

# MONTGOMERY COUNTY EXECUTIVE ORDER

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject	Executive Order No.	Subject Suffix
Authorizing the issuance of the Montgomery County, Maryland Solid Waste System Revenue Bonds, Series 2025A	107-25	
Department	Department No.	Effective Date
Department of Finance	B414-25	June 24, 2025

## **ORDER AUTHORIZING THE SALE THROUGH A DIRECT, PRIVATE PLACEMENT OF MONTGOMERY COUNTY, MARYLAND SOLID WASTE SYSTEM REVENUE BONDS, SERIES 2025A (THE “BONDS”) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000 AND THE PREPARATION AND ISSUANCE OF THE BONDS, ENGAGEMENT OF SERVICE PROVIDERS, AND OTHER APPROPRIATE AND NECESSARY ACTIONS FOR THE SALE OF THE BONDS**

**WHEREAS**, as permitted by and in accordance with Chapter 20, Sections 20-47 through 20-54 (the “Revenue Bond Act”) and Chapter 48 (the “Solid Waste Act”) of the Montgomery County Code, as amended, and Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement) and Resolution No. 20-839, adopted by the County Council of Montgomery County, Maryland on June 10, 2025 (the “Resolution”), the County Executive of the County (the “County Executive”) is authorized to determine if the Bonds are to be sold at either private (negotiated) sale or at public sale, and at, above or below par, in any event in such manner and upon such terms as the County Executive, in his sole and absolute discretion, deems to be in the best interests of the County, and to approve the sale the Bonds in an aggregate principal amount not to exceed Forty Million Dollars (\$40,000,000), or such lesser amount as may be specified by the County Executive or the Chief Administrative Officer of the County (the “Chief Administrative Officer”);

**WHEREAS**, Capital One Public Funding, LLC (the “Lender”), has agreed to purchase the Bonds and in connection therewith, the County has entered into a Trust Agreement and a First Supplemental Trust Agreement (the “First Supplement”), each dated as of June 1, 2025 (together, the “Trust Agreement”), under which the Lender will be a bondholder with the rights to receive debt service payments as payment for the Bonds; and

**WHEREAS**, the County has determined to issue and deliver the Bonds as hereinafter described.

**NOW THEREFORE, BE IT ORDERED**, that:

**Section 1.** Pursuant to and in accordance with the Revenue Bond Act, the Solid Waste Act, Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement) and the Resolution, the County shall issue, sell and deliver the Bonds to the Lender in a private sale, in an aggregate principal amount not to exceed Forty Million Dollars (\$40,000,000), designated as “Montgomery County, Maryland Solid Waste System Revenue Bonds, Series 2025A.” If applicable, the Chief Administrative Officer is authorized to approve the final, lesser aggregate principal amount of the Bonds issued, sold, and delivered by the County. The County solicited proposals from the Lender and other qualified institutions through a Request for Proposal, dated May 20, 2025 (the “RFP”). The County selected the Lender to purchase the Bonds based upon the most favorable rates and other financial information offered to the County by the Lender in its response to the RFP. The County Executive, through consultation with the Director of Finance of the County (the “Director of Finance”), has determined that a direct, private placement of the Bonds with the Lender is in the best interest of the County.

# MONTGOMERY COUNTY EXECUTIVE ORDER

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject	Executive Order No.	Subject Suffix
Authorizing the issuance of the Montgomery County, Maryland Solid Waste System Revenue Bonds, Series 2025A	107-25	
Department	Department No.	Effective Date
Department of Finance	B414-25	June 24, 2025

**Section 2.** The Bonds shall be issued in the form of a single bond certificate pursuant to the terms and conditions set forth in the Trust Agreement, the form of which is attached hereto as Exhibit A. The Bonds shall be issuable as registered bonds in such series, be dated the date of issuance, mature, bear interest at the rate or rates of interest, be secured, be payable in such amounts, at such times, and at such place or places and be subject to redemption and purchase prior to maturity at such price or prices and under such terms and conditions, all as set forth in the Trust Agreement and the Bonds. The Bonds shall be issued in substantially the form of the bond attached as Exhibit A to the First Supplement attached hereto as Exhibit B, which form of bond is hereby adopted and approved as the form, tenor and substance of the Bonds.

**Section 3.** The proceeds of the Bonds will be used to finance and refinance in whole or in part certain costs relating to the remediation of low-level environmental contamination at the Gude Landfill and any designated improvements to other facilities relating to the development of a passive use at the Gude Landfill and (ii) pay the costs of issuing the Bonds.

**Section 4.** The Trust Agreement shall be in substantially the form attached hereto as Exhibit A, and the terms, provisions, form, content and substance of the Trust Agreement in the form so attached is hereby adopted and approved. The execution of the Trust Agreement and any other documents and certificates by the Chief Administrative Officer or the Director of Finance shall be conclusive evidence of the approval of the final terms, provisions, form, content and substance of the Trust Agreement and all other documents and certificates executed and delivered in connection therewith, which shall thereupon become binding upon the County.

**Section 5.** The First Supplement shall be in substantially the form attached hereto as Exhibit B, and the terms, provisions, form, content and substance of the First Supplement in the form so attached is hereby adopted and approved. The execution of the First Supplement and any other documents and certificates by the Chief Administrative Officer or the Director of Finance shall be conclusive evidence of the approval of the final terms, provisions, form, content and substance of the First Supplement and all other documents and certificates executed and delivered in connection therewith, which shall thereupon become binding upon the County.

**Section 6.** The Chief Administrative Officer and the Director of Finance are hereby authorized to prepare or to cause to be prepared any and all documents related to the issuance of the Bonds, and any necessary supplements or addenda thereto, to be used in connection with the sale of the Bonds and placement of the Bonds with the Lender. The RFP and the Bonds contain such financial and other data as are customarily found in such publications and were deemed appropriate by the Director of Finance and are hereby ratified. The placement and sale of the Bond to the Lender will be evidence of its final approval.

**Section 7.** The Director of Finance is hereby authorized and directed to sell the Bonds to the Lender based upon the rates and other terms agreed upon by the Lender and the County and incorporated in a term sheet.

# MONTGOMERY COUNTY EXECUTIVE ORDER

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject	Executive Order No.	Subject Suffix
Authorizing the issuance of the Montgomery County, Maryland Solid Waste System Revenue Bonds, Series 2025A	107-25	
Department	Department No.	Effective Date
Department of Finance	B414-25	June 24, 2025

**Section 9.** The Chief Administrative Officer, the Director of Finance, and such other officers, officials and employees of the County as the Chief Administrative Officer or the Director of Finance shall designate, are hereby authorized and empowered to approve, execute, and deliver any and all instruments, certificates and documents in any manner deemed appropriate by the Chief Administrative Officer or the Director of Finance and otherwise take any and all such action as may be necessary, proper or required to carry out the authority conferred by this Order, and to effectuate the execution and delivery of the Trust Agreement, the First Supplement and the Bonds. The Chief Administrative Officer, the Director of Finance, or such other officers, officials or employees of the County as the Chief Administrative Officer or the Director of Finance shall designate, shall execute and deliver such certificates or agreements as may be necessary or desirable to evidence compliance with Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), other relevant regulations, and provisions of the Code with respect to the Bonds.

**Section 10.** This Executive Order shall take effect immediately.

Dated as of this 24<sup>th</sup> day of June, 2025.

---

Marc Elrich  
County Executive  
Montgomery County, Maryland

# MONTGOMERY COUNTY EXECUTIVE ORDER

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject	Executive Order No.	Subject Suffix
Authorizing the issuance of the Montgomery County, Maryland Solid Waste System Revenue Bonds, Series 2025A	107-25	
Department	Department No.	Effective Date
Department of Finance	B414-25	June 24, 2025

**Section 8.** The Director of Finance is hereby authorized to engage the services of trustee, and such other service providers as the Director of Finance deems appropriate from time to time with respect to the Bond.

**Section 9.** The Chief Administrative Officer, the Director of Finance, and such other officers, officials and employees of the County as the Chief Administrative Officer or the Director of Finance shall designate, are hereby authorized and empowered to approve, execute, and deliver any and all instruments, certificates and documents in any manner deemed appropriate by the Chief Administrative Officer or the Director of Finance and otherwise take any and all such action as may be necessary, proper or required to carry out the authority conferred by this Order, and to effectuate the execution and delivery of the Trust Agreement, the First Supplement and the Bonds. The Chief Administrative Officer, the Director of Finance, or such other officers, officials or employees of the County as the Chief Administrative Officer or the Director of Finance shall designate, shall execute and deliver such certificates or agreements as may be necessary or desirable to evidence compliance with Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), other relevant regulations, and provisions of the Code with respect to the Bonds.

**Section 10.** This Executive Order shall take effect immediately.

Dated as of this 24 day of June, 2025.



Marc Elrich  
County Executive  
Montgomery County, Maryland

# MONTGOMERY COUNTY EXECUTIVE ORDER

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject	Executive Order No.	Subject Suffix
Authorizing the issuance of the Montgomery County, Maryland Solid Waste System Revenue Bonds, Series 2025A	107-25	
Department	Department No.	Effective Date
Department of Finance	B414-25	June 24, 2025

## EXHIBIT A

### TRUST AGREEMENT

[See attached]

---

---

## **TRUST AGREEMENT**

by and between

**MONTGOMERY COUNTY, MARYLAND**

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,**  
as Trustee

Dated as of June 1, 2025

**MONTGOMERY COUNTY, MARYLAND**

Revenue Bonds  
(Solid Waste System Projects)

---

## TABLE OF CONTENTS

### ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01. Definitions .....	3
Section 1.02. Rules of Construction.....	13

### ARTICLE II AUTHORIZATION AND DETAILS OF THE BONDS; ADDITIONAL BONDS

Section 2.01. Bonds Authorized.....	14
Section 2.02. Details of Bonds. ....	14
Section 2.03. Authorization of Additional Bonds; Conditions Precedent to Delivery of Additional Bonds. ....	15
Section 2.04. Payment of Bonds.....	19
Section 2.05. Execution and Authentication. ....	19
Section 2.06. Registration and Exchange of Bonds. ....	20
Section 2.07. Bonds Mutilated, Destroyed, Lost or Stolen. ....	20
Section 2.08. Cancellation and Disposition of Bonds.....	21
Section 2.09. Book-Entry System. ....	21

### ARTICLE III REDEMPTION AND PURCHASE OF BONDS

Section 3.01. Selection of Bonds to Be Redeemed or Purchased. ....	23
Section 3.02. Notice of Redemption or Purchase.....	23
Section 3.03. Redemption or Purchase of Portion of Bond.....	24
Section 3.04. Redemption and Purchase of Additional Bonds.....	24

### ARTICLE IV PLEDGED REVENUES AND FUNDS

Section 4.01. Creation of Funds. ....	25
Section 4.02. Application of Proceeds of Bonds. ....	26
Section 4.03. Deposit of Operating Revenues;Transfers of Pledged Revenues....	26
Section 4.04. Construction Fund. ....	27
Section 4.05. Bond Fund. ....	28
Section 4.06. Debt Service Reserve Fund. ....	29
Section 4.07. Redemption Fund. ....	30
Section 4.08. Rate Stabilization Reserve.....	31

Section 4.09	Repair and Replacement Fund.....	32
Section 4.10.	Investments.....	32
Section 4.11.	Application of Moneys in Certain Funds for Retirement of Bonds.....	33
Section 4.12.	Rebate Fund.....	33
Section 4.13.	Funds Not Held by Trustee.....	33

## ARTICLE V PARTICULAR COVENANTS

Section 5.01.	Payment of Bonds.....	33
Section 5.02.	Representations of the County.....	34
Section 5.03.	Accounts and Audits.....	34
Section 5.04.	Additional Indebtedness. ....	34
Section 5.05.	Rate Covenant. ....	36
Section 5.06.	Rates and Charges. ....	37
Section 5.07.	Budget.....	37
Section 5.08.	Liens and Encumbrances.....	37
Section 5.09.	Operation and Maintenance of the Facilities.....	38
Section 5.10.	Insurance and Condemnation. ....	38
Section 5.11.	Disposal of All or Substantially All of the Facilities. ....	39
Section 5.12.	Tax Matters.....	39
Section 5.13.	Financing Statements.....	40

## ARTICLE VI CONCERNING THE TRUSTEE

Section 6.01.	Registrar; Paying Agent. ....	41
Section 6.02.	Trustee Entitled to Indemnity.....	41
Section 6.03.	Responsibilities of the Trustee. ....	41
Section 6.04.	Property Held in Trust. ....	42
Section 6.05.	Trustee Protected in Relying on Certain Documents. ....	43
Section 6.06.	Compensation and Expenses of the Trustee.....	43
Section 6.07.	Permitted Acts. ....	44
Section 6.08.	Resignation of the Trustee.....	44
Section 6.09.	Replacement of Trustee.....	44
Section 6.10.	Successor Trustee. ....	44
Section 6.11.	Transfer of Rights and Property to Successor Trustee. ....	45
Section 6.12.	Merger, Conversion or Consolidation of Trustee.....	45
Section 6.13.	County to File Continuation Statements.....	46

