2009 Series A Ratings:	2009 Series B Ratings:	2010 Series A Ratings:	2010 Series B Ratings:
Moody's: P-1	Moody's: P-1	Moody's: P-1	Moody's: P-1
S&P: A-1+	S&P: A-1+	S&P: A-1+	S&P: A-1+
Fitch: F1+	Fitch: F1+	Fitch: F1	Fitch: F1+

TAX-EXEMPT COMMERCIAL PAPER MEMORANDUM

MONTGOMERY COUNTY, MARYLAND

$500,000,000
Consolidated Public Improvement Commercial Paper
Bond Anticipation Notes

$100,000,000 2009 Series A	$100,000,000 2009 Series B	$150,000,000 2010 Series A	$150,000,000 2010 Series B
JPMorgan Chase, National Association *Liquidity Provider*		**PNC Bank National Association** *Liquidity Provider*	**State Street Bank and Trust Company** *Liquidity Provider*
BofA Merrill Lynch *Dealer*	**Barclays** *Dealer*	**BofA Merrill Lynch** **Barclays** *Dealers*	**BofA Merrill Lynch** **Barclays** *Dealers*

Dated: June 16, 2010

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Montgomery County, Maryland

$500,000,000
Consolidated Public Improvement
Commercial Paper Bond Anticipation Notes,

$100,000,000 2009 Series A	$100,000,000 2009 Series B	$150,000,000 2010 Series A	$150,000,000 2010 Series B

INTRODUCTION

This Commercial Paper Memorandum provides information concerning four series of general obligation bond anticipation notes issued by Montgomery County, Maryland (the "County") of its Consolidated Public Improvement Commercial Paper Bond Anticipation Notes, 2009 Series A (the "2009 Series A Notes") in a total principal amount up to $100,000,000; Consolidated Public Improvement Commercial Paper Bond Anticipation Notes, 2009 Series B (the "2009 Series B Notes" and together with the 2009 Series A Notes, the "2009 Series Notes") in a total principal amount up to $100,000,000; Consolidated Public Improvement Commercial Paper Bond Anticipation Notes, 2010 Series A (the "2010 Series A Notes") in a total principal amount up to $150,000,000; and Consolidated Public Improvement Commercial Paper Bond Anticipation Notes, 2010 Series B (the "2010 Series B Notes" and together with the 2010 Series A Notes, the "2010 Series Notes") in a total principal amount up to $150,000,000. The 2009 Series Notes and the 2010 Series Notes are sometimes referred to in this Commercial Paper Memorandum collectively as the "Notes."

The County issues Notes from time to time to provide funds (i) to pay for the planning, design, construction, improvement and equipping of certain capital projects of the County under its Capital Improvements Program, (ii) to pay expenses of issuing the Notes and (iii) to pay the principal amount of maturing Notes. The Notes are general obligations of the County to the payment of which the County's full faith and credit and unlimited taxing power are pledged. The County anticipates that it will pay the principal of the Notes not paid from other sources with proceeds of the issuance from time to time of its general obligation Bonds.

Liquidity support for the 2009 Series Notes is provided by JPMorgan Chase Bank, National Association ("JPMorgan Chase") under a Credit Agreement with the County dated as of August 1, 2009 (as the same may be amended and supplemented from time to time, the "2009 Credit Agreement"). Liquidity support for the 2010 Series A Notes is provided by PNC Bank, National Association ("PNC Bank") under a Credit Agreement with the County dated as of June 1, 2010 (as the same may be amended and supplemented from time to time, the "2010A Credit Agreement"). Liquidity support for the 2010 Series B Notes is provided by State Street Bank and Trust Company ("State Street Bank") under a Credit Agreement with the County dated as of June 1, 2010 (as the same may be amended and supplemented from time to time, the "2010B Credit Agreement"). For more information regarding JPMorgan Chase, PNC Bank and State

Street (each, a "Bank" and collectively, the "Banks"), see Appendices C, D and E, respectively. The 2009 Credit Agreement, the 2010A Credit Agreement and the 2010B Credit Agreement are sometimes referred to in this Commercial Paper Memorandum individually as a "Credit Agreement" and collectively as the "Credit Agreements."

U.S. Bank National Association serves as issuing and paying agent for each series of the Notes (together with any successor issuing and paying agent, the "Issuing and Paying Agent") under a separate Issuing and Paying Agency Agreement with the County. U.S. Bank National Association's offices are located at 100 Wall Street, Suite 1600, New York, New York 10005 (telephone: 212.361.2893; facsimile: 212.509.3384).

Merrill Lynch Pierce Fenner & Smith, Incorporated ("Merrill Lynch") has been appointed by the County as the Dealer of the 2009 Series A Notes. Barclays Capital, Inc. ("Barclays") has been appointed by the County as the Dealer of the 2009 Series B Notes. Both Merrill Lynch and Barclays have been appointed by the County as Dealers of the 2010 Series Notes.

The Notes of each series are separately secured pursuant to the Note Order (defined below) under which such Notes and by the Credit Agreement supporting such Notes. The terms of the Notes, the Note Orders and the Credit Agreements are substantially identical, except for certain fees and charges payable under the Credit Agreements and except as otherwise described herein. The terms "Note Order" and "Credit Agreement," when used with respect to or in connection with the Notes of a series, shall refer to the Note Order and Credit Agreement, respectively, executed and delivered in connection with such Notes; when used with respect to or in connection with the Notes of a series or the Credit Agreement supporting such Notes, the term "Bank" shall refer to the Bank that is a party to the Credit Agreement supporting such Notes.

The executive offices of the County are located at 101 Monroe Street, Rockville, Maryland 20850. The telephone number for the Department of Finance of the County is 240.777.8860, and its Internet home page is http://bonds.montgomerycountymd.gov.

This Commercial Paper Memorandum has been prepared by the County to provide information on the Notes. Prospective purchasers of the Notes should read this Commercial Paper Memorandum, including, without limitation, the County's Annual Information Statement dated January 15, 2010 (the "Annual Information Statement") published under separate cover and incorporated herein by reference, in its entirety before making an investment decision. For more information regarding the County's Annual Information Statement, see Appendix A – "Annual Information Statement."

Any descriptions and summaries of documents in this Commercial Paper Memorandum do not purport to be comprehensive or definitive, and reference is made to each such document for a complete statement of its terms.

AUTHORITY

The Notes are authorized to be issued pursuant to Section 12 of Article 31 of the Annotated Code of Maryland, as amended, certain laws of the County, Resolution No. 16-1104 of the County Council for the County adopted on September 15, 2009 (as amended from time to time, the "Resolution"), and (i) in the case of the 2009 Series A Notes, Executive Order No. B294-09 issued by the Chief Administrative Officer of the County (the "Chief Administrative Officer") on August 20, 2009 (the "2009A Note Order"), (ii) in the case of the 2009 Series B Notes, Executive Order No. B295-09 issued by the Chief Administrative Officer of the County on August 20, 2009 (the "2009B Note Order"), in the case of the 2010 Series A Notes, Executive Order No. B303-10 issued by the County Executive of the County (the "County Executive") (the "2010A Note Order"), and (iv) in the case of the 2010 Series B Notes, Executive Order No. B304-10 issued by the County Executive (the "2010B Note Order"). The 2009A Note Order, the 2009B Note Order, the 2010A Note Order and the 2010B Note Order as the same may be amended and supplemented from time to time, are sometimes referred to in this Commercial Paper Memorandum individually as a "Note Order" and collectively as the "Note Orders."

The County has covenanted in each of the Note Orders to pay the Notes and any interest thereon, to the extent not paid from the proceeds of the sale of Notes or the proceeds of the Liquidity Facility Agreement, from proceeds of the County's consolidated public improvement general obligation bonds (the "Bonds").

