<u>NEW ISSUE</u> -- BOOK-ENTRY ONLY

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

$58,520,000
MONTGOMERY COUNTY, MARYLAND
General Obligation Bonds
Consolidated Public Improvement Refunding Bonds of 2015, Series A

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

The Consolidated Public Improvement Refunding Bonds of 2015, Series A (the "Bonds") are issuable by Montgomery County, Maryland (the "County") in fully registered form in denominations of $5,000 or any integral multiple thereof. Interest on the Bonds will be payable semi-annually on each January 1 and July 1, commencing July 1, 2015 until maturity. 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"), payments of principal of and premium, if any, and interest 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., the 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, interest on the 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,
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. It is expected that the Bonds in definitive form will be available for delivery through DTC on or about April 9, 2015.

The date of this Official Statement is March 26, 2015.

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.

AMOUNTS, MATURITIES, INTEREST RATES AND YIELDS

$58,520,000
MONTGOMERY COUNTY, MARYLAND
General Obligation Bonds
Consolidated Public Improvement Refunding Bonds of 2015, Series A

Maturing July 1	Principal Amount	Interest Rate	Yield	CUSIP
2018	$21,045,000	5.00%	0.860%	6133404M7
2019	14,890,000	5.00	1.100	6133404N5
2020	14,885,000	5.00	1.270	6133404P0
2021	7,700,000	5.00	1.430	6133404Q8

The rates shown above are the interest rates payable by the County resulting from the successful bid for Bonds by a Citigroup Global Markets Inc. ("Citi") at public sale on March 26, 2015. The yields shown above were furnished by Citi. Any additional information concerning the reoffering of the Bonds should be obtained from Citi 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, a 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.

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OFFICIAL STATEMENT DATED MARCH 26, 2015

$58,520,000
MONTGOMERY COUNTY, MARYLAND
General Obligation Bonds
Consolidated Public Improvement Refunding Bonds of 2015, Series A

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.

TABLE OF CONTENTS

MONTGOMERY COUNTY, MARYLAND
OFFICIAL ROSTER OF COUNTY OFFICIALS

COUNTY EXECUTIVE

Isiah Leggett

COUNTY COUNCIL

George L. Leventhal	*President*
Nancy Floreen	*Vice President*
Sidney Katz	
Marc Elrich	
Tom Tucker	
Craig Rice	
Nancy Navarro	
Roger Berliner	
Hans Riemer	

The terms of the County Executive and all County Council members expire in December 2018.

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 ADVISOR

Davenport & Company LLC
Towson, Maryland

VERIFICATION AGENT

The Arbitrage Group, Inc.

INDEPENDENT PUBLIC ACCOUNTANTS

CliftonLarsonAllen LLP
Timonium, 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").
Issue:	$58,520,000 Consolidated Public Improvement Refunding Bonds of 2015, Series A (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 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 not 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 may 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 will be payable semi-annually on each January 1 and July 1, commencing July 1, 2015 until maturity.
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 April 9, 2015 through the facilities of DTC, on behalf of the purchaser of the Bonds.
Limitations on Offering and 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 Attorney, 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.

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In order to enable participating underwriters, as defined in Rule 15c2-12 of the Securities Exchange Act of 1934 ("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 50 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. The County disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained, herein to reflect any changes in the County's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COUNTY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES HERETO AND THE INFORMATION INCORPORATED HEREIN BY REFERENCE, ARE NOT TO BE DEEMED TO BE A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES AND THE INFORMATION INCORPORATED HEREIN BY REFERENCE, MUST BE CONSIDERED IN ITS ENTIREY. THE OFFERING OF THE BONDS IS MADE ONLY BY MEANS OF THIS ENTIRE OFFICIAL STATEMENT.