**ARTICLE VII**  
**EVENTS OF DEFAULT AND REMEDIES**

Section 7.01.	Events of Default.....	46
Section 7.02.	Enforcement. ....	47
Section 7.03.	Priority of Payments Following Default.....	48
Section 7.04.	Discontinuance of Proceedings. ....	49
Section 7.05.	Majority of the Holders May Control Proceedings. ....	49
Section 7.06.	Restrictions Upon Action by Individual Holders. ....	49
Section 7.07.	Actions by Trustee.....	50
Section 7.08.	No Remedy Exclusive. ....	50
Section 7.09.	No Delay or Omission Construed as a Waiver; Waiver of Default.....	50
Section 7.10.	Notice of Default.....	51

**ARTICLE VIII**  
**MODIFICATION OR AMENDMENT OF TRUST AGREEMENT**

Section 8.01.	Modification or Amendment of Trust Agreement Without Consent.....	51
Section 8.02.	Supplemental Trust Agreements Requiring Consent of Holders. ....	52
Section 8.03.	Restriction on Amendment; Execution of Supplemental Trust Agreements.....	52
Section 8.04.	Notation on Bonds.....	52

**ARTICLE IX**  
**DEFEASANCE**

Section 9.01.	Defeasance.....	53
---------------	-----------------	----

**ARTICLE X**  
**MISCELLANEOUS**

Section 10.01.	Further Assurances. ....	54
Section 10.02.	Consent of Holders; Evidence of Signatures of Holders and Ownership of Bonds. ....	54
Section 10.03.	Preservation by Trustee and Inspection of Documents. ....	55
Section 10.04.	Moneys and Funds Held for Particular Bonds. ....	55
Section 10.05.	No Recourse Against Members and Officers. ....	55
Section 10.06.	Severability of Invalid Provision.....	55

Section 10.07. Notices.....	56
Section 10.08. Other Trust Agreements.....	57
Section 10.09. Business Days.....	57
Section 10.10. Interested Parties.....	57
Section 10.11. Execution in Several Counterparts.....	57
Section 10.12. Governing Law.....	57
Section 10.13. Security Agreement.....	57
Section 10.14. USA Patriot and Freedom Act Compliance.....	57

Exhibit A – Form of Bonds

Exhibit B – Form of Requisition

Exhibit C – Trustee Fee Schedule

## TRUST AGREEMENT

**THIS TRUST AGREEMENT**, dated as of June 1, 2025, and effective from the time of execution and delivery between the parties, is by and between **MONTGOMERY COUNTY, MARYLAND** (the “County”), and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, as trustee (the “Trustee”).

### RECITALS

The County is authorized pursuant to Chapter 20, Sections 20-47 through 20-54 (the “Revenue Bond Act”) and Chapter 48 (the “Solid Waste Act”) of the Montgomery County Code, as amended and Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement) (“Section 10-203”, and together with the Revenue Bond Act and the Solid Waste Act, the “Authorizing Legislation”), to issue special project revenue bonds for the purpose of financing and refinancing all or any part of the costs of solid waste facilities (as defined in the Solid Waste Act) and to secure such revenue bonds by a trust agreement, which may pledge and assign all or any part of the revenues of solid waste facilities to secure such revenue bonds.

To secure repayment of the Bonds (defined herein), the County and the Trustee desire to enter into this Trust Agreement.

The Bonds shall be special limited obligations of the County payable solely from the Pledged Revenues (as defined herein) and the Trust Estate (as defined herein). Neither the State of Maryland (the “State”), nor any political subdivision of the State, nor the County shall be obligated to pay the Bonds or the interest thereon except from the Pledged Revenues and the Trust Estate, and neither the faith and credit nor the taxing power of the State, any political subdivision of the State or the County is pledged to the payment of the Bonds or the interest thereon. The issuance of the Bonds shall not directly or indirectly or contingently obligate the State, the County or any political subdivision of the State to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment.

All Bonds issued from time to time under this Trust Agreement will be, except as otherwise expressly provided herein, equally and ratably secured to the extent provided herein by a pledge and assignment of the Trust Estate (defined herein).

All things necessary to make the Bonds, when authenticated by the Trustee and issued in accordance with this Trust Agreement, the legal, valid and binding obligations of the County according to the import thereof, and to constitute this Trust Agreement a valid assignment and pledge of the Trust Estate, have been done and performed, and the creation, execution and delivery of this Trust Agreement, and the creation, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized.

This Trust Agreement is adopted pursuant to the requirements and authority of the Authorizing Legislation and shall constitute a trust agreement and a security agreement securing outstanding Bonds to the extent and as provided by this Trust Agreement.

## GRANTING CLAUSES

The County, in consideration of the premises, of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds by the owners thereof, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, in order to secure the payment of the principal or Redemption Price (as defined herein) of and interest on, and the purchase price of, the Bonds according to their tenor and effect and the performance and observance by the County of all the covenants expressed or implied herein and in the Bonds, for the equal and ratable benefit (to the extent herein provided) of the holders thereof and their respective successors and assigns, forever, subject only to the provisions of this Trust Agreement permitting the application thereof on the terms and conditions set forth in this Trust Agreement, does hereby grant, bargain, sell, convey, assign and pledge to the Trustee, and unto its respective successors in trust and assigns forever, a first priority security interest in, the following property, wherever located, whether now existing or in the future coming into existence, whether now owned or hereafter acquired (all of the following referred to collectively as, the "Trust Estate"):

(a) all of the right, title and interest of the County in and to the Pledged Revenues; and

(b) all of the right, title and interest of the County in and to any moneys and securities from time to time on deposit in the Pledged Funds (as defined herein) and any and all other real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder by the County or by anyone on its behalf, or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of this Trust Agreement; and

(c) all proceeds, products, accessions, rents, profits and other payments now or hereafter due or payable with respect to any of the foregoing, including, proceeds of insurance, any and all payments (in any form whatsoever) made or due and payable to the County from time to time relating to any and all of the foregoing, all amounts collected on, or distributed on account of, any of the Trust Estate, and any and all other amounts, rights to payment or other property acquired upon the sale, encumbrance, lease, license, exchange or other disposition of any of the Trust Estate and all funds arising out of the Trust Estate that are deposited into the Solid Waste Disposal Fund calculated in accordance with Generally Accepted Accounting Principles, applicable to public solid waste systems;

**TO HAVE AND TO HOLD** all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors in trust and assigns forever upon the terms and trusts herein set forth for the equal and ratable benefit (to the extent herein provided), security and protection of all present and future such holders, without privilege, priority or distinction as to the lien or otherwise of any Bond over any other Bond, except as otherwise expressly provided herein;

**PROVIDED, HOWEVER**, that, if the County shall well and truly pay, or cause to be paid, the principal or Redemption Price of and interest on, and the purchase price of, the Bonds, according to the true intent and meaning thereof or shall provide for the payment thereof as provided by Article IX, and shall perform and observe all the covenants and conditions of this Trust Agreement and the Bonds to be performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then, upon compliance with

Article IX, the lien of this Trust Agreement shall be discharged and satisfied and shall be null and void; otherwise, this Trust Agreement is to be and remain in full force and effect.

All Bonds secured hereunder are to be issued and all such property, rights and interests, including, without limitation, the amounts hereby assigned and pledged, are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the County has agreed and covenanted, and does hereby agree and covenant with the Trustee and the holders of the Bonds as follows (subject to the provisions of Section 5.01):

## **ARTICLE I** **DEFINITIONS AND RULES OF CONSTRUCTION**

### **Section 1.01. Definitions.**

Terms used in this Trust Agreement have the following meanings, unless a different meaning clearly appears from the context:

**“Additional Bonds”** means any bond, note or other evidence of obligation issued by the County pursuant to Section 2.03 of this Trust Agreement and a related Supplemental Trust Agreement, including (without limitation) any cap, swap or other hedging arrangement.

**“Additional Facilities”** means any Facilities that are financed or refinanced with proceeds of any Additional Bonds.

**“Administrative Expenses”** means any expenditures reasonably and necessarily incurred by the County by reason of its issuance and administration of any Bonds and the performance of its obligations under this Trust Agreement, including (without limitation) fees and expenses of the Trustee (whether as Trustee, paying agent or registrar for the Bonds), not otherwise paid or provided for, legal, financing and administrative expenses, fees and expenses of the County’s financial advisor and other costs related to the issuance of the Bonds.

**“Agency Obligations”** means direct obligations, including bonds, debentures, notes, participation certificates or similar obligations of, or obligations the timely payment of the principal of and the interest on which are unconditionally guaranteed by any agency or instrumentality of the United States of America or their successors, including (without limitation): Government National Mortgage Association, Federal Land Banks, Federal Home Loan Banks, Federal Intermediate Credit Banks, Tennessee Valley Authority, United States Postal Service, Export-Import Bank of the United States, United States Department of Agriculture-Rural Development (formerly Farmers Home Administration), General Services Administration, United States Maritime Administration, Small Business Administration, United States Department of Housing and Urban Development and Federal Housing Administration.

**“Applicable Law”** means any law, regulation, requirement or final order of any federal, state or local agency, court or other governmental body applicable from time to time to the acquisition, design, construction, equipping, financing, ownership, possession or operation of all, or any portion, of the Facilities or the performance of any of the obligations of the County under this Trust Agreement,

including (without limitation) all permits, licenses and governmental approvals required for the operation of any portion of the Facilities.

**“Authorized Denomination”** means (i) when used with respect to any Bonds, \$5,000 or any integral multiple thereof and (ii) any denomination in which such Additional Bonds are authorized to be outstanding from time to time as specified in the Supplemental Trust Agreement authorizing such Additional Bonds.

**“Authorizing Legislation”** shall have the meaning given in the Recitals.

**“Balloon Debt”** means Indebtedness whereby 25% or more of the principal amount of which matures in the same 12-month period, which portion of such principal amount is not required to be amortized by redemption prior to such period.

**“Bond”** or **“Bonds”** means Additional Bonds.

**“Bond Counsel”** means an attorney or firm of attorneys having a national reputation in the field of municipal law whose legal opinions are generally accepted by purchasers of municipal bonds designated by the County as its bond counsel from time to time. The firm of McKennon Shelton & Henn LLP is recognized as Bond Counsel in connection with the issuance of the Bonds, subject to and until otherwise designated by the County.

**“Bond Year”** or **“Fiscal Year”** means the period from and including July 1 of each calendar year through and including June 30 of the immediately succeeding calendar year.

**“Business Day”** means a day other than a (i) Saturday, Sunday or legal holiday in the State, (ii) day on which banking institutions in the State or in the city in which the Designated Office of the Trustee is located are authorized or obligated to remain closed, or (iii) day on which the New York Stock Exchange is closed.

**“Certificate,” “Notice,” “Opinion,” “Order,” “Report,” “Request,” “Requisition”** and **“Statement”** mean, respectively, a written certificate, notice, opinion, order, report, request, requisition or statement, in form and substance satisfactory to the County, signed (i) when used with respect to the County, by an County Representative, and (ii) when used with respect to any other person, by an authorized officer thereof. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the instruments so combined shall be read and construed as a single instrument.

**“Code”** means the Internal Revenue Code of 1986, as amended from time to time, or any successor federal income tax statute or code, and the applicable regulations thereunder.

**“Cost”** means, when used with respect to the Facilities or any Additional Facilities, the cost of and all expenses incident to the construction, reconstruction, acquisition, improvement, extension, alteration, modernization, planning, maintenance, closure, and repair of the Facilities, including the cost and expenses of (i) all property interests, disposal rights in landfills located outside the geographic boundaries of the County acquired in connection with it; (ii) financial, architectural, consulting, engineering, and legal services; (iii) plans, specifications, surveys, estimates, feasibility reports, and

direct and indirect labor, material, equipment, and administrative expenses; and (iv) financing the Facilities or such Additional Facilities, respectively, including financing charges and interest before, during, and for up to one year after completion of construction, and cost permitted under the Solid Waste Act.

**“County”** means Montgomery County, Maryland, a political subdivision of the State of Maryland, and its successors and assigns.

**“County Representative”** means the County Executive of the County (the “County Executive”), Chief Administrative Officer of the County (the “Chief Administrative Officer”), Director of Finance of the County, or any other person authorized by the County Executive or the Chief Administrative Officer to act on behalf of the County under or with respect to this Trust Agreement by written certificate executed by the County Executive or the Chief Administrative Officer and delivered to the Trustee.