The full faith and credit and unlimited taxing power of the County are irrevocably pledged to the payment of the principal of and interest on the Notes.

DESCRIPTION OF NOTES

The Notes are issuable in denominations of $100,000 and integral multiples of $1,000 in excess of $100,000. The Notes will be dated the respective dates of their issue and bear interest from such dates until their respective maturity dates. The Notes will be issued in book-entry only form, without coupons. Interest on the Notes will be payable at maturity and will be calculated based on a 365-day year (366 days in leap years), for the actual number of days elapsed. The Notes will not be subject to redemption prior to maturity. Each Note will mature on a Business Day not later than the earlier of (i) the latest date that is not more than 270 days after the date of issuance of such Note, (ii) the third Business Day prior to the stated expiration date of the Credit Agreement, and (iii) in the case of the 2009 Series Notes, August 25, 2029, and in the case of the 2010 Series Notes, June 23, 2030, in each case as such date may be extended in accordance with the Note Order. No Note shall bear interest at a rate higher than 10% per annum (the "Maximum Rate").

LIQUIDITY FACILITIES

The County has entered into the 2009 Credit Agreement with JPMorgan Chase to provide liquidity with respect to the 2009 Series Notes. Under the terms of the 2009 Credit Agreement, the County, on a revolving basis, may borrow up to $200,000,000 plus an amount calculated not to exceed 34 days' interest at the Maximum Rate, calculated on the basis of a 365-day year basis to pay principal of and interest on the 2009 Series Notes (the "Commitment" under the 2009 Credit Agreement). The 2009 Credit Agreement expires on August 24, 2012 (the "Expiration Date" under the 2009 Credit Agreement), but may be extended under the terms and conditions provided in the 2009 Credit Agreement.

On the date of the initial issuance of 2010 Series A Notes, the County will enter into the 2010A Credit Agreement with PNC Bank to provide liquidity with respect to the 2010 Series A Notes. Under the terms of the 2010A Credit Agreement, the County, on a revolving basis, may borrow up to $150,000,000 plus an amount calculated not to exceed 34 days' interest at the Maximum Rate, calculated on the basis of a 365-day year on a revolving basis to pay principal of and interest on the 2010 Series A Notes (the "Commitment" under the 2010A Credit Agreement). The 2010A Credit Agreement expires on July 31, 2013 (the "Expiration Date" under the 2010A Credit Agreement), but may be extended under the terms and conditions provided in the 2010A Credit Agreement.

On the date of the initial issuance of 2010 Series B Notes, the County will enter into the 2010B Credit Agreement with State Street Bank to provide liquidity with respect to the 2010 Series B Notes. Under the terms of the 2010B Credit Agreement, the County, on a revolving basis, may borrow up to $150,000,000 plus an amount calculated not to exceed 34 days' interest at the Maximum Rate calculated on the basis of a 365-day year to pay principal of and interest on the 2010 Series B Notes (the "Commitment" under the 2010B Credit Agreement). The 2010B Credit Agreement expires on July 31, 2013 (the "Expiration Date" under the 2010B Credit Agreement), but may be extended under the terms and conditions provided in the 2010B Credit Agreement.

The conditions precedent to the Bank making an advance under a Credit Agreement are (a) a written notice requesting the advance shall have been made by Issuing and Paying Agent, as the agent of the County, to the Bank, (b) no Termination Event or Suspension Event (each defined below) shall have occurred and be continuing, and (c) the Termination Date (as defined below) shall not have occurred. "Termination Date" as defined in a Credit Agreement means the earliest of (i) 5:00 P.M. (New York City time) on the last maturity date applicable to all Notes outstanding as of the date on which the Bank delivers to the County and the Issuing and Paying Agent a notice to the effect that an Event of Default (as defined in the Credit Agreement) shall have occurred and be continuing, (ii) 5:00 P.M. (New York City time) on the Expiration Date, (iii) the date on which the Commitment shall have been reduced to zero, (iv) the date on which the County obtains a Substitute Liquidity Facility (as defined in the Note Order) and (v) the date on which a Termination Event shall have occurred. Under the Note Order the County is *not* permitted to replace the Credit Agreement supporting any Notes without the consent of the holders of such Notes.

The following events constitute "Termination Events" under and as defined in the Credit Agreement permitting the Bank to:

(a) the County (i) shall become insolvent or admit in writing its inability to pay its debts as they mature or (ii) shall declare a moratorium on the payment of its debts or apply for, consent to or acquiesce in the appointment of a trustee, custodian, liquidator or receiver for itself or any substantial part of its property, or shall take any action to authorize or effect any of the foregoing; or (iii) in the absence of any such application, consent or acquiescence, a trustee, custodian, liquidator or receiver shall be appointed for it or for a substantial part of its property or revenues and shall not be discharged within a period of 60 days; or (iv) the State of Maryland or any other governmental authority having jurisdiction over the County imposes a debt moratorium, debt restructuring, or comparable restriction on repayment when due and payable of the principal of or interest on debts of the County; or all, or any substantial part, of the property of the County shall be condemned, seized, or otherwise appropriated, or (v) any bankruptcy, reorganization, debt arrangement or other proceeding under any bankruptcy or insolvency law or any dissolution or liquidation proceeding shall be instituted by or against the County (or any action shall be taken to authorize or effect the institution by it of any of the foregoing) and if instituted against it, shall be consented to or acquiesced in by it, or shall not be dismissed within a period of 60 days; or

(b) the County shall fail to pay any amount of principal of or interest on any advance under the Credit Agreement when the same shall become due and payable or the promissory note evidencing the obligation of the County to repay any advance under the Credit Agreement (the "Promissory Note"); or

(c) (i) any provision of the Credit Agreement, the Note Order, the Promissory Note, the Notes, the Issuing and Paying Agent Agreement or the Resolution related to (A) the payment of principal of or interest on the Notes or the principal of or interest owed on any advances under the Credit Agreement, (B) the Pledged Collateral (as defined in the Credit Agreement) or (C) the general obligation pledge of the County shall, in any case, at any time for any reason cease to be valid and binding or fully enforceable on the County as determined by any court or Governmental Authority (as defined in the Credit Agreement) having appropriate jurisdiction over the County in a final non-appealable judgment, or (ii)(A) the validity or enforceability of any provision of the Credit Agreement, the Note Order, the Promissory Note, the Notes, the Issuing and Paying Agent Agreement or the Resolution related to (1) the payment of principal of or interest on the Notes or the principal of or interest owed on any advances under the Credit Agreement, (2) the Pledged Collateral or (3) the general obligation pledge of the County shall be contested by an authorized representative of the County or any Governmental Authority of appropriate jurisdiction, or (B) any Governmental Authority having appropriate jurisdiction over the County shall make a finding or ruling or shall enact or adopt legislation or issue an executive order or enter a judgment or decree that contests (I) any provision of the Credit Agreement, the Note Order, the Promissory Note, the Notes, the Issuing and Paying Agent Agreement or the Resolution related to the payment of principal or interest on the Notes or the principal of or interest owed on any advances under the Credit Agreement, (II) the Pledged Collateral or (III) the general obligation pledge of the County, or (C) the County shall deny or repudiate that it has any further liability or obligation under the Credit Agreement, the Note Order, the Promissory Note, the Notes, the Issuing and Paying Agent Agreement or the Resolution; or

(d) the obligation of the County to levy *ad valorem* taxes to provide for the payment of all advances under the Credit Agreement and interest thereon and the principal of and interest on the Notes shall at any time cease to exist or be adjudged unenforceable, in each case pursuant to a final administrative determination or judicial decision from which there shall not exist any further right of appeal or against which a timely appeal shall not have been filed by the County, or the County shall assert that such obligation ceases to exist or is unenforceable; or

