOND COUNSEL SHALL REQUEST, AS DESCRIBED BELOW. Bond Counsel advises that (i) such certificate must be made on the best knowledge, information and belief of the successful bidder, (ii) the sale to the public of 10% or more in par amount of each maturity of the Bonds at the initial reoffering prices would be sufficient to certify as of the sale of a substantial amount of the Bonds, and (iii) reliance on other facts as a basis for such certification would require evaluation by Bond Counsel to assure compliance with the statutory requirement to avoid the establishment of an artificial price for the Bonds.

Tax Status, Legal Opinions, Closing Documents and No Litigation

The approving legal opinion of McKennon Shelton & Henn LLP, Baltimore, Maryland, Bond Counsel, will be furnished without cost to purchasers of the Bonds. A summary description of the tax treatment of the Bonds is contained in the Preliminary Official Statement under the heading "Tax Matters." The proposed form of legal opinion of bond counsel is attached as Appendix C to the Preliminary Official Statement.

Additional Information

This Official Notice of Sale is not a summary of the terms of the Bonds. Reference is made to the Preliminary Official Statement for a further description of the Bonds and the County. Prospective investors or bidders for the Bonds must read the entire Preliminary Official Statement to obtain information essential to making an informed investment decision. The Preliminary Official Statement is deemed final by the County as of its date for purposes of the Rule but is subject to revision, amendment and completion in a final Official Statement. Additional information concerning the matters discussed in this Official Notice of Sale, and copies of the Official Bid Form and Preliminary Official Statement may be obtained online at http://bonds.montgomerycountymd.gov or by request from any of the following: Joseph F. Beach, the County's Director of Finance, at (240) 777-8860 or joseph.beach@montgomerycountymd.gov; Jacqueline Carter, the County's Debt Manager, at (240) 777-8979 or jacqueline.carter@montgomerycountymd.gov; Thomas Huestis at (610) 565-5990 or thuestis@pragny.com; or Christine Fay at (610) 565-5990 or cfay@pragny.com.

MONTGOMERY COUNTY, MARYLAND

By /s/Joseph F. Beach
Joseph F. Beach
Director of Finance

Dated: October 30, 2013

APPENDIX D
REFUNDED BONDS

Montgomery County, Maryland
Consolidated Public Improvement Bonds of 2004, Series A*

Maturity Date	Interest Rate	Principal Amount	Call Date	Call Price	CUSIP*
04/01/2024	4.375%	$7,730,000	04/01/2014	100.00	613340ZU5

Montgomery County, Maryland
Consolidated Public Improvement Bonds of 2005, Series A*

Maturity Date	Interest Rate	Principal Amount	Call Date	Call Price	CUSIP*
06/01/2024	5.000%	$10,000,000	6/01/2015	100.00	613340D39
06/01/2025	5.000%	10,000,000	6/01/2015	100.00	613340D47

*The CUSIP numbers are included solely for convenience. No representation is made by the County as to the correctness of the CUSIP numbers either as printed on the Refunded Bonds or as contained in this Appendix.

*Preliminary, subject to change.

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