THE OFFICIAL STATEMENT CONTAINS STATEMENTS WHICH, TO THE EXTENT THEY ARE NOT RECITATIONS OF HISTORICAL FACT, CONSTITUTE FORWARD-LOOKING STATEMENTS, AS SUCH TERM IS DEFINED IN SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, IN THIS RESPECT, SUCH FORWARD-LOOKING STATEMENTS ARE IDENTIFIED BY THE USE OF THE WORDS ESTIMATE, PROJECT, ANTICIPATE, EXPECT, FORECAST, INTEND OR BELIEVE OR THE NEGATIVE THEREOF OR OTHER VARIATIONS THEREON OR COMPARBLE TERMINOLOGY, SUCH FORWARD-LOOKING INFORMATION INVOLVES IMPORTANT RISKS AND UNCERTAINTIES THAT COULD RESULT IN THE ACTUAL INFORMATION BEING SIGNIFICANTLY DIFFERENT FROM THAT EXPRESSED IN THIS OFFICIAL STATEMENT, POTENTIAL INVESTORS SHOULD SPECIFICALLY CONSIDER THE VARIOUS FACTORS WHICH COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE INDICATED BY SUCH FORWARD-LOOKING STATEMENTS, SUCH FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE OF THIS OFFICIAL STATEMENT. THE COUNTY DISCLAIMS ANY OBLIGATION OR UNDERTAKING TO RELEASE PUBLICLY ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENT CONTAINED HEREIN TO REFLECT ANY CHANGES IN THE COUNTY'S EXPECTATIONS WITH REGARD THERETO OR ANY CHANGE IN EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH ANY SUCH STATEMENT IS BASED.

DESCRIPTION OF THE BONDS

Purpose of the Bonds

The proceeds of the Bonds will be used to (i) refund a portion of the County's outstanding Consolidated Public Improvement Refunding Bonds of 2005, Series A (the "Refunded Bonds"); and (ii) pay certain costs of issuing the Bonds. See Appendix C for a list of the Refunded Bonds and the date for their redemption.

A portion of the proceeds of the 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 (the "Escrow Deposit Fund"), the Escrow Deposit Fund to be established under an Escrow Deposit Agreement to be entered into by and between the County and the Escrow Agent with respect to the Refunded Bonds (the "Escrow Deposit Agreement"). Amounts held in the Escrow Deposit Fund will be used to pay the redemption price of the Refunded Bonds on July 1, 2015, as described on Appendix C. See "Verification of Mathematical Computations." Amounts on deposit in the Escrow Deposit Fund will be pledged only to the payment of the principal of and interest on the Refunded Bonds, and are not available for the payment of principal or interest on the Bonds.

Authority for the Bonds

The Bonds are issued pursuant to Section 10-203, Section 19-207 of the Annotated Code of Maryland (2013 Replacement Volume and 2014 Supplement), Resolution No. 16-1152 adopted by the County Council on October 20, 2009, as amended by Resolution No. 17-1265 adopted by the County Council on November 25, 2014, provisions of the Montgomery County Charter and Code, and an Executive Order of the County Executive of the County.

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

The Bonds are not subject to redemption prior to their stated maturities.

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 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 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 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 obligation 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.

THE COUNTY AND PAYING AGENT CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC WILL DISTRIBUTE TO ITS PARTICIPANTS OR THAT DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL DISTRIBUTE TO BENEFICIAL OWNERS OF THE BONDS (A) PAYMENTS OF THE PRINCIPAL OF, OR INTEREST ON, THE BONDS, OR (B) CONFIRMATION OF OWNERSHIP INTERESTS IN THE BONDS, OR (C) NOTICES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT "RULES" APPLCIABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT "PROCEDURES" OF DTC TO BE FOLLOWING IN DEALING WITH ITS PARTICPANTS ARE ON FILE WITH DTC.

THE COUNTY

Montgomery County, Maryland is a body politic and corporate and a political subdivision of the State of Maryland. For more information regarding 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/AIS2014.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/FY2014_CAFRweb.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 as of June 30, 2014 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, 2014, please see the AIS.