**“Credit Facility”** means any letter of credit, bond insurance policy, bond purchase agreement, guaranty, line of credit, surety bond or similar credit or liquidity facility securing any Bond or held to the credit of any fund or account created by this Trust Agreement. When used with reference to any Bonds, “Credit Facility” means any Credit Facility securing such Bonds.

**“Credit Facility Agreement”** means the agreement, if any, pursuant to which any Credit Facility is issued. When used with reference to any Bonds, “Credit Facility Agreement” means the Credit Facility Agreement under which any Credit Facility securing such Bonds shall have been issued.

**“Credit Facility Default”** when used with respect to any Credit Facility or Credit Facility Provider, shall have the meaning specified by the County and such Credit Facility Provider in writing upon the delivery of such Credit Facility to the Trustee.

**“Credit Facility Provider”** means the issuer of any Credit Facility then in effect. When used with reference to any Bonds, “Credit Facility Provider” means the provider of any Credit Facility securing such Bonds.

**“Debt Service Requirements”** means, when used with respect to any Bonds and Indebtedness for any Bond Year, as of any particular date of calculation, the amount required to pay the sum of (1) the interest on such Bonds and Indebtedness payable during such Bond Year; and (2) the principal of, the Sinking Fund Installment for and any other amount required to effect any mandatory redemption or scheduled principal payment of such Bonds or Indebtedness, if any, during such Bond Year, less (i) any amount of such interest or principal for the payment of which money or Permitted Investments, the principal of and interest on which when due will provide on a timely basis for such payment, are held in trust, (ii) accrued interest and capitalized interest on deposit in any Bond Fund or any Construction Fund, (iii) amounts on deposit in the Rate Stabilization Reserve which may be transferred to pay debt service, if any, and (iv) any funds the County has received from the United States and State of Maryland or any instrumentality or agency thereof, provided the County is able to determine the precise amount of such funds and that the County has assigned such funds to the Trustee for the purpose of paying principal or interest on one or more series of outstanding Bonds. For the purpose of calculating the Debt Service Requirements:

(a) with respect to any Variable Rate Indebtedness:

(i) for the purpose of calculating (A) the Debt Service Reserve Fund Requirement, (B) the tests required in connection with the issuance of Additional Bonds under clauses (vi), (vii) or (viii) of Section 2.03 hereof, and (C) the principal amount of any such Indebtedness constituting Balloon Debt payable in any Bond Year described in clause (b) below, such Indebtedness shall be deemed to bear interest at the fixed rate that it would have borne had it been issued at a fixed rate for the term thereof, as evidenced by a certificate of an investment banking firm or financial advisor knowledgeable in financial matters relating to the Facilities satisfactory to the County, who may be, without limitation, the financial advisor to the County, confirming such interest rate assumption as reasonable, provided that if the County shall have entered into any cap, swap or other hedging arrangement with an entity rated in one of the three highest Rating Categories by a Rating Agency (each, a "Qualified Hedging Transaction") identified in the records of the County with respect to such Indebtedness, at the option of the County, such Indebtedness shall be deemed to bear interest at the rate payable by the County under such Qualified Hedging Transaction;

(ii) for all other purposes of this Trust Agreement, such Indebtedness shall be deemed to bear interest at an annual rate equal to (A) in the case of any period during which such Indebtedness shall have been outstanding, the weighted average interest rate per annum borne by such Indebtedness during such period and (B) in any other case, the higher of (1) the weighted average interest rate per annum borne by such Indebtedness during the 12-month period ending on the date of calculation (or, in the case of any Indebtedness to be issued during the immediately succeeding 12-month period, the weighted average interest rate per annum borne by other outstanding indebtedness having comparable terms and of comparable creditworthiness during the immediately preceding 12-month period, as evidenced by a certificate of an investment banking firm or a financial advisor knowledgeable in financial matters relating to the Facilities satisfactory to the County, who may be, without limitation, the financial advisor to the County) and (2) the interest rate per annum borne by such Indebtedness on the date of calculation, provided that if any Qualified Hedging Transaction identified in the records of the County with respect to any such Indebtedness shall be in effect for the period for which such calculation is to be made, at the option of the County, such Indebtedness shall be deemed to bear interest at the rate payable by the County under such Qualified Hedging Transaction during such period;

(b) with respect to any Balloon Debt, the principal amount of such Indebtedness payable in each Bond Year may be deemed to be the amount that would be payable during such Bond Year if such Indebtedness were required to be amortized in full from the date of its issuance in substantially equal annual installments of principal (such principal to be rounded to the nearest \$5,000) and interest over a term equal to the shorter of (i) 30 years, and (ii) 120% of the weighted average economic life of the facilities financed or refinanced thereby;

(c) with respect to any Optional Tender Debt, the option of the holder thereof to tender such Indebtedness for purchase or redemption prior to maturity shall be disregarded; and

(d) with respect to any Credit Facility Agreement, so long as no demand for payment under the Credit Facility issued under such Credit Facility Agreement shall have been made, the debt service requirements of such Credit Facility Agreement shall be excluded from such calculation.

**"Debt Service Reserve Fund"** means, any fund so designated which is created pursuant a Supplemental Trust Agreement in accordance with Section 4.01(b) hereof.

**“Debt Service Reserve Fund Credit Facility”** means any Credit Facility held to the credit of a Debt Service Reserve Fund.

**“Debt Service Reserve Fund Credit Facility Agreement”** means the agreement, if any, pursuant to which any Debt Service Reserve Fund Credit Facility is issued.

**“Debt Service Reserve Fund Requirement”** means when used with respect to Bonds secured by a Debt Service Reserve Fund, as of any particular date of computation, an amount equal to the least of (i) 10% of the proceeds of the Bonds secured thereby, (ii) Maximum Annual Debt Service on all outstanding Bonds secured thereby, or (iii) 125% of the average annual debt service requirements of all Bonds secured thereby; and (b) when used with respect to any other Series of Bonds or the Debt Service Reserve Fund, if any, maintained for such Bonds, such amount as shall be established in the Supplemental Trust Agreement authorizing the issuance of such Bonds.

**“Default”** means any event or condition that, with the giving of any notice, would be an Event of Default.

**“Designated Office”** means (a) when used with respect to the Trustee or any Registrar and Paying Agent, the corporate trust office designated as such by the Trustee or such Registrar and Paying Agent, respectively, and (b) when used with respect to any Credit Facility Provider, the office of such Credit Facility Provider at which demands for payment must be made.

**“Digital Signature(s)”** means a digital signature provided via DocuSign (or such other digital signature provider as specified in writing by a County Representative and acceptable to the Trustee), in English.

**“Electronic Means”** means facsimile transmission, email transmission including without limitation attachments saved or transmitted as “Word” or “portable data format (“.pdf”)” documents, or other similar electronic means of communication providing evidence of transmission, including a telephone communication confirmed by any other method set forth in this definition.

**“Engineer”** means an individual or firm of engineers registered in the State (who may be, without limitation, an employee of the County or the State or any agency), designated and retained by the County to perform the activities required by this Trust Agreement to be performed by the Engineer.

**“Event of Default”** means any event of default specified in Section 7.01.

**“Facilities”** means the land, building, machinery, equipment, hardware, inventory or other real or tangible personal property or any interest therein owned by the County (or from which the County receives funds that are deposited into the Solid Waste Disposal Fund established under the Solid Waste Act), that is located at or used in connection with the Solid Waste System, located in or outside the County or any solid waste acceptance facility as defined in the Solid Waste Act.

**“Favorable Opinion of Bond Counsel”** means, when used with respect to or in connection with any action, a written opinion of Bond Counsel to the effect that such action will not adversely affect the excludability from gross income of interest paid on any Tax-Exempt Bond for federal income tax purposes.

**“Generally Accepted Accounting Principles”** means generally accepted accounting principles in the United States of America applicable in the preparation of financial statements of governmental units, as promulgated by the Governmental Accounting Standards Board or such other body as shall be recognized as authoritative by the American Institute of Certified Public Accountants or any successor body (as such principles may change from time to time), applied on a consistent basis (except for changes in application in which the Independent Public Accountant concurs) applied both to classification of items and amounts.

**“Government Obligations”** means direct obligations of, or obligations that are unconditionally guaranteed by, the United States of America, including (without limitation) obligations of Resolution Funding Corporation.

**“Holder” or “holder” or “Bondholder”** or any similar term means the registered owner of any Bond.

**“Indebtedness”** means Bonds and any indebtedness or liability for borrowed money, any installment sale obligation or any obligation under any lease that is capitalized under Generally Accepted Accounting Principles, including (without limitation) any of the foregoing the payment of which is subordinate to the Bonds, to the extent that any of the foregoing is payable from the Pledged Revenues.

**“Independent Consultant”** means any independent consulting firm having a favorable reputation for skill and experience with respect to the design, construction and operation of solid waste facilities or the determination of the economic feasibility of such facilities, which is designated and retained by the County to perform the activities required by this Trust Agreement to be performed by the Independent Consultant.

**“Independent Public Accountant”** means an individual, partnership or corporation engaged in the accounting profession, either entitled to practice, or having members or officers entitled to practice, as a certified public accountant under the laws of the State and in fact independent, employed by the County from time to time to pass upon those matters required by this Trust Agreement to be passed upon by an Independent Public Accountant.

**“Interest Payment Date”** means, with respect to any Bonds issued hereunder, the dates established as Interest Payment Dates in the Supplemental Trust Agreement authorizing such Additional Bonds.

**“Investment Income”** means interest earnings and net profits realized on the Pledged Funds.

**“Long-Term Indebtedness”** means all of the following Indebtedness incurred or assumed by the County and payable under any circumstances from the Trust Estate: (a) any obligation for the payment of principal and interest with respect to money borrowed for an original term, or renewable at the option of the County for a period from the date originally incurred, longer than one year; (b) any obligation for the payment of money under leases that are required to be capitalized under Generally Accepted Accounting Principles; and (c) any obligation for the payment of money under installment purchase contracts having an original term in excess of one year.

**“Maximum Annual Debt Service”** means, when used with reference to any Bonds or Indebtedness for any Bond Year, as of any particular date of computation, the greatest amount required in the then-current or any future Bond Year to pay the Debt Service Requirements of such Bonds or Indebtedness.

**“Net Revenues”** means, when used with respect to any Bond Year, the total amount of the Operating Revenues for such Bond Year, less the amount of Operating Expenses.

**“Operating Expenses”** mean all current expenses of the County directly or indirectly attributable to the ownership or operation of the Facilities and payable as operating expenses of the Facilities, calculated in accordance with Generally Accepted Accounting Principles, applicable to public solid waste systems, including (without limitation): reasonable expenses of administration, operation, maintenance, repair, costs of billing and collecting rates, fees, charges and other amounts arising from or in connection with the Facilities or the Solid Waste System; insurance and surety bond premiums; fees and expenses for any Credit Facility (other than payments of principal, premium, make-whole and interest); legal, engineering and auditing expenses; and expenses and compensation of the Trustee. Operating expenses shall not include any allowance for depreciation, amortization, closure and post-closure care costs, capital expenditures, and extraordinary or non-recurring expenses. For the purpose of determining the amount of the Net Revenues for any Bond Year, Operating Expenses shall be reduced by the amount of any funds that the County has received from the United States government or any instrumentality or agency thereof that are properly allocated to the Solid Waste System and that are actually applied to the payment of any Operating Expenses.

**“Operating Revenues”** means all accounts, deposit accounts, general intangibles, chattel paper, instruments and investment property (in each case as defined in the UCC) whether now owned or hereafter acquired by the County and the proceeds of each of the foregoing, received or receivable by the County in connection with or relating to the Solid Waste System, and all rights to receive the same, including (without limitation) all receipts, revenues, rentals, income, insurance proceeds and other money received by or on behalf of the County, including (without limitation) all System Benefit Charges, revenues derived from the ownership, operation or leasing of any of the Facilities or portion of the Solid Waste System that are deposited into the Solid Waste Disposal Fund calculated in accordance with Generally Accepted Accounting Principles, applicable to public solid waste systems. Without limiting the generality of the foregoing, for the purposes of the rate covenant and issuing Additional Bonds, moneys on deposit in the Rate Stabilization Reserve at the end of the County’s fiscal year, in an amount not to exceed the Rate Stabilization Amount, may be designated by the County as Operating Revenues of such fiscal year.

**“Optional Tender Debt”** means any Indebtedness that is subject to optional or mandatory tender by the holder thereof (including, without limitation, any mandatory tender in connection with the expiration of any Credit Facility securing such Indebtedness, any conversion of the interest rate on such Indebtedness or otherwise) for purchase or redemption prior to the stated maturity date thereof if the purchase or redemption price of such Indebtedness is under any circumstances payable from the Trust Estate.