(e) the County shall fail to pay when due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) any principal amount of any

Bonded Debt (as defined in the Credit Agreement) of the County (other than the Notes or other commercial paper issued by the County supported by a line of credit or other credit or liquidity facility and rated on the basis of such line of credit or other credit or liquidity facility), or any interest or premium thereon, and such failure shall continue beyond any applicable period of grace specified in any underlying indenture, contract or instrument providing for the creation of or concerning such Bonded Debt; or

(f) Moody's Investors Service Inc. shall have downgraded any Bonded Debt of the County to below "Baa3" (or its equivalent) or suspended or withdrawn its rating on any Bonded Debt of the County due to credit considerations and Standard & Poor's Ratings Services and Fitch Ratings shall have downgraded any Bonded Debt of the County to below "BBB-" (or its equivalent) or suspended or withdrawn its rating on any Bonded Debt of the County due to credit considerations; or

(g) one or more final and non-appealable judgments or court orders for the payment of money exceeding any applicable insurance coverage by more than $25 million (or $10 million in the case of the 2010B Credit Agreement) shall be rendered against the County, and such judgments or court orders shall continue unsatisfied and in effect for a period of 60 consecutive days without being vacated, discharged, satisfied, or stayed; or

(h) pursuant to the provisions of any such indenture, contract or instrument, the maturity of any Bonded Debt of the County shall have been or may be accelerated, in each case as a result of a default in the payment of principal thereof or interest thereon or shall have been or may be required to be prepaid prior to the stated maturity thereof, in each case as a result of a default in the payment of principal thereof or interest thereon.

The following events constitute a "Suspension Events" under and as defined in the Credit Agreement:

(a) a trustee, custodian, liquidator or receiver shall be appointed for the County or for a substantial part of its property or revenues without the consent or acquiescence of the County; or

(b) any bankruptcy, reorganization, debt arrangement or other proceeding under any bankruptcy or insolvency law or any dissolution or liquidation proceeding shall be instituted by or against the County (or any action shall be taken to authorize or effect the institution by it of any of the foregoing) without the consent or acquiescence of the County.

Upon the occurrence of a Suspension Event, the obligations of the Bank to make advances will be suspended until the proceeding referred to therein is terminated prior to the court entering an order granting the relief sought in such proceeding. In the event such proceeding is terminated, the obligation of the Bank to make advances will be reinstated (unless the obligation of the Bank to make advances shall have otherwise expired or terminated in accordance with the terms thereof or there has occurred a Termination Event).

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, New York, acts as securities depository for the Notes. The Notes are issued as fully registered securities registered in the name of Cede & Co., DTC's partnership nominee. One fully registered Note certificate is issued for each series of the Notes 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"). DTC has Standard & Poor's highest rating: AAA. 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 Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("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 purchases, but Beneficial Owners are expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owners entered into the transactions. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry only system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts the Notes are credited, which may or may not be the

Beneficial Owners. The 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.

Neither DTC nor Cede & Co. will consent or vote with respect to Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the County 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 the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes will be made to 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 Issuing and Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by 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 Participant and not of DTC, the Issuing and 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 to Cede & Co. is the responsibility of the County or the Issuing and Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Notes at any time by giving reasonable notice to the County or the Issuing and Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Notes in certificated form are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Notes in certificated form are required to be printed and delivered.

The information provided immediately above under this caption concerning DTC and DTC's book-entry-only system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy or completeness thereof.

THE COUNTY

General

The County 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.

Selected Debt and Financial Schedules

Tables 1 through 7 presented on the following pages have been updated to provide current information on the County's financial position. For a complete overview of the County's debt, see the County's Annual Information Statement.

[*table appears on next page*]

Table 1
Statement of Direct and Overlapping Debt
As of March 31, 2010

Direct Debt:		
General Obligation Bonds Outstanding	$1,723,819,285	
General Obligation Variable Rate Demand Obligations	100,000,000	
Short-Term BANs/Commercial Paper Outstanding	425,000,000	
Revenue Bonds Outstanding	92,081,250	
Total Direct Debt		$2,340,900,535
Overlapping Debt (as of June 30, 2009):		
Gross Debt:		
Washington Suburban Sanitary Commission		
Applicable to Montgomery County	885,925,181	
Housing Opportunities Commission	720,703,667	
Montgomery County Revenue Authority	99,517,578	
Maryland-National Capital Park and Planning Commission		
Applicable to Montgomery County	42,153,188	
Kingsview Village Center Development District	2,075,000	
West Germantown Development District	15,060,000	
Towns, Cities and Villages within Montgomery County	47,851,848	
Total Overlapping Debt		1,813,286,462
Total Direct and Overlapping Debt		4,154,186,997
Less Self-Supporting Debt:		
County Government Revenue Bonds	92,517,500	
Washington Suburban Sanitary Commission		
Applicable to Montgomery County (as of June 30, 2009)	885,925,181	
Housing Opportunities Commission (as of June 30, 2009)	720,703,667	
Montgomery County Revenue Authority (as of June 30, 2009)	99,517,578	
Maryland-National Capital Park and Planning Commission		
Applicable to Montgomery County (as of June 30, 2009)	4,522,821	
Total Self-Supporting Debt		(1,803,186,747)
Net Direct and Overlapping Debt		$2,351,000,250
Ratio of Debt to June 30, 2009 Assessed Valuation of (100% Assessment):		$162,053,662,492
Direct Debt		1.44%
Net Direct Debt *		1.39%
Direct and Overlapping Debt		2.56%
Net Direct and Overlapping Debt		1.45%
Ratio of Debt to June 30, 2009 Market Value of:		$167,959,062,589
Direct Debt		1.39%
Net Direct Debt *		1.34%
Direct and Overlapping Debt		2.47%
Net Direct and Overlapping Debt		1.40%

*Net Direct Debt of $2,248,819,285 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 March 31, 2010

June 30, 2009 Assessed Valuation – Real Property		$158,133,491,472
Debt Limit (% of Assessed Valuation)		6%
Subtotal Limitation – Real Property		$ 9,488,009,484
June 30, 2009 Assessed Valuation – Personal Property		$3,920,171,020
Debt Limit (% of Assessed Valuation)		15%
Subtotal Limitation – Personal Property		$ 588,025,653
Total Assessed Valuation – Real and Personal Property		$162,053,662,492
Legal Limitation for the Borrowing of Funds and the Issuance of Bonds		$10,076,035,137
Less Amount of Debt Applicable to Debt Limit:		
General Obligation Bonds Outstanding	$1,723,819,285	
General Obligation Variable Rate Demand Obligations	100,000,000	
Short-Term BANs/Commercial Paper	425,000,000	
Net Direct Debt		2,248,819,285
Legal Debt Margin		$7,827,215,852
Net Direct Debt as a Percentage of Assessed Valuation		1.39%

(The remainder of this page has been left blank intentionally.)