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Table 1
Statement of Direct Debt as of January 31, 2015
Statement of Overlapping Debt as of June 30, 2014
And Including 2015 General Obligation Refunding Bonds

Direct Debt:		
General Obligation Bonds Outstanding*	$2,518,730,000	
General Obligation Variable Rate Demand Obligations	100,000,000	
Short-Term BANs/Commercial Paper Outstanding	500,000,000	
2015 General Obligation Refunding Bonds	58,520,000	
Revenue Bonds Outstanding	191,605,000	
Total Direct Debt		$3,368,855,000
Overlapping Debt as of June 30, 2014		
Washington Suburban Sanitary Commission Applicable to Montgomery County	1,406,111,000	
Housing Opportunities Commission	733,830,685	
Montgomery County Revenue Authority	90,501,519	
Maryland-National Capital Park and Planning Commission Applicable to Montgomery County	44,825,000	
Kingsview Village Center Development District	1,570,000	
West Germantown Development District	13,505,000	
Towns, Cities and Villages within Montgomery County	142,656,981	
Total Overlapping Debt		$2,433,000,185
Total Direct and Overlapping Debt		$5,801,855,185
Less Self-Supporting Debt:		
County Government Revenue Bonds as of January 31, 2015	191,605,000	
Washington Suburban Sanitary Commission Applicable to Montgomery County	1,406,111,000	
Housing Opportunities Commission	733,830,685	
Montgomery County Revenue Authority	90,501,519	
Total Self-Supporting Debt		(2,422,048,204)
Net Direct and Overlapping Debt		$3,379,806,981
Ratio of Debt to June 30, 2014 Assessed Valuation of (100% Assessment):		$163,601,192,842
Direct Debt		2.06%
Net Direct Debt **		1.94%
Direct and Overlapping Debt		3.55%
Net Direct and Overlapping Debt		2.07%
Ratio of Debt to June 30, 2014 Market Value of:		$178,263,765,645
Direct Debt		1.89%
Net Direct Debt **		1.78%
Direct and Overlapping Debt		3.25%
Net Direct and Overlapping Debt		1.90%

* This amount has been reduced by the principal amount of the Refunded Bonds of $66,250,000.
** Net Direct Debt of $3,177,250,000 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 January 31, 2015
And Including 2015 General Obligation Refunding Bonds

June 30, 2014 Assessed Valuation - Real Property		$159,891,865,334
Debt Limit (% of Assessed Valuation)		6.00%
Subtotal Limitation - Real Property		$9,593,511,920
June 30, 2014 Assessed Valuation - Personal Property		$3,709,327,508
Debt Limit (% of Assessed Valuation)		15.00%
Subtotal Limitation - Personal Property		$556,399,126
Total Assessed Valuation - Real and Personal Property		$163,601,192,842
Legal Limitation for the Borrowing of Funds and the Issuance of Bonds		$10,149,911,046
Less Amount of Debt Applicable to Debt Limit:		
General Obligation Bonds Outstanding*	$2,518,730,000	
General Obligation Variable Rate Demand Obligations	100,000,000	
Short-Term BANs/Commercial Paper Outstanding	500,000,000	
2015 General Obligation Refunding Bonds	58,520,000	
Net Direct Debt		3,177,250,000
Legal Debt Margin		$6,972,661,046
Net Direct Debt as a Percentage of Assessed Valuation		1.94%

* This amount has been reduced by the principal amount of the Refunded Bonds of $66,250,000.

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Table 3
General Obligation Debt of the County
As of June 30, 2014 and January 31, 2015
And including 2015 General Obligation Refunding Bonds