**“Outstanding”** or **“outstanding”** means, (a) when used with reference to Bonds as of any particular date, all Bonds authenticated and delivered under this Trust Agreement except (i) any Bond cancelled by the Trustee (or delivered to the Trustee for cancellation) at or before such date, (ii) any

Bond for the payment of the principal or Redemption Price of and interest on which provision shall have been made as provided in Section 9.01, and (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to Article II, Article III or Section 8.04; and (b) when used with reference to any other Indebtedness or obligation of the County, all Indebtedness theretofore issued or incurred other than any such Indebtedness that is deemed to have been paid and discharged under Generally Accepted Accounting Principles and that is not secured by the Pledged Revenues or the Trust Estate.

**“Participant,”** when used with respect to any Securities Depository, means any participant of such Securities Depository.

**“Permitted Investment”** means each of the following investments to the extent that the amounts to be invested therein are then permitted to be invested in such investments under Applicable Law:

(a) Government Obligations;

(b) Agency Obligations;

(c) interest bearing time deposits, certificates of deposit or similar arrangements (“Deposits”) with any commercial bank, trust company or savings and loan association (including, without limitation, the Trustee), *provided* that, to the extent such Deposits are not fully insured by the Federal Deposit Insurance Corporation, the outstanding unsecured long-term indebtedness of such commercial bank, trust company or savings and loan association (or its holding company) is rated by a Rating Agency in one of its two highest Rating Categories, and such Deposits are continuously secured by lodging with a bank or trust company, as collateral security, obligations described in clause (a), (b), (e) or (f) below, having a market value, calculated no less frequently than weekly, not less than 102% of the amount of such Deposit;

(d) repurchase agreements for obligations described in clause (a) or (b) above, *provided* that (i) such obligations shall be (A) delivered to the County or the Trustee (as the case may be) or supported by a safekeeping receipt issued by a depository satisfactory to the County or the Trustee (as the case may be) if issued in certificated form, or (B) supported by a receipt or other confirmatory documentation satisfactory to the County or the Trustee (as the case may be) if issued in book-entry form; (ii) the County or the Trustee (as the case may be) shall have a perfected security interest in such obligations; (iii) such obligations shall be free and clear of any other liens or encumbrances, and (iv) such repurchase agreements shall provide that the value of the underlying obligations shall be continuously maintained at a current market value, calculated no less frequently than weekly, of not less than 102% of the purchase price;

(e) obligations issued by or on behalf of any state of the United States of America or any political subdivision thereof for the payment of the principal or redemption price of and interest on which there shall have been irrevocably deposited Government Obligations maturing as to principal and interest at times and in amounts sufficient to provide such payment;

(f) any other obligations issued by or on behalf of any state of the United States of America or any political subdivision thereof, *provided* that such obligations, or other obligations of the

issuer thereof of comparable maturities that are secured equally and ratably with such obligations, shall be rated by a Rating Agency in one of its two highest long-term Rating Categories;

(g) banker's acceptances issued by any commercial bank, trust company or savings and loan association (including, without limitation, the Trustee), the outstanding unsecured long-term indebtedness of which is rated by a Rating Agency in one of its two highest Rating Categories;

(h) commercial paper or finance company paper rated by a Rating Agency in its highest Rating Category; and

(i) shares in investment companies that invest only in obligations described in clauses (a), (b), (c), (d), (e), (f), (g) and (h) above (including any proprietary mutual fund, money market fund or short term investment fund maintained by the Trustee and for which the Trustee or an affiliate is investment advisor, or provides other services, and receives reasonable compensation for such services).

**“Pledged Funds”** means amounts on deposit in the Pledged Revenues Fund, the Construction Fund, each Bond Fund, the Debt Service Reserve Fund, the Redemption Fund, the Repair and Replacement Fund or other similar fund created under this Trust Agreement or any Supplemental Trust Agreement and pledged to Bondholders. For the avoidance of doubt, amounts on deposit in the Rate Stabilization Reserve and the Rebate Fund are not Pledged Funds.

**“Pledged Revenues”** means (a) certain Operating Revenues deposited by the County into the Pledged Revenues Fund, (b) interest earnings on the funds and accounts created hereby, and (c) all rights of the Trustee to receive the Operating Revenues required to be deposited under the Trust Agreement and the proceeds of such rights, whether now existing or hereafter coming into existence.

**“Rate Covenant”** has the meaning set forth in Section 5.05 hereof.

**“Rate Stabilization Amount”** shall mean, as of the date of determination, an amount not to exceed fifteen percent (15%) of the annual debt service requirements of the County’s Outstanding Bonds as of June 30 of the immediately preceding fiscal year.

**“Rating Agency”** means Fitch Ratings, Moody’s Investors Service, Inc., S&P Global Ratings, Kroll Bond Rating Agency, Inc. or any other securities rating agency that, at the request of the County, shall have assigned a rating that is then in effect with respect to any Bonds, and their successors and assigns, and “Rating Agencies” means each such Rating Agency, collectively.

**“Rating Category”** means one of the general rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

**“Record Date”** means, when used with respect to the Bonds, or any Additional Bonds, except as otherwise provided in the Supplemental Trust Agreement authorizing the issuance of such Additional Bonds, the fifteenth day of the calendar month preceding each Interest Payment Date or, if there is a default in the payment of interest due on such Bonds, a subsequent date fixed by the Trustee that is at least 10 and not more than 15 days before the date set for the payment of such defaulted interest.

**“Redemption Price”** means, when used with respect to any Bond or portion thereof, the principal amount of such Bond or such portion thereof plus the applicable premium, if any, payable

upon redemption thereof pursuant to this Trust Agreement.

**“Registrar and Paying Agent”** means the Trustee, except as otherwise provided in any Supplemental Trust Agreement.

**“Repair and Replacement Fund Requirement”** means, with respect to any Fiscal Year, the amount which is determined as the amount which is reasonably necessary as a reserve for expenses with respect to the Solid Waste System for (a) scheduled major repairs, renewals, replacements or maintenance items of a type not recurring annually or at shorter intervals pursuant to a maintenance and repair program, (b) for repairs, renewals and replacements resulting from the occurrence of uncontrollable circumstances which are not covered by the proceeds of an insurance policy, and (c) any amounts which must be deposited in the Repair and Replacement Fund pursuant to Article IV hereof.

**“Securities Depository”** means The Depository Trust Company, a corporation organized and existing under the laws of the State of New York, and any other securities depository for the Bonds appointed pursuant to Section 2.09, and their successors.

**“Serial Bonds”** means the Bonds of a series that shall be stated to mature in annual installments.

**“Series”** means any series of Bonds authorized by this Trust Agreement.

**“Sinking Fund Installment”** means the amount of money provided in this Trust Agreement, and in each Supplemental Trust Agreement authorizing any Series of Additional Bonds to pay the scheduled principal amortization of the Bonds or redeem Bonds of such Series required to be redeemed prior to the maturity thereof at the times and in the amounts provided in this Trust Agreement or such Supplemental Trust Agreement (as the case may be).

**“Solid Waste Management Contracts”** means all contracts, leases and agreements with any person to which the County is a party providing for the design, construction, maintenance or operation, disposal service, property acquisition, sale or use, of energy or material sales.

**“Solid Waste System”** means (a) plants, structures, buildings, machinery, equipment, fixtures and other real and personal property owned or leased by the County pursuant to and for the purpose of complying with the Solid Waste Act and providing solid waste management services pursuant to the Solid Waste Act, including but not limited to any Facilities which are necessary or desirable for the efficient operation of the Solid Waste System and any appurtenances which are necessary or useful and convenient therefor including any item which would in whole or part constitute a “Project” as such term is defined in Montgomery County Code Section 20-48 as may be amended from time to time; and (b) any rights and obligations of the County under any Solid Waste Management Contracts, as such contracts may be amended, modified or renewed.

**“State”** means the State of Maryland.

**“Subordinated Indebtedness”** means any indebtedness of the County incurred in connection with the Solid Waste Disposal System which is secured by a pledge of the Pledged Revenues or the Trust Estate hereunder, but which is, by the terms of this Trust Agreement or the express terms of such

indebtedness, subordinate to the pledge of the Pledged Revenues and the Trust Estate securing the Bonds.

**“Supplemental Trust Agreement”** means any instrument between the County and the Trustee amending, modifying or supplementing this Trust Agreement, any Supplemental Trust Agreement or any Bond, delivered and becoming effective in accordance with the terms of this Trust Agreement.

**“System Benefit Charges”** means the charges for solid waste management services imposed by the County on residential and non-residential property within a County wide solid waste management district and includes a base System Benefit Charge, an incremental System Benefit Charge and a solid waste disposal fee.

**“Taxable Bond(s)”** means any Bonds, the interest on which is not intended to be excludable from gross income for federal income tax purposes.

**“Tax-Exempt Bond(s)”** means any Bonds with respect to which there shall have been delivered to the County an opinion of Bond Counsel to the effect that the interest on such Bonds is excludable from gross income for federal income tax purposes.

**“Term Bonds”** means Bonds of a Series, other than Serial Bonds, payable from Sinking Fund Installments.

**“Trust Agreement”** means this Trust Agreement, as amended, modified or supplemented from time to time by Supplemental Trust Agreements.

**“Trust Estate”** means all property, rights and other assets that from time to time may be pledged and assigned to the Trustee under the Granting Clauses of this Trust Agreement.

**“Trustee”** means U.S Bank Trust Company, National Association, a national banking association, and any other commercial banking trust company or national banking association that may at any time be substituted in its place pursuant to this Trust Agreement, and their successors.

**“UCC”** means the Maryland Uniform Commercial Code - Secured Transactions, Title 9, Commercial Law Article, Annotated Code of Maryland, as amended.

**“Variable Rate Indebtedness”** means, as of any particular date, any Indebtedness the interest rate on which is not established at a fixed rate or rates for the remaining term thereof.

## **Section 1.02. Rules of Construction.**

Unless the context clearly indicates to the contrary, the following rules apply to the construction of this Trust Agreement:

(a) Words importing the singular number include the plural number and words importing the plural number include the singular number.

(b) Words of the masculine gender include correlative words of the feminine and neuter genders.

(c) The table of contents and the headings or captions used in this Trust Agreement are for convenience of reference and do not constitute a part of this Trust Agreement, nor affect its meaning, construction or effect.

(d) Words importing persons include any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof.

(e) Any reference to a particular percentage or proportion of the Holders of Bonds shall mean the Holders at the particular time of the specified percentage or proportion in aggregate principal amount of all Bonds then Outstanding under this Trust Agreement.

(f) Any reference to the Pledged Revenues Fund, Construction Fund, Bond Fund, Debt Service Reserve Fund, Redemption Fund or Repair and Replacement Fund shall be to the fund or account so designated that is created under Section 4.01 or any Supplemental Trust Agreement. If any Supplemental Trust Agreement provides for the establishment of separate funds and accounts for any Series of Bonds, then any provision of this Trust Agreement requiring or permitting the application of amounts on deposit in any fund or account to the payment of any Bond or the transfer of amounts on deposit in any fund or account maintained for any Bonds to any other fund or account shall refer to the fund or account maintained for Bonds of the Series of which such Bond is a part.

(g) Any reference in this Trust Agreement to a particular “Article,” “Section” or other subdivision shall be to such Article, Section or subdivision of this Trust Agreement unless the context shall otherwise require.

(h) Each reference in this Trust Agreement to an agreement or contract shall include all amendments, modifications and supplements to such agreement or contract unless the context shall otherwise require.

(i) During any period in which no Credit Facility is in effect and all amounts payable to each Credit Facility Provider, if any, have been paid, the provisions of this Trust Agreement that relate to the Credit Facility and the Credit Facility Provider shall be of no force and effect.

## **ARTICLE II** **AUTHORIZATION AND DETAILS OF THE BONDS;** **ADDITIONAL BONDS**

### **Section 2.01. Bonds Authorized.**

The County is hereby authorized, from time to time, to issue Bonds pursuant to this Trust Agreement and a related Supplemental Trust Agreement in order to finance and refinance Costs of the Facilities. The Bonds that may be issued hereunder upon subject to compliance with the provisions of this Trust Agreement and the Authorizing Legislation.

### **Section 2.02. Details of Bonds.**

(a) Bonds issued hereunder shall bear interest, be subject to mandatory and optional

redemption prior to maturity and mature and shall have the terms, tenor, denominations, details and specifications as set forth in the Supplemental Trust Agreement authorizing such Bonds and as shall be permitted by the Authorizing Legislation. The County hereby adopts the form of Bond set forth in Exhibit A and all of the covenants and conditions set forth therein. The covenants and conditions set forth in the form of Bonds are incorporated into the Trust Agreement by reference and shall be binding upon the County as though set forth in full herein.

(b) Bonds shall be substantially in the form set forth in the Supplemental Trust Agreement authorizing the issuance thereof. The covenants and conditions set forth in the form of Bonds adopted by the County in any Supplemental Trust Agreement shall be incorporated into this Trust Agreement by reference and shall be binding upon the County as though set forth in full herein.