Table 3
General Obligation Debt of the County
As of June 30, 2009
And March 31, 2010

Issue	Dated Date	Original Issue Size	Original Interest Rates	TIC*	Maturity	Principal Outstanding June 30, 2009	Principal Outstanding March 31, 2010
GO Refunding Bonds	07/01/92	$273,038,054	2.75-5.80%	5.7431%	1993-10	$ 5,541,371	$ 1,289,285
GO Bonds	04/01/99	120,000,000	4.00-5.00	4.4764	2000-19	6,000,000	6,000,000
GO Bonds	01/01/00	130,000,000	5.00-6.00	5.4853	2001-13	13,000,000	--
GO Bonds	02/01/01	140,000,000	4.00-5.00	4.5447	2002-21	28,000,000	7,000,000
GO Refunding Bonds	11/15/01	146,375,000	3.60-5.25	4.5107	2003-19	120,470,000	114,200,000
GO Bonds	02/01/02	160,000,000	3.00-5.00	4.4619	2003-22	48,000,000	24,000,000
GO Refunding Bonds	11/15/02	93,595,000	2.75-5.25	3.2799	2005-13	55,145,000	44,355,000
GO Bonds	05/01/03	155,000,000	1.50-4.00	3.6304	2004-23	108,500,000	93,000,000
GO Refunding Bonds	05/01/03	49,505,000	2.00-5.00	2.2900	2004-11	16,955,000	10,195,000
GO Bonds	03/15/04	154,600,000	3.00-5.00	3.8290	2005-24	115,950,000	92,760,000
GO Refunding Bonds	08/15/04	97,690,000	3.00-5.25	3.7208	2008-17	93,285,000	87,210,000
GO Bonds	05/15/05	200,000,000	4.00-5.00	3.8806	2006-25	160,000,000	120,000,000
GO Refunding Bonds	06/01/05	120,355,000	5.00	3.7817	2011-21	120,355,000	120,355,000
GO Bonds	05/01/06	100,000,000	4.25-5.00	3.8711	2007-16	70,000,000	70,000,000
GO VRDO**	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	225,000,000	175,000,000
GO Refunding Bonds	03/20/08	70,295,000	2.75-5.00	2.8965	2009-15	60,360,000	49,200,000
GO Bonds	07/15/08	250,000,000	3.00-5.00	4.1809	2009-28	250,000,000	237,500,000
GO Bonds***	11/17/09	232,000,000	3.75-5.50	4.8782	2015-29	--	232,000,000
GO Refunding Bonds	11/17/09	161,755,000	2.00-5.00	2.6487	2011-20	--	161,755,000
GO Bonds	12/02/09	78,000,000	2.00-5.00	1.1823	2010-14	--	78,000,000
Total						$1,596,561,371	$1,823,819,285

* True Interest Cost
** Variable Rate Demand Obligations
*** Federally Taxable – Build America Bonds – Direct Pay

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Table 4
General Obligation Bonds Authorized – Unissued
As of March 31, 2010

Purpose	Chapter	Act	Amount	Amount Unissued
General County, Parks, and Consolidated Fire Tax District	19	2005	$ 44,100,000	$ 15,390,000
	43	2006	92,000,000	92,000,000
	12	2007	51,300,000	51,300,000
	36	2008	68,200,000	68,200,000
	22	2009	58,700,000	58,700,000
			314,300,000	285,590,000
Road & Storm Drainage	43	2006	66,700,000	47,140,000
	12	2007	45,800,000	45,800,000
	36	2008	36,000,000	36,000,000
	22	2009	64,600,000	64,600,000
			213,100,000	193,540,000
Public Schools and Community College	12	2007	118,900,000	27,268,000
	36	2008	222,500,000	222,500,000
	22	2009	272,500,000	272,500,000
			613,900,000	522,268,000
Mass Transit	22	2009	57,100,000	33,005,000
			57,100,000	33,005,000
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
			6,630,000	6,570,000
Parking Districts:				
Silver Spring	9	1983	2,945,000	2,045,000
	6	1984	1,220,000	1,220,000
			4,165,000	3,265,000
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	8,130,000
Total General Obligation Bonds			$1,218,345,000	$1,049,103,000

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 April 8, 2010

Issue	Balance July 1, 2009	BANs Issued	BANs Retired	Balance April 8, 2010
BAN Series 2002-L	$ 50,000,000	$ --	$ 50,000,000	$ --
BAN Series 2002-M	150,000,000	--	33,000,000	117,000,000
BAN Series 2002-N	100,000,000	--	32,000,000	68,000,000
BAN Series 2002-O	--	115,000,000	--	115,000,000
BAN Series 2009-A	--	200,000,000	200,000,000	--
BAN Series 2009-B	--	125,000,000	--	125,000,000
Total	$300,000,000	$440,000,000	$315,000,000	$425,000,000

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

	Fiscal Year Actual[1] 2007	2008	2009	Fiscal Year Budget 2010[2]	Actual July 1 to March 31, 2010 (Unaudited)
Revenues:					
Taxes:					
Property, including interest & penalty	$ 791,299,455	$ 796,770,740	$ 962,319,307	$1,050,802,421	$1,022,323,758
Transfer tax and recordation tax	179,575,410	135,038,965	107,208,955	123,359,000	84,349,629
County income tax	1,265,377,139	1,291,339,613	1,291,716,935	1,214,770,000	577,743,296
Other taxes	168,113,476	168,735,248	179,232,787	185,344,000	136,512,250
Total Taxes	2,404,365,480	2,391,884,566	2,540,477,984	2,574,275,421	1,820,928,933
Licenses and permits	10,496,148	9,279,207	9,319,612	9,132,380	7,552,927
Intergovernmental revenue	138,069,464	132,669,827	90,521,958	71,370,675	36,237,701
Charges for services	11,979,461	12,220,040	14,631,624	10,259,480	6,305,566
Fines and forfeitures	10,216,457	20,335,482	27,604,483	37,542,780	16,380,219
Investment income	13,236,271	8,880,917	568,785	600,160	17,228
Miscellaneous	10,125,190	10,418,813	17,801,203	14,384,353	8,570,748
Total Revenues	2,598,488,471	2,585,688,852	2,700,925,649	2,717,565,249	1,895,993,322
Expenditures (including encumbrances):					
General County:					
General government	223,391,051	241,768,119	257,466,968	238,768,458	195,661,567
Public safety	313,532,989	343,516,856	355,854,194	369,538,738	267,484,233
Public works and transportation	58,265,269	56,432,172	56,329,154	51,254,436	102,144,258
Health and human services	208,632,008	232,979,224	201,771,333	210,932,038	171,045,526
Culture and recreation	53,032,039	55,872,703	51,710,097	49,482,052	39,221,339
Housing and community development	5,284,806	5,606,887	5,473,883	5,071,549	3,405,341
Environment	3,795,318	4,473,884	5,224,553	4,056,195	3,545,367
Total Expenditures	865,933,480	940,649,845	933,830,182	929,103,466	782,507,631
Transfers In (Out):					
Transfers In:					
Special Revenue Funds	13,915,724	15,470,240	17,699,145	21,177,875	15,941,924
Enterprise Funds	27,585,780	27,734,670	38,601,750	33,604,990	25,203,742
Internal Service Funds	--	--	--	12,500,000	9,375,000
Component Units	606,183	598,645	591,084	328,420	255,150
Total Transfers In	42,107,687	43,803,555	56,891,979	67,611,285	50,775,816
Transfers Out:					
Special Revenue Funds	(27,614,179)	(26,366,223)	(13,437,311)	(23,714,720)	(17,928,179)
Debt Service Fund	(203,384,307)	(215,900,200)	(204,596,878)	(143,070,868)	(137,654,097)
Capital Projects Fund	(36,435,691)	(43,259,243)	(28,736,385)	(35,899,723)	(5,981,089)
Enterprise Funds	(4,270,955)	(3,121,110)	(2,988,617)	(3,200,620)	(2,340,210)
Internal Service Funds	(1,171,249)	(1,551,516)	(1,214,928)	(30,000)	--
Component Units	(1,497,615,804)	(1,570,726,627)	(1,650,994,360)	(1,682,485,552)	(1,248,458,411)
Total Transfers Out	(1,770,492,185)	(1,860,924,919)	(1,901,968,479)	(1,888,401,483)	(1,412,361,986)
Net Transfers In (Out)	(1,728,384,498)	(1,817,121,364)	(1,845,076,500)	(1,820,790,198)	(1,361,586,170)
Excess of revenues and transfers in over (under) expenditures, encumbrances and transfers out	4,170,493	(172,082,357)	(77,981,033)	(32,328,415)	(248,100,479)
Fund Balances, July 1 as previously stated	273,333,694	295,785,593	146,932,820	86,905,675	86,905,675
Net Adjustment for previous year encumbrances	18,281,406	23,229,584	17,953,888	15,635,268	15,635,268
Fund Balances, July 1 restated	291,615,100	319,015,177	164,886,708	102,540,943	102,540,943
Equity transfers in (out)	--	--	--	--	--
Budgetary Fund Balance – Subtotal	$ 295,785,593	$ 146,932,820	$ 86,905,675	$ 70,212,528	$ (145,559,536)
Projections through year end:					
Revenue/Transfers In Remaining				--	737,146,045
Expenditures/Transfers Out Remaining				--	(555,804,793)
Budgetary Fund Balance Projected to June 30				$ 70,212,528	$ 35,781,716

(1) Amounts for FY07-09 are audited.