Issue	Dated Date	Original Issue Size	TIC (1)	Maturity	Principal (5) Outstanding June 30, 2014	Principal (6) Outstanding January 31, 2015
GO Refunding Bonds	08/15/04	$ 97,690,000	3.7208	2008-17	$ 12,170,000	-
GO Bonds	05/15/05	200,000,000	3.8806	2006-25	10,000,000	$ 10,000,000
GO Refunding Bonds	06/01/05	120,355,000	3.7817	2011-21	107,515,000	34,605,000
GO Bonds	05/01/06	100,000,000	3.8711	2007-16	20,000,000	20,000,000
GO VRDO (2)	06/07/06	100,000,000	variable	2017-26	100,000,000	100,000,000
GO Bonds	05/01/07	250,000,000	4.0821	2008-27	37,500,000	37,500,000
GO Refunding Bonds	03/12/08	70,295,000	2.8965	2009-15	5,050,000	-
GO Bonds	07/15/08	250,000,000	4.1809	2009-28	73,600,000	61,100,000
GO Bonds (3)	11/03/09	232,000,000	3.1774	2015-29	232,000,000	232,000,000
GO Refunding Bonds	11/03/09	161,755,000	2.6487	2011-20	132,150,000	108,325,000
GO Bonds	11/17/09	78,000,000	1.1823	2010-14	15,600,000	-
GO Bonds	07/08/10	195,000,000	2.2596	2011-22	146,250,000	130,000,000
GO Bonds (4)	07/08/10	130,000,000	5.0708	2023-30	130,000,000	130,000,000
GO Bonds	08/11/11	320,000,000	3.2268	2012-31	192,000,000	176,000,000
GO Refunding Bonds	08/11/11	237,655,000	1.9896	2012-22	217,920,000	199,985,000
GO Bonds	10/24/12	295,000,000	2.2599	2013-32	280,250,000	265,500,000
GO Refunding Bonds	10/24/12	23,360,000	0.3812	2013-16	15,570,000	10,560,000
GO Bonds	11/26/13	295,000,000	3.1270	2014-33	295,000,000	280,250,000
GO Refunding Bonds	11/26/13	24,915,000	2.7745	2023-24	24,915,000	24,915,000
GO Bonds	11/19/14	500,000,000	2.7445	2015-34	500,000,000	500,000,000
GO Refunding Bonds	11/19/14	297,990,000	2.3437	2016-28	297,990,000	297,990,000
GO Refunding Bonds	04/09/15	58,520,000	1.2264	2018-21	-	58,520,000
Total					**$2,845,480,000**	**$2,677,250,000**

(1) True Interest Cost
(2) Variable Rate Demand Obligations
(3) Federally Taxable – Build America Bonds – Direct Pay
(4) Includes Federally Taxable – Build America Bonds $106.3 million – Direct Pay
(5) Principal balance includes November 19, 2014 General Obligation Bonds in the amount of $797,990,000 and is reduced by the November 19, 2014 General Obligation Refunded Bonds in the amount of $323,010,000.The June 30, 2014 balance excluding the November 2014 issuance is $2,370,500,000.
(6) Principal Outstanding as of January 31, 2015 reflects the 2015 General Obligation Refunding Bonds to be issued and delivered by the County. The balance excluding the April 2015 issuance is $2,684,980,000.

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Table 4
General Obligation Bonds Authorized – Unissued
As of January 31, 2015

Purpose	Chapter	Act	Amount	Amount Unissued
General County, Parks, and	54	2010	$341,600,000	$187,954,000
Consolidated Fire Tax District	24	2011	65,400,000	65,400,000
	19	2012	13,900,000	13,900,000
	26	2013	331,600,000	331,600,000
	47	2014	167,400,000	167,400,000
			919,900,000	766,254,000
Road & Storm Drainage	54	2010	192,000,000	40,980,000
	19	2012	38,700,000	38,700,000
	26	2013	86,800,000	86,800,000
	47	2014	49,300,000	49,300,000
			366,800,000	215,780,000
Public Schools and	24	2011	214,300,000	32,299,000
Community College	19	2012	187,400,000	187,400,000
	26	2013	15,100,000	15,100,000
	47	2014	162,000,000	162,000,000
			578,800,000	396,799,000
Mass Transit	24	2011	103,200,000	31,270,000
	47	2014	9,400,000	9,400,000
			112,600,000	40,670,000
Public Housing	17	1981	2,650,000	1,890,000
	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	52,270,000
Agricultural Easements	24	2011	2,000,000	2,000,000
Façade Easements	24	2011	1,100,000	1,100,000
	26	2013	2,200,000	2,200,000
			5,300,000	5,300,000
Parking District: Silver Spring	9	1983	2,945,000	2,045,000
	6	1984	1,220,000	1,220,000
	19	2012	20,115,000	1,193,000
			24,280,000	4,458,000
Parking District: 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			33,430,000	9,323,000
Total General Obligation Bonds			$2,069,860,000	$1,486,396,000