(d) The printing of CUSIP numbers on Bonds shall have no legal effect and shall not affect the enforceability of any Bond.

(e) The principal of, and premium, if any (including make-whole amount, if any) and interest on the Bonds, shall be payable in any coin or currency of the United States of America which on the respective dates of payment is legal tender for the payment of public and private debts. So long as Bonds are registered in the Book-Entry System, the time, place and manner of payment of such Bonds shall be governed by Section 2.04 hereof. During any other period, unless otherwise provided in a Supplemental Trust Agreement, the principal of and premium, if any (including make-whole amount, if any), of the Bonds shall be payable as the same shall become due and payable upon presentation and surrender of such Bonds at the Designated Office of the Trustee, and payment of the interest on such Bonds shall be made by the Trustee on each interest payment date to the person appearing on the registration books of the Trustee hereinafter provided for as the registered owner at the close of business on the Record Date for such interest payment date by check or draft mailed to such registered owner at his address as it appears on such registration books, unless otherwise provided in the Supplemental Trust Agreement relating to such Bonds.

(f) The Bonds may contain, or have endorsed thereon, any notations, legends or endorsements not inconsistent with the provisions of this Trust Agreement or of any Supplemental Trust Agreement authorizing the same as may be necessary or desirable and as may be determined by the officers of the County executing the same prior to the execution and delivery of such Bonds. The execution and delivery of any Bonds by the County in accordance with this Trust Agreement shall be conclusive evidence of the approval of the form of such Bonds by the County, including any insertions, omissions, variations, notations, legends or endorsements authorized by this Trust Agreement.

The Bonds shall be numbered in the manner determined by the County. Before delivering any Bond to the Trustee for authentication, the County shall complete the form of such Bond.

### **Section 2.03. Authorization of Additional Bonds; Conditions Precedent to Delivery of Additional Bonds.**

The County is hereby authorized to issue, from time to time, Additional Bonds under and secured by this Trust Agreement, subject to the conditions provided in this Section and in Section 5.04, if applicable, for any purpose for which indebtedness may be incurred by the County under the Authorizing Legislation, including (without limitation): (a) refinancing or refunding any Outstanding

Indebtedness (“Refunding Purposes”), (b) obtaining funds necessary to pay the costs of extraordinary maintenance of or repairs or improvements to any Facilities, including (without limitation) repairs, replacements or improvements required as a result of any casualty or taking or other extraordinary occurrence or to meet the requirements of Applicable Law (“Extraordinary Maintenance Purposes”), (c) obtaining funds to pay the Cost of any Additional Facilities, or (d) obtaining funds to pay the Cost of completing any Additional Facilities (“Completion Purposes”). Additional Bonds may be issued to pay the costs incurred in connection with the issuance and sale of any Bonds, to establish reserves and to pay interest on any Bonds prior to and during acquisition and construction. The issuance of Additional Bonds shall be authorized by a Supplemental Trust Agreement.

Each Additional Bond shall be on parity with, and shall be entitled to the same benefit and security of this Trust Agreement as, any other Additional Bonds that may be issued from time to time, to the extent provided in this Section.

The Supplemental Trust Agreement authorizing the issuance of any Series of Additional Bonds shall specify the maturities and redemption provisions of such Additional Bonds, the form and denominations thereof and other details of such Additional Bonds. Without limiting the generality of the foregoing, Additional Bonds may constitute Variable Rate Indebtedness or Balloon Debt, as shall be determined by the County in its discretion. Any Supplemental Trust Agreement authorizing the issuance of Additional Bonds shall provide for the creation of a separate Bond Fund for such Bonds if any principal of such Bonds becomes due on a date other than June 1 or the Interest Payment Dates on such Bonds are not June 1 and December 1 or if such Bonds constitute Taxable Bonds. The County may provide for the creation of a separate subaccount within the Bond Fund, Debt Service Reserve Fund or Redemption Fund and other funds and accounts created hereunder for any Series of Additional Bonds in other circumstances, as shall be deemed advisable by the County. The County may also provide for the creation of an aggregate Debt Service Reserve Fund securing one or more series of Bonds. In any event, funds and accounts established for Tax-Exempt Bonds may not secure any Taxable Bonds.

The Supplemental Trust Agreement authorizing the issuance of any Additional Bonds shall provide for the deposit of Pledged Revenues in the Bond Fund, the Renewal and Replacement Fund, if required, and the Debt Service Reserve Fund, if any, maintained for such Bonds.

If any Supplemental Trust Agreement provides for the establishment of separate funds and accounts for any Series of Bonds, then such Supplemental Trust Agreement shall require that (i) the Pledged Revenues required to be deposited in the Pledged Revenues Fund on any date shall be transferred and deposited pro rata among all of the Bond Funds on the basis of the principal of, the Sinking Fund Installments for and the interest on the Series of Bonds secured thereby required to be deposited in the Bond Fund maintained for such Bonds on such date in accordance with Section 4.05 hereof, and (ii) the Pledged Revenues required to be deposited in the Debt Service Reserve Funds, if any, on any date shall be allocated pro rata among all Debt Service Reserve Funds, if any, on the basis of the respective aggregate principal amount of the Bonds Outstanding secured by such Debt Service Reserve Funds, if any. Amounts on deposit in the funds and accounts created for particular Series of Bonds available for the payment of any Bonds shall be applied solely to the payment of the principal or Redemption Price of and interest on, or the purchase price of, the Bonds of such Series or to the reimbursement of the issuer of any Credit Facility securing such Bonds and shall not be available to satisfy the claims of Holders of Bonds of any other Series or the issuer of any Credit Facility securing any other Series of Bonds.

The Supplemental Trust Agreement authorizing the issuance of any Series of Additional Bonds may provide that proceeds realized under any Credit Facility securing the payment of such Additional Bonds shall not be available to pay the principal or Redemption Price of or interest on any Series of Additional Bonds.

Any Supplemental Trust Agreement authorizing the issuance of Additional Bonds may provide that (i) such Series of Bonds shall be secured by a Debt Service Reserve Fund, including (without limitation) any Debt Service Reserve Fund then maintained for other Series of Bonds, or (ii) such Series of Additional Bonds shall not be secured by a Debt Service Reserve Fund.

If any Supplemental Trust Agreement authorizing the issuance of any Series of Additional Bonds provides that such Additional Bonds shall be secured by an existing Debt Service Reserve Fund, such Supplemental Trust Agreement shall provide for the deposit in such Debt Service Reserve Fund on the date of issuance of such Additional Bonds of the amount, if any, necessary to make the amount on deposit therein equal to the Debt Service Reserve Fund Requirement on all Bonds secured thereby, after giving effect to the issuance of such Additional Bonds. Such Supplemental Trust Agreement may provide that the amount of any increase in the Debt Service Reserve Fund Requirement resulting from the issuance of such Additional Bonds, along with any other Pledged Revenues not needed to meet the Debt Service Reserve Requirement, shall be applied to the final payments of the principal or Redemption Price of such Additional Bonds.

The Supplemental Trust Agreement authorizing the issuance of any Additional Bonds shall (i) establish the amount of the Debt Service Reserve Fund Requirement, if any, for such Debt Service Reserve Fund, (ii) provide the period during which any deficiency shall be cured, (iii) contain provisions with respect to the issuance of any other Additional Bonds secured by such Debt Service Reserve Fund, and (iv) provide such terms with respect to the valuation of such Debt Service Reserve Fund, the application of any earnings on or surpluses in such Debt Service Reserve Fund and any Credit Facilities held to the credit of such Debt Service Reserve Fund (which may be different from those described herein) as the County shall deem appropriate, any other provision of this Trust Agreement to the contrary notwithstanding.

Additional Bonds shall be executed by the County and delivered to the Trustee, whereupon the Trustee shall authenticate and deliver such Additional Bonds upon the Order of the County, but only upon receipt by the Trustee of the purchase price of such Additional Bonds and each of the following:

(i) a counterpart of the applicable Supplemental Trust Agreement authorizing such Additional Bonds, executed by the parties thereto;

(ii) an Order of the County directing the authentication and delivery of such Additional Bonds, describing such Additional Bonds, designating the purchaser of such Additional Bonds, stating the purchase price of such Additional Bonds and stating that all items required by this Section are therewith delivered to the Trustee in form and substance satisfactory to the County;

(iii) in connection with Tax-Exempt Bonds, an approving opinion of Bond Counsel;

(iv) an Opinion of Bond Counsel to the effect that (A) the Supplemental Trust Agreement authorizing such Additional Bonds has been duly authorized, executed and delivered by the County, assuming due authorization, execution and delivery by the other parties, and constitutes the

valid and binding obligation of the County; (B) the County is duly authorized and entitled to issue such Additional Bonds, and Additional Bonds executed, authenticated and delivered as provided in this Trust Agreement and such Supplemental Trust Agreement have been duly and validly issued and constitute valid and binding limited obligations of the County; and (C) the issuance of such Additional Bonds will not adversely affect the excludability from gross income, for federal income tax purposes, of interest paid on any Tax-Exempt Bonds theretofore issued;

(v) a Certificate of the County to the effect that, upon the authentication and delivery of such Additional Bonds, no Event of Default shall exist under this Trust Agreement;

(vi) if such Additional Bonds are issued or incurred for Completion Purposes or Extraordinary Maintenance Purposes, unless the County meets the requirements of clause (viii) below (A) a Report of an Independent Consultant based on an analysis of the records of the Solid Waste System, to the effect that the amount of the estimated Net Revenues for each of the three full Bond Years following the date on which the proceeds of such Additional Bonds are expected to have been fully applied is projected to be not less than the Debt Service Requirements of all Outstanding Bonds and Subordinated Indebtedness as of the last day of each such Bond Year, and (B) a Report of an Engineer to the effect that the proceeds of such Additional Bonds do not exceed the amount necessary to accomplish the intended Completion Purpose or Extraordinary Maintenance Purpose, respectively;

(vii) If Additional Bonds are issued or incurred for Refunding Purposes, (A) there shall be furnished to the Trustee a written determination by an Independent Public Accountant or a nationally-recognized verification agent or firm of verification agents that the proceeds of the Additional Bonds, Government Obligations acquired with such proceeds, together with any other money deposited with the Trustee for Refunding Purposes and the investment income to be earned on such funds held by the Trustee for Refunding Purposes, will be sufficient to pay, upon redemption, the principal of and premium, if any, and interest on the Bonds to be refunded; and (B) the items required by paragraph (viii) need not be provided to the Trustee if there shall be furnished to the Trustee a Certificate of the County to the effect that the Maximum Annual Debt Service on Outstanding Bonds, taking into account the issuance of such Additional Bonds and the Bonds to be refinanced or refunded, will not be increased by more than ten percent during the life of any then Outstanding Bonds that are not refinanced or refunded with proceeds of such Additional Bonds;

(viii) unless the County meets the requirements of clause (vi) or (vii) above, the issuance of Additional Bonds shall be subject to delivery to the Trustee of a Certificate of the County, signed by a County Representative to the effect that (A) based on the records of the Solid Waste System, the amount of the Net Revenues received by the County in the most recent Bond Year was not less than the sum of (1) 115% of the Maximum Annual Debt Service Requirements of Outstanding Bonds taking into account the Additional Bonds to be issued, and (2) 100% of the Debt Service Requirements of all Long-Term Indebtedness for such Bond Year; or (B) based on a Report an Independent Consultant based on an analysis of the records of the Solid Waste System, during each of the three Bond Years immediately succeeding the later of the date of delivery of such Additional Bonds and the date to which interest on such Additional Bonds has been funded, the estimated Net Revenues are projected to be not less than the sum of (1) 115% of the Debt Service Requirements of Outstanding Bonds for such Bond Year, taking into account the Additional Bonds then to be issued, and (2) 100% of the Debt Service Requirements of all other outstanding Long-Term Indebtedness for such Bond Year;

(ix) a certificate, signed by a County Representative:

(A) stating that based on the records of the Solid Waste System, the amount of the Net Revenues in twelve consecutive months out of the preceding eighteen is not less than the sum of (1) 115% of the Debt Service Requirements of all outstanding Bonds for such Bond Year, and (2) 100% of the Debt Service Requirements of all outstanding Long-Term Indebtedness for such Bond Year, and (3) 100% of the amount to be deposited in the Debt Service Reserve Fund and the Repair and Replacement Fund for such Bond Year to meet the requirements set forth in this Trust Agreement; and

(B) stating that the County is not then in default in the performance of any of the covenants, conditions, agreements or provisions contained in this Trust Agreement; and

(x) the amount, if any, required to make the amount on deposit in the Debt Service Reserve Fund securing such Additional Bonds, if any, equal to the Debt Service Reserve Fund Requirement applicable to such Debt Service Reserve Fund upon the issuance of such Additional Bonds.