(2) Updated for budget adjustments as of March 31, 2010.

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

	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Projected July 1, 2009 to June 30, 2010 (Unaudited)
Budgetary to GAAP Reconciliation:				
Budgetary Fund Balance as noted above	$295,785,593	$146,932,820	$ 86,905,675	$ 35,781,716
Plus encumbrances outstanding	24,603,431	24,158,117	18,630,308	8,000,000
Adjustment for prior year encumbrances	(902,723)	(1,373,849)	(6,204,232)	(6,988,671)
Unrealized investment gain (loss)	(5,473,442)	(641,355)	(338,014)	(338,014)
Net differences between beginning fund balances(1)	2,738,749	3,737,073	9,112,325	5,903,134
GAAP Fund Balance as Reported	$316,751,608	$172,812,806	$108,106,062	$ 42,358,165
Elements of GAAP Fund Balance:				
Reservations	$ 7,774,404	$ 8,465,100	$ 8,621,928	$ 8,600,000
Designated for General Fund	143,723,513	56,609,030	51,999,830	25,758,165
Unreserved – Designated for Encumbrances	24,603,431	24,158,117	18,630,308	8,000,000
Unreserved / Undesignated	140,650,260	83,580,559	28,853,996	--
	$316,751,608	$172,812,806	$108,106,062	$ 42,358,165

(1) Amount restated to break out the impact of unrealized investment gains (losses).

Note: All amounts are for fiscal years ended June 30.

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TAX MATTERS

McKennon Shelton & Henn LLP, Bond Counsel to the County, is of the opinion that, under existing statutes, regulations and decisions, upon compliance with certain conditions and covenants described in the Note Orders, the interest on the Notes will be excludable from gross income for federal income tax purposes and from taxation by the State of Maryland and by any county, municipal corporation or other political subdivision thereof. No opinion is expressed as to estate or inheritance taxes or any other taxes not levied or assessed directly on the Notes, their transfer or the income thereon.

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 Notes in order for interest on the Notes to remain excludable from gross income for federal income tax purposes, including restrictions that must be complied with throughout the term of the Notes. These include the following: (i) a requirement that certain earnings received from the investment of proceeds and amounts deemed to be proceeds of the Notes 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 Notes; and (iii) other requirements applicable to the use of the proceeds of the Notes and the facilities financed or refinanced with proceeds of the Notes. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Notes in gross income for federal income tax purposes, effective from the date of issuance of the Notes (as determined in accordance with the Code). The County has made certain covenants regarding actions required to maintain the excludability of interest on the Notes from gross income for federal income tax purposes. It is the opinion of Bond Counsel that, assuming compliance with such covenants, the interest on the Notes will remain excludable from gross income for federal income tax purposes under the provisions of the Code.

Further, Bond Counsel is of the opinion that interest on the Notes will not be 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 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 tax net operating loss deduction). For such purposes, "adjusted current earnings" could include, among other items, interest income from the Notes. In addition, interest income on the Notes 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.

In rendering its opinions, McKennon Shelton & Henn LLP will rely on the accuracy of certain representations of the County with respect to certain material facts within the knowledge of the County without independent investigation.

Purchasers of Notes may continue to rely on the opinion of Bond Counsel with respect to the Notes only to the extent that (i) there is no change in existing law and (ii) the representations, agreements and covenants in the Note Orders and certain certificates executed and delivered by the County with respect to such Notes, as supplemented and amended from time to time with the approval of Bond Counsel, remain true and accurate or are complied with (as the case may be) in all material respects. Bond Counsel has not undertaken to monitor any changes in applicable law or to monitor or confirm the accuracy of any of such representations or compliance with any of such agreements or covenants.

A copy of the conformed opinion of Bond Counsel with respect to the 2009 Series Notes and the proposed form of opinion of Bond Counsel with respect to the 2010 Series Notes are included in Appendix B hereto.

Additional Federal Income Tax Considerations

Certain Federal Tax Consequences of Ownership

There are other federal income tax consequences of ownership of obligations such as the Notes 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, subject to adjustments for certain tax-exempt obligations issued in 2009 and 2010; (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 received or accrued and the deductible portion of dividends received by such companies; (iii) interest income which 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; and (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 Notes, can result in the imposition of tax on such passive investment income and, in some cases, loss of S corporation status.

The sale or other disposition of a Note may result in capital gain or loss to its holder. A holder's initial tax basis in a Note will be its cost. Upon the sale or retirement of a Note, for federal income tax purposes, a holder will recognize capital gain or loss upon the disposition of such Note (including sale 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 Note. Such gain or loss will be short-term capital gain or loss because at the time of the sale or retirement the Note will have been held for less than one year. Under present law, both long and short-term capital gains of corporations are taxed at the rates applicable to ordinary income. For noncorporate taxpayers, however, net capital gains will generally be taxed at a maximum rate of 15%, while short-term capital gains and other ordinary income will be taxed at a maximum rate of 35%. 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. Because of the limitation on itemized deductions and the deduction for personal exemptions applicable to higher income taxpayers, the effective rate of tax may be higher in certain circumstances. The operation of sunset, effective date and similar timing provisions in current law would result in a change in the tax rates in certain future time periods.

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 purport to be complete; holders of the Notes should consult their own tax advisors as to the effects, if any, of the Code (and any proposed or subsequently enacted amendments to the Code) in their particular circumstances.

RATINGS

The ratings of the Notes are shown on the cover page of this Commercial Paper Memorandum. The following are the ratings assigned to the long-term general obligation bonds of the County:

	Moody's	S&P	Fitch
General Obligation Bonds	Aaa	AAA	AAA

Any explanation of the significance of such ratings may be obtained from the rating agency furnishing the same. In order to obtain the ratings on the Notes, the County furnished to the rating agencies certain materials and information concerning itself and the Notes and the Banks furnished to the rating agencies certain materials and information respecting themselves. Generally, rating agencies base their ratings on such materials and information, and on their own investigations, studies and assumptions. There is no assurance that any such ratings will obtain for any given period of time or that they may not be lowered or withdrawn entirely by such rating agencies, or any of them, if in their, or its, judgment, circumstances so warrant. Any such downward change in or withdrawal of such ratings, or any of them, may have an adverse effect on the market price of the Notes.

CONTINUING DISCLOSURE

In connection with the issuance of other debt instruments, the County has previously covenanted to provide, or cause to be provided, certain annual financial information as of June 30 of each year, consistent with the financial information included in Appendix A to this Commercial Paper Memorandum. Such information will be provided to the Municipal Securities Rulemaking Board through its electronic platform known as "Electronic Municipal Market Access" or "EMMA."

FINANCIAL ADVISOR

Public Financial Management, Inc. serves as financial advisor to the County with regard to the issuance of the Notes.