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 January 31, 2015

Issue	Balance June 30, 2014	BANs Retired	BANs Issued	Balance January 31, 2015
BAN 2009-A	$100,000,000	$100,000,000	$100,000,000	$100,000,000
BAN 2009-B	100,000,000	100,000,000	100,000,000	100,000,000
BAN 2010-A	150,000,000	150,000,000	150,000,000	150,000,000
BAN 2010-B	150,000,000	150,000,000	150,000,000	150,000,000
Total	**$500,000,000**	**$500,000,000**	**$500,000,000**	**$500,000,000**

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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
	2011	2012	2013	2014	2015
Revenues:					
Taxes:					
Property, including interest & penalty	$ 1,061,582,080	$ 1,042,924,958	$ 1,036,227,629	$ 1,108,735,671	$ 1,088,918,814
Transfer tax and recordation tax	129,534,809	127,296,778	142,027,055	144,458,634	160,694,266
County income tax	1,039,234,850	1,255,089,822	1,317,533,090	1,376,763,653	1,340,644,366
Other taxes	304,004,588	293,532,105	292,007,596	284,844,756	277,738,739
Total Taxes	2,534,356,327	2,718,843,663	2,787,795,370	2,914,802,714	2,867,996,185
Licenses and permits	10,372,597	9,877,007	9,703,745	10,585,333	11,486,397
Intergovernmental revenue	51,645,247	41,873,345	51,799,202	65,386,079	56,232,240
Charges for services	9,483,647	8,387,285	10,552,028	8,911,416	8,858,044
Fines and forfeitures	19,249,187	18,742,899	23,160,668	23,993,497	21,621,131
Investment income	12,206	12,224	66,215	5,572	270,060
Miscellaneous	16,823,983	16,061,866	14,449,088	14,406,470	8,720,990
Total Revenues	2,641,943,194	2,813,798,289	2,897,526,316	3,038,091,081	2,975,185,047
Expenditures (including encumbrances):					
General County:					
General government	224,132,215	276,824,927	348,045,120	403,689,920	390,653,713
Public safety	334,915,498	342,225,124	367,638,180	386,799,315	399,426,367
Transportation and public works	63,657,144	51,076,683	68,700,317	82,090,135	55,959,060
Health and human services	183,462,232	184,255,411	196,376,879	216,191,464	226,540,160
Culture and recreation	34,021,901	33,615,205	35,568,206	38,749,757	42,754,620
Housing and community development	3,860,221	3,374,938	4,439,750	4,699,773	11,554,236
Environment	2,666,513	2,414,241	2,371,515	2,247,029	2,783,831
Total Expenditures	846,715,724	893,786,529	1,023,139,967	1,134,467,393	1,129,671,987
Transfers In (Out) : Transfers In:					
Special Revenue Funds	24,649,524	25,557,670	24,504,717	26,552,919	27,390,500
Enterprise Funds	37,771,540	30,993,350	28,400,910	28,253,518	35,692,017
Internal Service Funds	2,500,000	-	19,034,302	8,682,636	10,056,754
Component Units	247,613	240,075	232,538	-	247,610
Total Operating Transfers In (Out)	65,168,677	56,791,095	72,172,467	63,489,073	73,386,881
Transfers Out:					
Special Revenue Funds	(33,625,392)	(78,066,365)	(57,842,563)	49,557,407)	(47,105,745)
Debt Service Fund	(220,150,085)	(235,553,941)	(252,311,377)	256,222,429)	(290,789,930)
Capital Projects Fund	(21,567,200)	(40,384,588)	(45,695,781)	(42,493,960)	(24,377,000)
Enterprise Funds	(3,420,070)	(3,389,630)	(2,873,089)	(2,608,209)	(2,862,660)
Internal Service Funds	-	(884,147)	(1,597,958)	(1,143,657)	(823,698)
Component Units	(1,532,153,074)	(1,484,536,407)	(1,547,788,358)	(1,576,615,732)	1,620,695,940)
Total Transfers Out	(1,810,915,821)	(1,842,815,078)	(1,908,109,126)	1,928,641,394)	(1,986,654,973)
Net Transfers In (Out)	(1,745,747,144)	(1,786,023,983)	(1,835,936,659)	(1,865,152,321)	(1,913,268,092)
Excess of revenues and operating transfers in over/ (under) expenditures, encumbrances and operating transfers out	49,480,326	133,987,777	38,449,690	38,471,367	(67,755,032)
Fund Balances, July 1 as previously stated	39,657,640	93,078,794	235,497,305	289,598,811	352,940,120
Adjustment for previous year encumbrances(2)	3,940,828	8,430,734	15,651,816	24,869,942	-
Fund Balances, July 1 restated	43,598,468	101,509,528	251,149,121	314,468,753	352,940,120
Equity transfers in (out)	-	-	-	-	-
Budgetary Fund Balance, June 30	$ 93,078,794	$ 235,497,305	$ 289,598,811	$ 352,940,120	$ 285,185,088