Additional Bonds may be authenticated, delivered and paid for in installments of less than the total authorized principal amount of a Series of Bonds from time to time as the County may direct in its written requests. In the case of the Bonds issued in installments or tranches of Bonds or as draw-down bonds, the proceeds of which are to be received over a number of years to finance a project or series of projects over a period which does not exceed five years (a "Program"), compliance with this Section shall be determined based on the maximum principal amount to be issued under such Program at the time of initial issuance of any Series of Bonds issued to finance such Program, provided that the maximum aggregate principal amount of such Bonds is set forth in a Certificate of the County or a Report of an Independent Consultant delivered to the Trustee in connection with the initial issuance of such Bonds and showing compliance with this Section.

#### **Section 2.04. Payment of Bonds.**

Except as otherwise provided in any Supplemental Trust Agreement, the principal or Redemption Price of and interest on, and the purchase price of, the Bonds shall be payable in lawful money of the United States of America.

While the Bonds are held under the book-entry system with a Securities Depository, the principal or Redemption Price of and interest on, and the purchase price of, the Bonds shall be payable in accordance with the procedures established by the Securities Depository. During any other period, the principal or Redemption Price of and interest on, and the purchase price of, the Bonds shall be payable to the persons in whose name such Bonds are registered on the registration books maintained by the Trustee as of the close of business on the Record Date for the payment of such interest, except as otherwise provided by the Supplemental Trust Agreement prior to the issuance thereof, *provided* that the final principal amount of any Bond shall be payable when due upon presentation and surrender of such Bond at the Designated Office of the Trustee.

#### **Section 2.05. Execution and Authentication.**

The Bonds shall be executed in the name and on behalf of the County by the manual or facsimile signature of the County Executive and sealed with its corporate seal (or a facsimile thereof), attested by

the manual or facsimile signature of the Director of Finance of the County or the designee of the Director of Finance of the County. In case any officer whose manual or facsimile signature appears on any Bond shall cease to be such officer before delivery of such Bond, such signature, nevertheless, shall be valid and sufficient for all purposes as if such officer had remained in office until such delivery, and the County may adopt and use for the execution of Bonds the manual or facsimile signature of any person who shall have been at the time the proper officer to execute such Bonds, notwithstanding the fact that such person may not have been such officer on the date of such Bonds or that such person may have ceased to be such officer at the time when such Bonds shall be actually authenticated and delivered.

No Bond shall be valid or obligatory for any purpose or entitled to any right or benefit hereunder unless there shall be endorsed on such Bond a certificate of authentication substantially in the form set forth in Appendix A, duly executed by the Trustee and such certificate of the Trustee upon any Bond executed on behalf of the County shall be conclusive evidence and the only evidence required that the Bond so authenticated has been duly issued hereunder and that the Holder thereof is entitled to the benefits of this Trust Agreement. The certificate of authentication may be executed by any authorized signatory of the Trustee.

#### **Section 2.06. Registration and Exchange of Bonds.**

The Bonds shall be negotiable instruments for all purposes and shall be transferable by delivery, subject only to the provisions for registration and registration of transfer endorsed on the Bonds.

The County shall cause books for registration and the registration of transfer of Bonds to be prepared. The registration books shall be kept by the Trustee.

If any Bond is surrendered to the Trustee at its Designated Office for transfer or exchange in accordance with the provisions of such Bond, the County shall execute and the Trustee shall authenticate and deliver in exchange for such Bond a new Bond or Bonds of the same Series, in any Authorized Denomination, bearing interest at the same rate and having the same stated maturity date, in aggregate principal amount equal to the principal amount of the Bond so surrendered, upon reimbursement to the County or the Trustee of an amount equal to any tax or other governmental charge required to be paid with respect to such exchange.

Neither the County nor the Trustee shall be required to register the transfer of any Bond or make any such exchange of any Bond (a) during the 15 days immediately preceding the date of mailing of any notice of redemption of such Bond, or (b) after a notice of the redemption of such Bond or any portion thereof has been mailed, unless the transferee acknowledges in writing to the satisfaction of the Trustee the matters contained in such notice.

#### **Section 2.07. Bonds Mutilated, Destroyed, Lost or Stolen.**

If any temporary or definitive Bond shall become mutilated or be destroyed, lost or stolen, the County in its discretion may execute, and upon its request the Trustee shall authenticate and deliver, a new Bond in exchange for the mutilated Bond, or in lieu of and substitution for the Bond so destroyed, lost or stolen. In every case of exchange or substitution, the applicant shall furnish to the County and to the Trustee (i) evidence to their satisfaction of the mutilation, destruction, loss or theft of the applicant's

Bond and of the ownership thereof, and (ii) in the case of any destroyed, lost or stolen Bond, such security or indemnity as may be required by them to save each of them harmless from all risks, however remote. Upon the issuance of any Bond upon such exchange or substitution, the County may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses, including (without limitation) counsel fees, of the County or the Trustee.

If any Bond that has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, instead of issuing a Bond in exchange or substitution therefor, the County may pay or authorize the payment of such Bond (without surrender thereof except in the case of a mutilated Bond) if the applicant for such payment shall furnish to the County and the Trustee evidence to the satisfaction of the County and the Trustee of the mutilation, destruction, loss or theft of such Bond and of the ownership thereof and, in the case of any destroyed, lost or stolen Bond, such security or indemnity as they may require to save them harmless.

Every Bond issued pursuant to the provisions of this Section in exchange or substitution for any Bond that is mutilated, destroyed, lost or stolen shall constitute an additional contractual obligation of the County, whether or not the destroyed, lost or stolen Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits hereof equally and proportionately with any and all other Bonds duly issued under this Trust Agreement. All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude any and all other rights or remedies, notwithstanding any law or statute existing or hereafter enacted to the contrary with respect to the replacement or payment of negotiable instruments or other securities without their surrender.

### **Section 2.08. Cancellation and Disposition of Bonds.**

All mutilated Bonds, all Bonds surrendered for exchange or transfer, all Bonds that have been paid at maturity or upon prior redemption and all Bonds surrendered to the Trustee for cancellation or purchased by the Trustee with amounts on deposit in any Bond Fund or Redemption Fund shall be cancelled by the Trustee and disposed of in accordance with the procedures of the Trustee for the disposition of cancelled securities in effect as of the date of such disposition. The Trustee shall deliver to the County a certificate of any such disposition of any Bond, identifying the Bond so cancelled and disposed of.

### **Section 2.09. Book-Entry System.**

The Bonds initially shall be maintained under a book-entry system.

The provisions of this Section shall apply to the Bonds so long as the Bonds shall be maintained under the book-entry system with a Securities Depository, any other provisions of this Trust Agreement to the contrary notwithstanding.

The principal or Redemption Price of and interest on, and the purchase price of, the Bonds shall be payable to the Securities Depository, or registered assigns, as the registered owner of the Bonds, on each date on which the principal or Redemption Price of or interest on, or the purchase price of, the Bonds becomes due. Such payments shall be made to the offices of the Securities Depository specified

by the Securities Depository to the County and the Trustee in writing. Without notice to or the consent of the beneficial owners of the Bonds (“Beneficial Owners”), the County and the Securities Depository may agree in writing to make payments in a manner different from that set out herein. In such event, the County shall give the Trustee notice thereof, and the Trustee shall make payments with respect to the Bonds in the manner specified in such notice as if set forth herein. Neither the County nor the Trustee shall have any obligation with respect to the transfer or crediting of the appropriate payments to any Participant or the Beneficial Owners of the Bonds or their nominees.

In the event that part but not all of any outstanding Bond is to be retired (by redemption, by acceleration or otherwise), the Securities Depository, in its discretion (i) may request the Trustee to authenticate and deliver a new Bond in accordance with Section 3.03 upon presentation and surrender of such Bond to the Trustee, or (ii) shall make appropriate notation on the Bond certificate indicating the date and amount of each principal payment, provided that payment of the final principal amount of any Bond shall be made only upon presentation and surrender of such Bond to the Trustee.

So long as the Securities Depository or its nominee is the registered owner of the Bonds, the County and the Trustee will recognize the Securities Depository or its nominee, respectively, as the holder of all of the Bonds for all purposes, including (without limitation) the payment of the principal or Redemption Price of and interest on, and the purchase price of, the Bonds, the giving of notices and any consent or direction required or permitted to be given to, or on behalf of, the holders of the Bonds under this Trust Agreement.

The County, in its discretion, at any time may replace any Securities Depository as the depository for the Bonds with another qualified securities depository or discontinue the maintenance of the Bonds under a book-entry system upon 30 days’ written notice to the Securities Depository (or such fewer number of days as shall be acceptable to such Securities Depository). A copy of any such notice shall be delivered promptly to the Trustee.

If the County discontinues the maintenance of the Bonds under the book-entry system, the County will issue Bonds directly to the Participants or, to the extent requested by any Participant, to the Beneficial Owners of Bonds as further described in this Section. The County shall make provisions to notify Participants and the Beneficial Owners of the Bonds, by mailing an appropriate written notice to the Securities Depository, or by other means deemed appropriate by the County in its discretion, that it will issue Bonds directly to the Participants or, to the extent requested by any Participant, to Beneficial Owners of Bonds as of a date set forth in such notice, which shall be a date at least 10 days after the date of mailing of such notice (or such fewer number of days as shall be acceptable to the Securities Depository). A copy of any such notice shall be delivered promptly to the Trustee.

In the event that Bonds are to be issued to Participants or to Beneficial Owners of the Bonds, the County shall promptly have prepared Bonds in certificated form registered in the names of the Participants as shown on the records of the Securities Depository provided to the Trustee or, to the extent requested by any Participant, in the names of the Beneficial Owners of Bonds shown on the records of such Participant provided to the Trustee, as of the date set forth in the notice delivered in accordance with this paragraph.

If the County replaces any Securities Depository as the depository for the Bonds with another qualified Securities Depository, the County will issue to the replacement Securities Depository Bonds registered in the name of such replacement Securities Depository.

Each Securities Depository and the Participants and the Beneficial Owners of the Bonds, by their acceptance of the Bonds, agree that the County and the Trustee shall have no liability for the failure of any Securities Depository to perform its obligations to any Participant or any Beneficial Owner of any Bonds, nor shall the County or the Trustee be liable for the failure of any Participant or other nominee of any Beneficial Owner of any Bonds to perform any obligation that such Participant or other nominee may incur to any Beneficial Owner of the Bonds.

## **ARTICLE III** **REDEMPTION AND PURCHASE OF BONDS**

### **Section 3.01. Selection of Bonds to Be Redeemed or Purchased.**

If fewer than all of the Bonds shall be called for redemption, the County shall select the Series and maturities of the Bonds and, if Bonds of the same Series and maturing on the same date bear interest at different rates, the interest rates borne by the Bonds to be redeemed.

If fewer than all of the Bonds of a Series of any one maturity shall be called for redemption, the Trustee shall select the particular Bonds or portions of Bonds to be redeemed from such maturity by lot or in such other manner as the Trustee in its discretion may deem proper or as directed in a Supplemental Trust Agreement, provided that (a) the portion of any Bond remaining outstanding after any such redemption shall be in a principal amount equal to an Authorized Denomination for such Bond, and (b) in selecting Bonds for redemption, the Trustee shall treat each Bond as representing that number of Bonds that is obtained by dividing the principal amount of such Bond by the minimum Authorized Denomination for such Bond.

### **Section 3.02. Notice of Redemption or Purchase.**

The County shall give written notice to the Trustee of its election to redeem Bonds at least five days prior to the date on which the Trustee is required to give notice of the redemption of such Bonds in accordance with the terms of such Bonds, or such fewer number of days as shall be acceptable to the Trustee. Upon receipt of such notice, the Trustee shall give notice in the manner described below, in the name of the County of the County's election to redeem such Bonds. Any notice of redemption may state that such redemption is conditioned upon any circumstance set forth in such notice.

Each notice of redemption of Bonds shall be given by the Trustee at least 20 days before the redemption date to the registered owners of the Bonds to be redeemed and in accordance with the terms of the Bonds and any directions of the County, and shall set forth (i) the maturities of the Bonds to be redeemed, (ii) the date fixed for redemption, (iii) the CUSIP numbers of the Bonds to be redeemed, (iv) the Redemption Price to be paid, (v) that such Bonds will be redeemed at the Designated Office of the Trustee, (vi) if fewer than all of the Bonds of a Series of any one maturity then Outstanding shall be called for redemption, the distinctive numbers and letters, if any, of the Bonds to be redeemed, (vii) in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed, (viii) that the redemption of Bonds described therein is conditioned upon receipt by the

Trustee, on or before the date fixed for redemption, of sufficient funds to pay the Redemption Price of the Bonds to be redeemed and any other conditions to such redemption, (ix) the provisions of this Trust Agreement or such Bonds (as the case may be) pursuant to which such redemption is to be effected, and (x) that on the redemption date, if all the conditions to such redemption have been met there shall become due and payable upon all Bonds to be redeemed the Redemption Price thereof, together with interest accrued to the date fixed for redemption, and that, from and after such date, interest thereon shall cease to accrue. If any Bond is to be redeemed in part only, the notice of redemption that relates to such Bond shall state also that on or after the date fixed for redemption, upon surrender of such Bond to the Trustee at its Designated Office, a new Bond or Bonds of the same Series and maturity, bearing interest at the same rate, and of any Authorized Denomination, will be issued in aggregate principal amount equal to the unredeemed portion of such Bond.