COMMERCIAL PAPER DEALERS

Merrill Lynch is serving as Dealer with respect to the 2009 Series A Notes and Barclays is serving as Dealer for the 2009 Series B Notes. Both Merrill Lynch and Barclays are serving as Dealers with respect to the Series 2010 Notes.

APPENDIX A

ANNUAL INFORMATION STATEMENT
DATED JANUARY 15, 2010

(Provided under separate cover
and incorporated herein by reference)

The County's Annual Information Statement dated January 15, 2010 may be downloaded from http://bonds.montgomerycountymd.gov, located at the tab for Annual Information Statement.

APPENDIX B

OPINIONS OF BOND COUNSEL

OPINION OF BOND COUNSEL - 2009 SERIES NOTES

August 20, 2009

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

Dear County Executive and Council Members:

As Bond Counsel to Montgomery County, Maryland (the "County"), in connection with the issuance of its Consolidated Public Improvement Commercial Paper Bond Anticipation Notes, 2009 Series A and Consolidated Public Improvement Commercial Paper Bond Anticipation Notes, 2009 Series B (collectively, the "Notes") as general obligations of the County, we have examined Order No. B294-09 issued by the Chief Administrative Officer of the County (the "Chief Administrative Officer") and dated as of August 20, 2009 and Order No. B295-09 issued by the Chief Administrative Officer and dated as of August 20, 2009 (collectively, the "Note Orders"), certain proceedings of the County, the Charter of the County, as amended, relevant provisions of the Constitution and laws of the State of Maryland, the Internal Revenue Code of 1986, as amended (the "Code") and other proofs submitted to us relative to the issuance and sale of the Notes. The County has made, and pursuant to the Note Orders is required to make, certain representations in connection with the issuance from time to time of the Notes relevant to the tax-exempt status of interest on the Notes. Based upon the foregoing, under existing statutes, regulations and decisions, it is our opinion that:

(a) The County is duly authorized to issue the Notes pursuant to and subject to the provisions, terms and conditions of the Note Orders. Upon due execution, authentication and delivery of and payment for the Notes as provided in the Note Orders, and upon compliance with certain conditions and covenants therein, the Notes will constitute valid and binding general obligations of the County to which its full faith and credit and taxing power are pledged.

(b) Upon compliance with certain conditions and covenants in the Note Orders, and assuming the accuracy of the representations of the County referred to above, the Notes, together with the interest payable on them, shall be and remain exempt from taxation of any kind and nature whatsoever by the State of Maryland and by any county, municipal corporation or other political subdivision thereof; no opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Notes or the interest thereon.

(c) Upon compliance with certain conditions and covenants of the Note Orders, and assuming the accuracy of the representations of the County referred to above, interest on the Notes 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 Code, there are certain restrictions that must be met subsequent to the delivery of the Notes, including restrictions that must be complied with throughout the term of the Notes, 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 Notes 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 Notes, and (iii) requirements applicable to the use of proceeds of the Notes and the facilities financed with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Notes in gross income for federal income tax purposes, effective from the date of their issuance.

(d) Upon compliance with certain conditions and covenants in the Note Orders, and assuming the accuracy of the representations of the County referred to above, interest on the Notes will not be 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 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 tax net operating loss deduction). For such purposes, “adjusted current earnings” could include, among other items, interest income from the Notes. In addition, interest income on the Notes will be includable in the applicable taxable base for the purposes of determining the branch profits tax imposed by the Code on foreign corporations engaged in a trade or business in the United States of America.

This opinion may be relied upon only by the purchasers of Notes, who may continue to rely on this opinion only to the extent that (i) there is no change in existing law and (ii) the representations, agreements and covenants in the Note Orders and certain certificates executed and delivered by the County, as such Note Orders or certificates may be supplemented or amended from time to time with our approval, remain true and accurate or are complied with (as the case may be) in all material respects. Nothing contained in this opinion shall be construed as any undertaking on our part to monitor any changes in applicable law or to monitor or confirm the accuracy of any of such representations or compliance with any of such agreements or covenants.

The opinions expressed above are limited to the matters set forth above, and no other opinions should be inferred beyond the matters expressly stated.

Very truly yours,

/s/ McKennon Shelton & Henn LLP

PROPOSED FORM OF OPINION OF BOND COUNSEL - 2010 SERIES NOTES

[Closing Date]

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

Dear County Executive and Council Members:

As Bond Counsel to Montgomery County, Maryland (the "County"), in connection with the issuance of its Consolidated Public Improvement Commercial Paper Bond Anticipation Notes, 2010 Series A and Consolidated Public Improvement Commercial Paper Bond Anticipation Notes, 2010 Series B (collectively, the "Notes") as general obligations of the County, we have examined Executive Order No. B303-10 issued by the County Executive of the County (the "County Executive") and dated as of June ___, 2010 and Executive Order No. B304-10 issued by the County Executive and dated as of June ___, 2010 (collectively, the "Note Orders"), certain proceedings of the County, the Charter of the County, as amended, relevant provisions of the Constitution and laws of the State of Maryland, the Internal Revenue Code of 1986, as amended (the "Code"), and other proofs submitted to us relative to the issuance and sale of the Notes. The County has made, and pursuant to the Note Orders is required to make, certain representations in connection with the issuance from time to time of the Notes relevant to the tax-exempt status of interest on the Notes. Based upon the foregoing, under existing statutes, regulations and decisions, it is our opinion that:

(a) The County is duly authorized to issue the Notes pursuant to and subject to the provisions, terms and conditions of the respective Note Orders. Upon due execution, authentication and delivery of and payment for the Notes as provided in the Note Orders, and upon compliance with certain conditions and covenants therein, the Notes will constitute valid and binding general obligations of the County to which its full faith and credit and taxing power are pledged.

(b) Upon compliance with certain conditions and covenants in the Note Orders, and assuming the accuracy of the representations of the County referred to above, the Notes, together with the interest payable on them, shall be and remain exempt from taxation of any kind and nature whatsoever by the State of Maryland and by any county, municipal corporation or other political subdivision thereof; no opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Notes or the interest thereon.

(c) Upon compliance with certain conditions and covenants of the Note Orders, and assuming the accuracy of the representations of the County referred to above, interest on the Notes 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 Code, there are certain restrictions that must be met subsequent to the delivery of the Notes, including restrictions that must be complied with throughout the term of the Notes, 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 Notes 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 Notes; and (iii) requirements applicable to the use of proceeds of the Notes and the facilities financed with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Notes in gross income for federal income tax purposes, effective from the date of their issuance.

(d) Upon compliance with certain conditions and covenants in the Note Orders, and assuming the accuracy of the representations of the County referred to above, interest on the Notes will not be 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 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 tax net operating loss deduction). For such purposes, “adjusted current earnings” could include, among other items, interest income from the Notes. In addition, interest income on the Notes will be includable in the applicable taxable base for the purposes of determining the branch profits tax imposed by the Code on foreign corporations engaged in a trade or business in the United States of America.

This opinion may be relied upon only by the purchasers of Notes, who may continue to rely on this opinion only to the extent that (i) there is no change in existing law and (ii) the representations, agreements and covenants in the Note Orders and certain certificates executed and delivered by the County, as such Note Orders or certificates may be supplemented or amended from time to time with our approval, remain true and accurate or are complied with (as the case may be) in all material respects. Nothing contained in this opinion shall be construed as any undertaking on our part to monitor any changes in applicable law or to monitor or confirm the accuracy of any of such representations or compliance with any of such agreements or covenants.

The opinions expressed above are limited to the matters set forth above, and no other opinions should be inferred beyond the matters expressly stated.

Very truly yours,

APPENDIX C

CERTAIN INFORMATION CONCERNING JPMORGAN CHASE BANK, NATIONAL ASSOCIATION

JPMorgan Chase Bank, National Association (the "Bank") is a wholly owned bank subsidiary of JPMorgan Chase & Co., a Delaware corporation whose principal office is located in New York, New York. The Bank offers a wide range of banking services to its customers, both domestically and internationally. It is chartered and its business is subject to examination and regulation by the Office of the Comptroller of the Currency.