(1) Audited amounts.
(2) Prior year encumbrances are net of write-offs.
Note: Actual and budget amounts are for fiscal years ended June 30.

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

	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Budgetary to GAAP Reconciliation:				
Budgetary Fund Balance as noted above (2)	$ 93,078,794	$ 235,497,305	$ 289,598,811	$ 352,940,120
Encumbrances outstanding	11,022,956	20,382,922	29,344,177	33,293,736
Cumulative Marriot Conference Center	3,416,052	4,332,672	4,719,357	5,578,374
Unrealized investment gain (loss) (1)	(272,792)	(277,552)	(301,087)	(326,213)
Net differences between beginning fund balances	266,911	263,911	274,877	271,653
GAAP Fund Balance as Reported	$ 107,511,921	$ 260,199,258	$ 323,636,135	$ 391,757,670
Elements of GAAP Fund Balance:				
Nonspendable	$ 4,181,482	$ 5,635,580	$ 5,649,319	$ 6,159,553
Restricted	--	--	--	14,500
Committed	23,275,746	41,243,696	49,695,245	68,078,344
Assigned	11,022,956	20,382,922	29,344,177	33,293,736
Unassigned	69,031,737	192,937,060	238,947,394	284,211,537
Total Fund Balance	$ 107,511,921	$ 260,199,258	$ 323,636,135	$ 391,757,670

Note: All amounts are audited, and are for fiscal years ended June 30.
(1) Amount restated to break out impact of unrealized investment gains (losses)
(2) Amounts consistent with prior year budget ending fund balance but does not equal CAFR RSI-1.

Projected Financial Information

Based on actual collections and the revenue outlook for the remainder of the fiscal year (FY15), there is a modest downward revision for some of the revenues when compared to the adopted FY15 budget. The March revised revenue estimates for FY15 are approximately $33.0 million below the FY15 Budget estimates. This decrease is primarily attributed to revisions in income tax revenues, approximately $7.5 million less, and transfer and recordation tax revenues, approximately $19.0 million less, with the remaining net difference of approximately $6.3 million being comprised of reductions in the property tax and Other Taxes. The $7.5 million reduction in estimated income tax revenues reflects a reduction in collections of approximately $92.5 million and eliminating an $85.0 million write down in income tax revenues for the Wynne case that is no longer applicable for FY15. Information from the State of Maryland indicates that, regardless of the outcome of the *Wynne* case currently with the U.S. Supreme Court, there will be no adverse impact on revenues for Montgomery County in FY15. See "LITIGATION" herein.