Each notice of redemption with respect to any Bond shall comply with any regulation or release of the Securities Exchange Commission, the Municipal Securities Rulemaking Board or other governmental authority or body from time to time applicable to such Bond. The CUSIP numbers in such notices are provided solely for the convenience of the holders of the Bonds, and the Trustee and the Trustee shall not be liable for any damage or loss arising from incorrect, incomplete or missing CUSIP numbers.

Notwithstanding the giving of any notice of redemption as provided in this Section, if on any date fixed for the redemption of any Bonds (other than any redemption from the Sinking Fund Installments) there shall not be on deposit with the Trustee or any Trustee sufficient funds for the payment of the Redemption Price of such Bonds, such redemption shall be cancelled and the notice thereof rescinded, and the Trustee immediately shall give notice thereof to the holders of all of the Bonds so called for redemption.

### **Section 3.03. Redemption or Purchase of Portion of Bond.**

In case part, but not all, of an Outstanding Bond shall be selected for redemption, upon the presentation and surrender of such Bond to the Trustee for payment of the principal amount thereof so called for redemption in accordance with such Bond, the County shall execute and the Trustee shall authenticate and deliver to or upon the order of the Holder of such Bond or the Holder's attorney or legal representative, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of the same Series and maturity, bearing interest at the same rate and of any Authorized Denomination in aggregate principal amount equal to the unredeemed portion of such Bond.

### **Section 3.04. Redemption and Purchase of Additional Bonds.**

The provisions of this Article are subject in all respects to the provisions of any Supplemental Trust Agreement authorizing any Additional Bonds with respect to the Additional Bonds authorized thereby. Without limiting the generality of the foregoing, any Supplemental Trust Agreement authorizing any Additional Bonds may provide that money available for the redemption or purchase of Bonds at the option of the County on any date shall be allocated among all Series of outstanding Bonds in proportion (as nearly as practicable) to the aggregate principal amount of Bonds of each Series subject to redemption on such date.

## ARTICLE IV

### PLEDGED REVENUES AND FUNDS

#### **Section 4.01. Creation of Funds.**

The following funds are hereby created:

Pledged Revenues Fund;  
Construction Fund;  
Bond Fund;  
Debt Service Reserve Fund;  
Redemption Fund;  
Rate Stabilization Reserve;  
Repair and Replacement Fund; and  
Rebate Fund.

(a) The Pledged Revenues Fund, the Construction Fund, the Bond Fund, the Debt Service Reserve Fund, and the Redemption Fund shall be held by the Trustee hereunder. Pending the application of amounts on deposit in the funds and accounts created hereby in accordance with this Trust Agreement, such amounts are hereby pledged to the payment of all Outstanding Bonds, except as otherwise provided in any Supplemental Trust Agreement authorizing the issuance of any Additional Bonds in accordance with Section 2.03. The Rebate Fund shall be held by the Trustee and is not pledged to the payment of any Bonds. The Rate Stabilization Reserve shall be held by the County and the funds in the Rate Stablization Reserve shall not be Pledged Revenues. The Repair and Replacement Fund shall be held by the County and the funds in the Repair and Replacment Fund shall be Pledged Revenues.

(b) Upon the direction of the County Representative, there may also be created such other funds, accounts and subaccounts as the County Representative shall specify to the Trustee, in writing. If any subordinate bonds are issued, the Trustee shall create one or more Subordinated Indebtedness Funds in accordance with the Supplemental Trust Agreement authorizing the issuance thereof. All of such funds shall be held by the Trustee hereunder, separate from all other money of the County or the Trustee. Amounts on deposit in the Pledged Revenues Fund, are hereby pledged to the payment of all Outstanding Bonds (except as otherwise provided in any Supplemental Trust Agreement authorizing the issuance of any Additional Bonds in accordance with Section 2.03 hereof, provided that any such change shall only be applicable and in effect with respect to such Additional Bonds), on a *pari passu* basis. Amounts on deposit in the Bond Fund, any Redemption Fund and any other funds and accounts created for any Bonds in accordance with this Trust Agreement, are hereby pledged to the payment of all Outstanding Bonds secured thereby, except as otherwise provided in any Supplemental Trust Agreement authorizing the issuance of any Additional Bonds in accordance with Section 2.03 with respect to such Additional Bonds.

(c) As provided in Section 2.03, any Supplemental Trust Agreement authorizing the issuance of any Additional Bonds may, and to the extent required by Section 2.03 shall, provide for the creation of separate funds and accounts for such Bonds. When any provision of this Trust Agreement requires that any amount be deposited in a fund or account maintained for the Bonds of any Series, such amount shall be deposited in the fund or account established for such Series of Bonds. Notwithstanding any

other provision of this Trust Agreement, amounts from time to time on deposit in the funds and accounts maintained for the Bonds of any Series shall secure only the Bonds of such Series.

(d) For the purposes of internal accounting, any fund or account created by this Trust Agreement may contain one or more accounts or sub-accounts, as shall be deemed appropriate by the County.

#### **Section 4.02. Application of Proceeds of Bonds.**

The proceeds of each Series of Bonds shall be received by the Trustee on behalf of the County. The proceeds of each Series of Additional Bonds shall be applied as provided in the Supplemental Trust Agreement authorizing such Series of Additional Bonds.

#### **Section 4.03. Deposit of Operating Revenues;Transfers of Pledged Revenues.**

(a) On or before the 25<sup>th</sup> day of each March, June, September and December, commencing on September 25, 2025, the County shall pay or cause to be paid to the Trustee into the Pledged Revenues Fund, solely from the Operating Revenues, first utilizing the System Benefit Charges as needed, amounts sufficient to make all of the payments required by (i) through and including (iii) of this Section. On the first day of each January, April, July, and October, the Trustee shall transfer amounts from the Pledged Revenues Fund to the Bond Fund as set forth in this section. At such time as there shall have been deposited in the Pledged Revenues Fund, the total amount required to be transferred to the Bond Funds in such month, amounts on deposit in the Pledged Revenues Fund shall be transferred pro rata among each of the accounts of the Bond Fund on the basis of the amounts required to be deposited in the respective Bond Funds in such month. Except as otherwise provided in the Supplemental Trust Agreement authorizing the issuance of Additional Bonds with respect to such Bonds, the Trustee shall transfer from the Pledged Revenues Fund to each Bond Fund in each month set forth above the sum of:

(i) the greater of (i) during the period from the date of delivery of the Bonds through the first Interest Payment Date on the Bonds, an amount equal to the interest due on such Interest Payment Date, and thereafter one-half (1/2) of the interest becoming due on the outstanding Bonds on the immediately succeeding Interest Payment Date, and (ii) the amount, if any, necessary to make the amount on deposit therein equal to interest becoming due on the outstanding Bonds on the immediately succeeding Interest Payment Date;

(ii) the greater of (i) during the period from the date of delivery of the Bonds through December 1, one-third (1/3) and thereafter, one-fourth (1/4) of the amount of the principal of the Bonds Outstanding becoming due on the immediately succeeding June 1, and (ii) the amount, if any, necessary to make the amount on deposit therein equal to principal of the outstanding Bonds becoming due on the immediately succeeding June 1; and

(iii) any deficiency in the amount required to be deposited in the Bond Fund in any prior period in accordance with this paragraph.

(b) After all of the transfers to the Bond Funds required by subsection (a) above have been made, at such time as the amount remaining in the Pledged Revenues Fund equals the total amount required to be transferred to the Debt Service Reserve Funds to cure a deficiency therein, if any, in such

month, amounts remaining in the Pledged Revenues Fund after the transfers required by subsection (a) above shall be transferred pro rata among each of the Debt Service Reserve Funds on the basis of the amounts required to be deposited in the respective Debt Service Reserve Funds in such month. Except as otherwise provided in the Supplemental Trust Agreement authorizing the issuance of Additional Bonds with respect to such Bonds, the Trustee shall transfer from the Pledged Revenues Fund to each Debt Service Reserve Fund, if any, in each March, June, September and December, beginning in the month immediately succeeding any month in which the County receives notice of any deficiency in the Debt Service Reserve Fund, one-fourth (1/4) of the amount of such deficiency until the amount credited to such Debt Service Reserve Fund equals the Debt Service Reserve Fund Requirement for such Debt Service Reserve Fund.

(c) After all of the transfers required by subsections (a) and (b) above have been made, if the amount in the Repair and Replacement Fund is less than the Repair and Replacement Requirement, the County shall transfer or cause to be transferred to the Repair and Replacement Fund an amount equal to one-fourth (1/4) of the Repair and Replacement Fund Requirement.

(d) So long as there is no Default or Event of Default, after all of the transfers required by subsections (a), (b), and (c) above have been made, the County shall transfer such amount as may be required by a Supplemental Trust Agreement applicable to the Subordinated Indebtedness.

As long as no Default or Event of Default has occurred and is continuing, the balance of the Pledged Revenues Fund in any quarter after the transfers required above have been made, may be deposited as directed by the written direction of the County to any account eligible to hold such funds under the Solid Waste Act, including the Rate Stabilization Reserve or for any other lawful purpose relating to the Solid Waste System, provided, however, that any moneys considered bond proceeds shall only be deposited to the Bond Fund if the County receives and provides to the Trustee a favorable opinion of bond counsel regarding any other proposed transfer. Notwithstanding the foregoing, or anything herein or any Supplemental Trust Agreement to the contrary, the County and the Trustee shall ensure that all Bonds are paid on a *pari passu* basis from the Pledged Revenues Fund.

#### **Section 4.04. Construction Fund.**

(a) The County shall pay from the Construction Fund created for any Series of Bonds the Administrative Expenses, including costs of issuance, relating to the issuance of such Series of Bonds and not otherwise paid.

(b) Money deposited in the Construction Fund for any Series of Bonds shall be used only to finance or refinance the Costs of or relating to the Facilities, any Additional Facilities for which such Series of Bonds was issued or, in the case of any Bonds issued for Extraordinary Maintenance Purposes, costs of the extraordinary maintenance of or repairs or improvements to any Facilities, which Costs may include (without limitation) reimbursements to the County for such Costs and expenses paid by the County, in connection therewith, as are approved by the County; or to refinance, refund or advance refund Outstanding Indebtedness, as then permitted by Applicable Law.

(c) Payments pursuant to paragraphs (a) and (b) of this Section shall be made from the Construction Fund pursuant to requisitions of the County substantially in the form attached hereto as Exhibit B.

(d) As soon as practicable after the Completion Date of any Additional Facilities or the improvements to be financed with proceeds of Bonds issued for Extraordinary Maintenance Purposes, as certified by the County in a Certificate of the County delivered to the Trustee, the Trustee shall pay any balance remaining in such Construction Fund, less any amounts to be retained in such Construction Fund to pay any unpaid Costs of such Additional Facilities or the improvements to be financed with proceeds of Bonds issued for Extraordinary Maintenance Purposes, respectively, as certified by the County, as follows and in the following order of priority:

FIRST: to the Debt Service Reserve Fund, if any, for such Series of Bonds, such amount as shall be necessary to make the amount credited to such Debt Service Reserve Fund equal the Debt Service Reserve Fund Requirement for such Series of Bonds; and

SECOND: to the Redemption Fund for such Series of Bonds or the Bond Fund for such Series of Bonds, as shall be directed by order of the County.

#### **Section 4.05. Bond Fund.**

Except as provided in any Supplemental Trust Agreement authorizing any Series of Additional Bonds with respect to any Bond Fund maintained for the Bonds of such Series, amounts on deposit in the Bond Fund for each Series of Bonds shall be applied in accordance with this Section.

(a) Interest. On each Interest Payment Date, from the Bond Fund maintained for the Bonds of such Series of Bonds, the Trustee shall pay the amount required to pay the interest due on the outstanding Bonds of such Series of Bonds on such date, which amount shall be applied by the Trustee to the payment of the interest due on such Bonds in accordance with the terms of such Bonds.

(b) Principal. On each date on which the principal of the Outstanding Bonds of a Series becomes due, from the Bond Fund maintained for the Bonds of such Series, the Trustee shall pay the amount required to pay the principal due on such Bonds on such date, which amount shall be applied by the Trustee to the payment of such principal in accordance with the terms of such Bonds.