As of December 31, 2009, JPMorgan Chase Bank, National Association, had total assets of $1,628 billion, total net loans of $531.2 billion, total deposits of $1,024 billion, and total stockholder's equity of $128.3 billion. These figures are extracted from the Bank's unaudited Consolidated Reports of Condition and Income (the "Call Report") as at December 31, 2009, prepared in accordance with regulatory instructions that do not in all cases follow U.S. generally accepted accounting principles, which are filed with the Federal Deposit Insurance Corporation. The Call Report, including any update to the above quarterly figures, can be found at www.fdic.gov.

Additional information, including the most recent annual report on Form 10-K for the year ended December 31, 2009, of JPMorgan Chase & Co., the 2008 Annual Report of JPMorgan Chase & Co., and additional annual, quarterly and current reports filed with or furnished to the Securities and Exchange Commission (the "SEC") by JPMorgan Chase & Co., as they become available, may be obtained without charge by each person to whom this Commercial Paper Memorandum is delivered upon the written request of any such person to the Office of the Secretary, JPMorgan Chase & Co., 270 Park Avenue, New York, New York 10017 or at the SEC's website at www.sec.gov.

The information contained in this Appendix relates to and has been obtained from the Bank. The delivery of the Commercial Paper Memorandum shall not create any implication that there has been no change in the affairs of the Bank since the date hereof, or that the information contained or referred to in this Appendix is correct as of any time subsequent to its date.

APPENDIX D

**CERTAIN INFORMATION CONCERNING
PNC BANK, NATIONAL ASSOCIATION**

May 12, 2010

This summary incorporates by reference certain Call Reports of PNC Bank, National Association ("PNC Bank") filed with the Office of the Comptroller of the Currency ("OCC"), and certain reports of its parent, The PNC Financial Services Group, Inc. ("PNC Financial"), filed with the Securities and Exchange Commission ("SEC"). You should read those reports and the information set forth below under the headings "PNC Bank and PNC Financial" and "Supervision and Regulation." You should also understand that, except to the limited extent described herein, this summary does not describe the business or analyze the condition, financial or otherwise, of PNC Bank or otherwise describe any risks associated with PNC Bank or the 2010A Credit Agreement. You must rely on your own knowledge, investigation and examination of PNC Bank and PNC Bank's creditworthiness. Neither PNC Bank nor PNC Financial makes any representation regarding the Notes or the advisability of investing in the Notes, nor do they make any representation regarding, nor has PNC Bank or PNC Financial participated in the preparation of, any document of which this summary is a part other than the information supplied by PNC Bank or PNC Financial and presented in this summary headed "Certain Information Concerning PNC Bank, National Association."

PNC Bank and PNC Financial

PNC Bank is a national banking association with its headquarters in Pittsburgh, Pennsylvania and its main office in Wilmington, Delaware. PNC Bank is a wholly-owned indirect subsidiary of PNC Financial. PNC Bank's origins as a national bank date to 1865. PNC Bank and its subsidiaries offer a wide range of commercial banking, retail banking, and trust and wealth management services to their customers. PNC Bank's business is subject to examination and regulation by federal banking authorities. Its primary federal bank regulator is the OCC and its deposits are insured by the Federal Deposit Insurance Corporation ("FDIC").

PNC Financial, the parent company of PNC Bank, is one of the largest diversified financial services companies in the United States and is headquartered in Pittsburgh, Pennsylvania. PNC Financial was incorporated under the laws of the Commonwealth of Pennsylvania in 1983 with the consolidation of Pittsburgh National Corporation and Provident National Corporation. Since 1983, PNC Financial has diversified its geographic presence, business mix and product capabilities through internal growth, strategic bank and non-bank acquisitions and equity investments, and the formation of various non-banking subsidiaries.

PNC Financial has businesses engaged in retail banking, corporate and institutional banking, asset management, residential mortgage banking, and global investment servicing. PNC

Financial provides many of its products and services nationally and others in PNC Financial's primary geographic markets located in Pennsylvania, Ohio, New Jersey, Michigan, Maryland, Illinois, Indiana, Kentucky, Florida, Virginia, Missouri, Delaware, Washington, D.C., and Wisconsin. PNC Financial also provides certain products and services internationally.

PNC Financial acquired National City Corporation ("National City") on December 31, 2008, nearly doubling PNC Financial's assets and expanding total consolidated deposits. PNC Financial's consolidated balance sheet includes the impact of the acquisition of National City beginning as of December 31, 2008. National City Bank, the former National City's bank subsidiary, merged into PNC Bank at the close of business on November 6, 2009. The consolidated reports of condition and income that PNC Bank submits quarterly to the OCC, its primary regulator, reflect this merger beginning with the December 31, 2009 report.

At March 31, 2010, PNC Financial had consolidated total assets, total deposits, and shareholders' equity of $265.4 billion, $182.5 billion, and $26.8 billion, respectively. At December 31, 2009, the comparable amounts were $269.9 billion, $186.9 billion, and $29.9 billion, respectively. At March 31, 2010, PNC Bank had total assets of $254.5 billion, total loans (net of unearned income) and loans held for sale of $160.0 billion, total deposits of $186.7 billion, and total equity capital of $32.9 billion. The comparable amounts at December 31, 2009 were $260.3 billion, $160.2 billion, $193.0 billion, and $31.8 billion, respectively.

THE 2010A CREDIT AGREEMENT IS SOLELY AN OBLIGATION OF PNC BANK AND IS NEITHER AN OBLIGATION OF NOR GUARANTEED BY PNC FINANCIAL OR ANY OF ITS OTHER AFFILIATES.

Supervision and Regulation

PNC Financial, the parent company of PNC Bank, is a bank and financial holding company and is subject to numerous governmental regulations involving both its business and organization. Its businesses are subject to regulation by multiple bank regulatory bodies as well as multiple securities industry regulators. Applicable laws and regulations restrict PNC Financial's ability to repurchase stock or to receive dividends from subsidiaries that operate in the banking and securities businesses and impose capital adequacy requirements. They also restrict permissible activities and investments and require compliance with protections for loan, deposit, brokerage, fiduciary, mutual fund and other customers, and for the protection of customer information, among other things. The consequences of noncompliance can include substantial monetary and nonmonetary sanctions as well as damage to the company's reputation and businesses.

In addition, PNC Financial and PNC Bank are subject to comprehensive examination and supervision by banking and other regulatory bodies. Examination reports and ratings (which often are not publicly available) and other aspects of this supervisory framework can materially impact the conduct, growth, and profitability of the company's businesses.

Due to the current economic environment and issues facing the financial services industry, new legislative and regulatory initiatives are likely over the next several years, including many focused specifically on banking and other financial services in which PNC Financial is engaged. These initiatives will be in addition to the actions already taken by Congress and the regulators, including the Emergency Economic Stabilization Act of 2008, the American Recovery and Reinvestment Act of 2009, the Credit CARD Act of 2009, and the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, as well as changes to the regulations implementing the Real Estate Settlement Procedures Act, the Federal Truth in Lending Act, and the Electronic Fund Transfer Act.

Developments to date, as well as those that come in the future, have had and are likely to continue to have an impact on the conduct of the business of PNC Financial and PNC Bank. This impact could include rules and regulations that affect the nature and profitability of the company's business activities, how the company uses its capital, and other matters potentially having a negative effect on the company's overall business results and prospects.

A failure to have adequate procedures to comply with regulatory requirements could expose the company to damages, fines and regulatory penalties, which could be significant, and could also injure the company's reputation with customers and others with whom it does business.