The expenditures outlook for the remainder of the fiscal year (FY15) is expected to be in line with the prepared FY15 budget. However, the County is considering a $15-20 million supplemental appropriation to cover snow removal expenditures throughout the remainder of the Fiscal Year.

Montgomery County has instituted several actions to control expenditures in the current and next fiscal year including a freeze on non-public safety hiring, a freeze on procurement actions, and requiring all departments to identify up to 3% in reductions in their planned FY16 operating budgets.

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.

The following is only a general summary of certain provisions of the Internal Revenue Code of 1986, as amended (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.

Maryland Income Taxation

In the opinion of Bond Counsel, under existing law, interest on the 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, interest on the Bonds will be excludable from gross income for federal income tax purposes.

Under the provisions of 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, Bond Counsel is of the opinion that 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 such tax will 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" will 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 certain foreign corporations engaged in a trade or business in the United States of America.

In rendering its opinion, Bond Counsel will rely, without independent investigation on the representations of certain officials of the County made on behalf of the County in its Tax and Section 148 Certificate with respect to certain material facts within the knowledge of the County relevant to the tax-exempt status of interest on the Bonds.

Certain Other Federal Tax Considerations

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 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, which includes 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 other disposition of the Bonds generally must be taken into account when computing the 3.8% Medicare tax with respect to net investment income imposed on certain high income individuals and certain 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 "TAX MATTERS -- 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 issue 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.

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 Exchange Act of 1934 ("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.

In March 2014, the Securities and Exchange Commission (the "SEC") announced a Municipal Securities Continuing Disclosure Cooperation Initiative ("MCDC") to address representations made by issuers in official statements regarding past compliance with continuing disclosure undertakings made pursuant to Rule 15c2-12. In connection with the MCDC, the County reviewed its prior continuing disclosure undertakings and made the following findings:

- When filing information with the continuing disclosure service established by the Municipal Securities Rulemaking Board known as the Electronic Market Access System ("EMMA"), the County inadvertently failed to index properly certain filings made with respect to the Solid Waste Disposal Waste Disposal System Refunding Revenue Bonds (the "2003 Solid Waste Bonds") issued on behalf of the County by the Northeast Maryland Waste Disposal Authority (the "Authority") in Fiscal Years 2010 and 2012. To the extent a filing was made without all of the associated CUSIP numbers, the filing was otherwise available in connection with filings made by the County or the Authority. The 2003 Solid Waste Bonds are no longer outstanding.

- In connection with its continuing disclosure obligations with respect to certain bonds issued by the County on behalf of the Department of Liquor Control and various development and parking lot districts, the County failed to timely file or failed to file portions of its operating data during the last five years. The County has subsequently filed the necessary operating data with respect to such bonds on EMMA.

- The County failed to file notice of a rating change in connection the upgrade of the County's Revenue Bonds (Department of Liquor Control) issued by Standard & Poor's Rating Group in July 2013.

With the exception of the foregoing, the County has substantially complied with its continuing disclosure undertakings pursuant to Rule 15c2-12 during the last five years. The County has established procedures to ensure that the County will fulfill the requirements of its continuing disclosure obligations for its bonds in the future.

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 opinion with respect to the Bonds will be delivered upon request, without charge, to the successful bidder 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.

Current Maryland law imposes an income tax on residents consisting of (1) a State income tax, paid to the State; and (2) a county income tax, collected by the State and paid to the county of residence of the taxpayer. Out-of-state income earned by residents is allowed a credit against the State tax for taxes paid on that income to the state where it was generated. Current law provides that no credit is given against the county tax for income taxes paid in other states. On January 28, 2013 in a case in which the County is not a party captioned *Maryland State Comptroller of the Treasury v. Brian Wynne*, et al., 431 Md. 147 (2013), the Maryland Court of Appeals ruled that the failure of the Maryland income tax law to allow a credit against the county tax of a Maryland resident taxpayer with respect to activities in another state and that is taxed in that state violates the dormant Commerce Clause of the United States Constitution. The ruling has not affected County income tax revenues as the Maryland Court of Appeals stayed the effect of the ruling pending the appeal to the United States Supreme Court which heard oral arguments from the parties on November 12, 2014. It is expected that a decision will be rendered by the United State Supreme Court before the end of June 2015. If the decision of the Maryland Court of Appeals is upheld by the United States Supreme Court, each county in the State would likely realize a reduction in income tax revenue distributions from the State. The County estimates that it could lose up to $25 million in tax revenue each year on a going-forward basis. For a discussion regarding certain projections of the County with respect to the *Wynne* litigation, see "*Projected Financial Information*" on page 14 herein. The magnitude of any financial impact on the County is difficult to estimate as it will depend on various factors that are not ascertainable until the United State Supreme Court renders its decision, including whether such decision, if upholding the Maryland Court of Appeals ruling, would apply retroactively or prospectively and whether any refunds to taxpayers would be paid from taxes collected by the State which could also impact the reduction in income tax revenue distributions from the State to the counties, including the County, going forward. If there is a reduction in the income tax distribution from the State to the counties, it is expected to begin in March 2016; therefore it is not expected to affect County income tax revenue in fiscal year 2015.

RATINGS

Rating reviews for this issue have been received 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

Davenport & Company LLC (the "Financial Advisor"), is serving as financial advisor to the County with respect to the issuance and sale of the Bonds. 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 CliftonLarsonAllen LLP ("CliftonLarson"), 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, CliftonLarson 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 CliftonLarson also contains an explanatory paragraph which states that CliftonLarson did not audit certain identified supplementary information and expressed no opinion thereon.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The Arbitrage Group, Inc. has verified the mathematical accuracy of the computations performed by Davenport & Company LLC, including (a) the adequacy of the funds held in the Escrow Deposit Fund established and maintained under the Escrow Deposit Agreement for the payment of the redemption price of the Refunded Bonds, and (b) calculations to support the opinion of Bond Counsel that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code. Such verification is based upon data and information supplied to the verification agent by Davenport & Company LLC.

CERTIFICATE OF COUNTY OFFICIALS

The Chief Administrative Officer and the Director of Finance of the County will furnish a certificate to the successful bidder 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: /s/ Isiah Leggett
Isiah Leggett
County Executive

By: /s/ Joseph F. Beach
Joseph F. Beach
Director, Department of Finance

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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 Refunding Bonds of 2015, Series A (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 (i) Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2014 Supplement) ("Section 10-203"), (ii) Section 19-207 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2014 Supplement), (iii) Resolution No. 16-1152 adopted by the County Council on October 20, 2009, as amended by Resolution No. 17-1265 adopted by the County Council on November 25, 2014 (together, the "Resolutions"); (iv) Chapter 20 of the Code of Montgomery County (the "Code"); (v) provisions of the Montgomery County Charter (the "Charter"); and (vi) an Executive Order of the County Executive of the County, as amended and 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 Charter, the Code, 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) Interest on the 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.

(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 ____________, 2015 (this "Disclosure Agreement") is executed and delivered by MONTGOMERY COUNTY, MARYLAND (the "County") in connection with the issuance of its Consolidated Public Improvement Refunding Bonds of 2015, Series A (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, 2015:

(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, 2015, 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, 2015), 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

REFUNDED BONDS

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REFUNDED BONDS

Montgomery County, Maryland
Consolidated Public Improvement Refunding Bonds of 2005, Series A
(To be redeemed on or about July 1, 2015)

Maturity Date	Interest Rate	Principal Amount	Call Date	Call Price	CUSIP†
7/01/2015	5.00%	$ 7,730,000	*	*	6133418N9
7/01/2018	5.00	21,045,000	7/01/2015	100.00	6133418R0
7/01/2019	5.00	14,890,000	7/01/2015	100.00	6133418S8
7/01/2020	5.00	14,885,000	7/01/2015	100.00	6133418T6
7/01/2021	5.00	7,700,000	7/01/2015	100.00	6133418U3

†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.

* Escrowed to maturity.