You will find a general discussion of some of the elements of the regulatory framework affecting PNC Financial and its subsidiaries as well as a discussion of the key risk factors that affect PNC Financial in the following sections of PNC Financial's 2009 Annual Report on Form 10-K: the Supervision and Regulation section included in Item 1 -- Business; Item 1A – Risk Factors; and Note 23 Regulatory Matters of the Notes To Consolidated Financial Statements included in Item 8 of that Report.

Incorporation of Certain Documents by Reference

PNC Bank submits certain unaudited reports called "Consolidated Reports of Condition and Income" ("Call Reports") to the OCC, its primary federal bank regulator, quarterly. Each Call Report consists of a balance sheet, income statement, changes in equity capital and other supporting schedules as of the end of or for the period to which the report relates. The Call Reports are prepared in accordance with regulatory instructions issued by the Federal Financial Institutions Examination Council. Because of the special supervisory, regulatory and economic policy needs served by the Call Reports, those regulatory instructions do not in all cases follow accounting principles generally accepted in the United States, including the opinions and statements of the Accounting Principles Board or the Financial Accounting Standards Board ("U.S. GAAP"). While the Call Reports are supervisory and regulatory documents, not primarily financial accounting documents, and do not provide a complete range of financial disclosure about PNC Bank, the reports nevertheless provide important information concerning the financial condition and results of operations of PNC Bank.

The publicly available portions of the Call Reports are on file with, and publicly available on written request to, the FDIC, Public Information Center, 801 17th Street, NW, Room 100, Washington, D.C. 20434, or by calling the FDIC Public Information Center at 877-275-3342 or

202-416-6940. The Call Reports are also available by accessing the FDIC's website at http://www.fdic.gov.

PNC Financial, the parent company of PNC Bank, is subject to the informational requirements of the Securities Exchange Act of 1934 ("Exchange Act"). In accordance with the Exchange Act, PNC Financial files annual, quarterly and current reports, proxy statements, and other information with the SEC. PNC Financial's SEC File Number is 001-09718. You may read and copy this information at the SEC's Public Reference Room, located at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You can obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. You can also obtain copies of this information by mail from the public reference section of the SEC, 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates.

The SEC also maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers, like PNC Financial, who file electronically with the SEC. The address of that website is http://www.sec.gov. You can also inspect reports, proxy statements and other information about PNC Financial at the offices of the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005.

We have included the web addresses of the FDIC and the SEC as inactive textual references only. Except as specifically incorporated by reference into this summary, information on those websites is not part hereof.

The publicly-available portions of PNC Bank's Call Reports for the years ended December 31, 2009, 2008, and 2007 and for the quarter ended March 31, 2010, and of any amendments or supplements thereto, as filed by PNC Bank with the OCC, are incorporated herein by reference. The publicly-available portions of each other PNC Bank Call Report, and of any amendments or supplements thereto or to any of the PNC Bank Call Reports listed above, filed with the OCC after December 31, 2009 and prior to the expiration of the 2010A Credit Agreement are also incorporated herein by reference and will be deemed a part hereof from the date of filing of each such document. Subsequently filed reports, and amendments or supplements to reports, will automatically update and supersede prior information.

In addition to the Call Reports referred to above, PNC Bank incorporates herein by reference the following documents: PNC Financial's Annual Report on Form 10-K for the year ended December 31, 2009; PNC Financial's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010; PNC Financial's Current Reports on Form 8-K (by date filed) dated January 15, 2010 (two filings), February 3, 2010, February 8, 2010, March 2, 2010, May 3, 2010, and May 5, 2010; and any amendments or supplements to those reports.

Each other annual, quarterly and current report, and any amendments or supplements thereto or to any of the PNC Financial reports listed above, filed by PNC Financial with the SEC pursuant to Section 13(a) or 15(d) of the Exchange Act after December 31, 2009 and prior to the expiration of the 2010A Credit Agreement is incorporated herein by reference and will be deemed a part hereof from the date of filing of each such document. Subsequently filed reports, and amendments or supplements to reports, will automatically update and supersede prior information. The information incorporated by reference herein does not include any report, document or portion thereof that PNC Financial furnishes to, but does not file with, the SEC unless otherwise specifically provided above.

Neither the delivery of this document nor the sale of any Notes will imply that the information herein or in any document incorporated by reference is correct as of any time after its date. Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for purposes hereof to the extent that a statement contained therein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part hereof.

Any of the above documents incorporated herein by reference (other than exhibits to such documents unless such exhibits are specifically incorporated by reference into such documents) are available upon request by holders of the Notes or by prospective investors in the Notes without charge: (1) in the case of PNC Bank documents, by written request addressed to Ronald Lewis, Manager of Regulatory Reporting, at The PNC Financial Services Group, Inc., One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222-2707; or (2) in the case of PNC Financial documents, (a) for copies without exhibits, by contacting Shareholder Services at 800-982-7652 or via the online contact form at wwww.computershare.com/contactus, and (b) for exhibits, by contacting Shareholder Relations at 800-843-2206 or via e-mail at investor.relations@pnc.com. The interactive data file (XBRL) exhibit is only available electronically.

APPENDIX E

CERTAIN INFORMATION CONCERNING STATE STREET BANK AND TRUST COMPANY

State Street Bank and Trust Company (the "Bank") is a wholly-owned subsidiary of State Street Corporation (the "Corporation"). The Corporation (NYSE: STT) is a leading specialist in providing institutional investors with investment servicing, investment management and investment research and trading. With $18.79 trillion in assets under custody and $1.91 trillion in assets under management, the Corporation operates in 25 countries and more than 100 markets worldwide. The assets of the Bank at December 31, 2009 accounted for approximately 98% of the consolidated assets of the Corporation. At December 31, 2009, the Corporation had total assets of $157.94 billion, total deposits (including deposits in foreign offices) of $90.06 billion, total loans and lease finance assets net of unearned income, allowance and reserve for possible credit losses of approximately $10.8 billion and total equity capital of $14.49 billion.

The Bank's Consolidated Reports of Condition for Insured Commercial and State Chartered Savings Banks FFIEC 031 for December 31, 2009, as submitted to the Federal Reserve Bank of Boston, are incorporated by reference in this Appendix and shall be deemed to be a part hereof.

In addition, all reports filed by the Bank pursuant to 12 U.S.C. §324 after the date of this Commercial Paper Memorandum shall be deemed to be incorporated herein by reference and shall be deemed to be a part hereof from the date of filing of any such report.

Additional information, including financial information relating to the Corporation and the Bank is set forth in the Corporation's Annual Report or Form 10-K for the year ended December 31, 2009. The annual report can be found on the Corporation's web site, ***www.statestreet.com***. Such report and all reports filed by the Corporation pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, after the date of this Commercial Paper Memorandum are incorporated herein by reference and shall be deemed a part hereof from the date of filing of any such report. The 2010B Credit Agreement is an obligation of the Bank and not of the Corporation.

Any statement contained in any document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Commercial Paper Memorandum to the extent that a statement contained herein or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Commercial Paper Memorandum.

The Bank hereby undertakes to provide, without charge to each person to whom a copy of this Commercial Paper Memorandum has been delivered, on the written request of any such person, a copy of any or all of the documents referred to above which have been or may be incorporated in this Commercial Paper Memorandum by reference, other than exhibits to such documents. Written requests for such copies should be directed to Investor Relations, State Street Corporation, One Lincoln Street, Boston, Massachusetts 02111, telephone number 617-786-3000.

Neither the Bank nor its affiliates make any representation as to the contents of this Commercial Paper Memorandum (except as to this Appendix to the extent it relates to the Bank), the suitability of the Notes for any investor, the feasibility or performance of any project or compliance with any securities or tax laws or regulations.

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