(c) Sinking Fund Installments. Money in the Bond Fund maintained for the Bonds of a Series for the payment of Sinking Fund Installments on such Bonds shall be applied to the purchase or redemption of such Bonds as follows:

(i) Subject to the provisions of paragraph (ii) below, prior to the due date for the payment of each Sinking Fund Installment for such Bonds, the Trustee shall call for redemption in accordance with Article III Outstanding Bonds of such Series subject to redemption from such Sinking Fund Installment in an aggregate principal amount equal to such Sinking Fund Installment, less the amount previously credited against such Sinking Fund Installment in accordance with paragraph (iii) below. On the date fixed for redemption of such Bonds, the Trustee shall pay from such Bond Fund an amount equal to the principal amount of such Bonds so called for redemption, which amount shall be applied by the Trustee to the payment of the Redemption Price of such Bonds in accordance with the terms of such Bonds.

(ii) Upon the direction of the County, the Trustee shall endeavor to purchase Outstanding Bonds of such Series subject to redemption from the Sinking Fund Installment due

on any date from amounts on deposit in such Bond Fund for the payment of such Sinking Fund Installment at the most advantageous price then obtainable with reasonable diligence. No such purchase shall be made by the Trustee (A) after the earlier of the date on which the Trustee gives notice of the redemption of Bonds of such Series from such Sinking Fund Installment and the date that is 45 days before the due date for the payment of such Sinking Fund Installment, or (B) at a price, including any brokerage and other charges, greater than the principal amount of such Bonds and accrued interest thereon.

(iii) If (A) the Trustee purchases Bonds from amounts on deposit in such Bond Fund for the payment of the Sinking Fund Installment for such Bonds in accordance with paragraph (ii) above, (B) the County delivers to the Trustee for cancellation Bonds subject to redemption from such Sinking Fund Installment on or before the earlier of the date on which the Trustee gives notice of the redemption of Bonds from such Sinking Fund Installment and the date that is 45 days before the due date for the payment of such Sinking Fund Installment, or (C) Bonds subject to redemption from any Sinking Fund Installment are redeemed at the election of the County, then an amount equal to 100% of the aggregate principal amount of such Bonds so purchased and delivered to the Trustee for cancellation or redeemed (as the case may be) shall be credited against such Sinking Fund Installment.

(iv) If the aggregate principal amount of Bonds of any Series purchased or redeemed in any Bond Year is in excess of the Sinking Fund Installment due on such Bonds in such period, the Trustee shall credit the amount of such excess against subsequent Sinking Fund Installments for such Bonds as directed by a Certificate of the County.

#### **Section 4.06. Debt Service Reserve Fund.**

If on any Interest Payment Date the amount in the Bond Fund maintained for any Series of Bonds shall be less than the amount of interest then due on the Outstanding Bonds of such Series, or if on any date on which the principal amount of any Outstanding Bonds of such Series becomes due the amount in the Bond Fund maintained for such Series of Bonds shall be less than the amount of the principal and the Sinking Fund Installment (either or both, as the case may be) then due on the Outstanding Bonds of such Series, the Trustee forthwith shall transfer money from the Debt Service Reserve Fund maintained for such Series of Bonds, if any, to the Bond Fund maintained for such Series of Bonds, to the extent necessary to make good any deficiency.

For the purposes of this Trust Agreement, in the case of any Debt Service Reserve Fund:

(a) a “deficiency” shall mean that the value of the assets of the Debt Service Reserve Fund, determined in accordance with Section 4.10, is less than the Debt Service Reserve Fund Requirement; and

(b) a “surplus” shall mean that the value of the assets of the Debt Service Reserve Fund, determined in accordance with Section 4.10, is in excess of the Debt Service Reserve Fund Requirement.

The Trustee shall determine the value of the assets of the Debt Service Reserve Fund in the manner provided by Section 4.10 as of the close of business (i) on June 30 in each year, (ii) on the date

of any withdrawal from the Debt Service Reserve Fund and on the last Business Day of each month thereafter until such determination discloses that a deficiency no longer exists in such fund, (iii) on any date on which the Trustee obtains actual knowledge that any Debt Service Reserve Fund Credit Facility held to the credit of the Debt Service Reserve Fund is no longer entitled to be credited to the Debt Service Reserve Fund, (iv) on the date that is six months prior to the stated expiration date of any Debt Service Reserve Fund Credit Facility, and (v) on any other date directed by the County.

As promptly as practicable, after making such a determination, the Trustee shall notify the County of the result of such determination and of the amount of any deficiency or surplus determined to exist in the Debt Service Reserve Fund.

The Trustee shall transfer the amount of any surplus that exists in the Debt Service Reserve Fund from time to time to the Bond Funds, or the Redemption Funds upon the written direction of the County.

In determining the value of the assets of the Debt Service Reserve Fund on any date, there shall be credited to the Debt Service Reserve Fund the amount that can be realized by the Trustee under any Debt Service Reserve Fund Credit Facility if each of the following conditions is met: (i) on the date of delivery of such Debt Service Reserve Fund Credit Facility to the Trustee, the unsecured indebtedness or claims-paying ability of the issuer thereof is rated in one of the three highest rating categories of Moody's or S&P; (ii) such Debt Service Reserve Fund Credit Facility permits the Trustee to realize amounts thereunder at such times as the Trustee is required to transfer any amount (other than any surplus) from the Debt Service Reserve Fund in accordance with this Trust Agreement; (iii) if amounts realized under such Debt Service Reserve Fund Credit Facility are, under any circumstances, payable from the Pledged Revenues, such amounts shall be payable in no fewer than 4 equal quarterly installments; and (iv) the expiration date of such Debt Service Reserve Fund Credit Facility is at least six months after the date of valuation or is after the maturity date of the Bonds secured thereby.

If the County shall determine to provide for the payment of any Bonds as provided in Section 9.01, then on the date on which such Bonds are deemed to be paid in accordance with such Section, the amount by which the amount then on deposit in the Debt Service Reserve Fund exceeds the Debt Service Reserve Fund Requirement for the Outstanding Bonds, taking into account the Bonds then deemed to be paid in accordance with Section 9.01, shall be paid to the escrow deposit agent for such Bonds upon the Order of the County.

#### **Section 4.07. Redemption Fund.**

(a) The Trustee shall deposit in the Redemption Fund any amounts paid to the Trustee for the redemption of Bonds (other than any redemption from the Sinking Fund Installments).

(b) On any date on which a determination of the value of the assets of any Debt Service Reserve Fund in the manner provided by Section 4.10 discloses a deficiency therein, the Trustee shall transfer to such Debt Service Reserve Fund from the Redemption Fund any available amounts on deposit in the Redemption Fund to the extent of such deficiency, except as otherwise provided in the Supplemental Trust Agreement authorizing the issuance of Additional Bonds with respect to any Debt Service Reserve Fund securing such Bonds. The Trustee shall notify the County of such transfer and the amount thereof.

(c) Subject to the provisions of paragraphs (b) and (d) of this Section, available money in the Redemption Fund shall be applied by the Trustee to the purchase or redemption of Bonds of such Series and maturities as the County shall direct in writing. At the written direction of the County, the Trustee shall endeavor to purchase such Bonds at the most advantageous price obtainable with reasonable diligence.

(d) The County may set aside any available amount on deposit in the Redemption Fund for the redemption of particular Bonds by the delivery of irrevocable written instructions to the Trustee directing the Trustee to set aside such amount for such purpose, in which event all of the provisions of Sections 9.01 and 10.04 shall be applicable to such Bonds and the amounts set aside for the payment of such Bonds. Amounts set aside for the redemption of Bonds and investment earnings on such amounts shall be applied to the payment of the interest due on such Bonds on or prior to the redemption date of such Bonds to the extent provided in such instructions.

(e) Money set aside to pay the Redemption Price of any Bonds theretofore called or the redemption or the purchase price of Bonds theretofore contracted to be purchased shall not be deemed to be available for application as provided in this Section.

#### **Section 4.08. Rate Stabilization Reserve.**

The County may transfer into the Rate Stabilization Reserve such amounts as the County deems appropriate from (i) moneys which are on deposit in the Repair and Replacement Fund, (ii) moneys on deposit in the Pledged Revenues Fund in accordance with and subject to the provisions of Section 4.03 of this Trust Agreement and (iii) moneys on deposit in the Solid Waste Disposal Fund after all Operating Expenses have been paid and all transfers required under this Trust Agreement have been made, subject to applicable law, provided, however, that any moneys considered bond proceeds shall only be deposited to the Bond Fund unless the County receives a favorable opinion of bond counsel regarding such other proposed transfer. The County may transfer such amount of moneys from the Rate Stabilization Reserve to the Bond Fund as it deems appropriate; provided, however, that on or prior to each principal and interest payment date for the Bonds, moneys in the Rate Stabilization Reserve shall be applied on a *pari passu* basis for payment into the Bond Fund when the moneys therein are insufficient to pay the principal of and interest on the Bonds on an Interest Payment Date or on each date on which the principal of the Outstanding Bonds of a Series becomes due, but only to the extent that moneys on deposit in the Debt Service Reserve Fund (if any), the Redemption Fund and the Renewal and Replacement Fund shall be inadequate to fully provide for such insufficiency. So long as no Default or Event of Default has occurred and is continuing, amounts on deposit in the Rate Stabilization Reserve may also be used by the County to (i) pay the costs of unexpected additions, improvements or betterments to, or design, expansion, construction, replacement, remodeling or equipping of the Facilities, including (without limitation) any extraordinary maintenance of or repairs to such Facilities, (ii) provide funds to replace budgeted System Benefit Charges that are uncollected for the current fiscal year, (iii) pay Operating Expenses, and (iv) to fund transfers to any fund or account established hereunder or under a Supplemental Trust Agreement on a *pari passu* basis across each Outstanding Series of Bonds. The Rate Stabilization Reserve shall be held by the County for the ongoing operation and maintenance of the Facilities and shall constitute non-trusted Funds. The County shall keep and maintain adequate books and records regarding the Rate Stabilization Reserve and all disbursements therefrom.

#### **Section 4.09 Repair and Replacement Fund.**

(a) The County shall make or cause the Trustee to make quarterly deposits into the Repair and Replacement Fund which equal one-fourth (1/4) of the Repair and Replacement Fund Requirement and make deposits to correct any deficiency until the amount on deposit in the Repair and Replacement Fund equals the Repair and Replacement Fund Requirement.

(b) Moneys in the Repair and Replacement Fund may be utilized by the County in order to pay (i) unexpected expenses for (A) the cost of improvements to the Facilities, (B) replacement or repair of equipment or other components of the Facilities, or (C) to purchase additional equipment for the Facility; or (ii) to pay principal and interest on the Bonds to the extent Pledged Revenues are insufficient to pay principal and interest on the Bonds. In no event will the balance of the Repair and Replacement Fund be required to exceed the Repair and Replacement Fund Requirement. As long as no Event of Default has occurred and is continuing, if, at any time, the balance of the Repair and Replacement Fund exceeds the Repair and Replacement Fund Requirement, the sum of such excess shall be deposited as directed by the County.

(c) The County shall keep and maintain adequate books and records pertaining to the Repair and Replacement Fund and all disbursements.

#### **Section 4.10. Investments.**

Money in any of the funds and accounts established by this Trust Agreement may be invested, but only in Permitted Investments maturing or redeemable at the option of the holder in such amounts and on such dates as may be necessary to provide money to meet the payments from such funds and accounts. The Trustee shall invest amounts on deposit in the funds and accounts held by the Trustee in accordance with this Section as directed in writing by a County Representative.

Subject to the further provisions of this Section, interest earned, profits realized and losses suffered by reason of any investment of any amounts held by the Trustee under this Trust Agreement shall be credited or charged, as the case may be, to the fund or account for which such investment shall have been made, except as otherwise provided in any Supplemental Trust Agreement authorizing any Additional Bonds with respect to any funds and accounts maintained for such Additional Bonds.

The Trustee may sell or redeem any obligations in which money shall have been invested to the extent necessary to provide cash in the respective funds or accounts to make any payments required to be made therefrom or to facilitate the transfers of money between various funds and accounts as may be required or permitted from time to time pursuant to the provisions of this Trust Agreement. The proceeds from the sale of any investment shall be paid into the fund or account for which the sale thereof was made.

In determining the value of the assets of the funds and accounts created by this Trust Agreement (i) investments and accrued interest shall be deemed a part thereof, and (ii) investments shall be valued at the current market value thereof.

Neither the County nor the Trustee shall be liable for any depreciation in the value of any obligations in which money from the funds or accounts created by this Trust Agreement shall be invested in accordance with this Section, or for any loss arising from any investment permitted herein. The investments authorized by this Section shall at all times be subject to the provisions of Applicable Law.

The provisions of this Section shall be subject in all respects to the provisions of Section 4.11.

#### **Section 4.11. Application of Moneys in Certain Funds for Retirement of Bonds.**

Notwithstanding any other provision of this Trust Agreement, if at any time the County shall determine to provide for the payment of all Outstanding Bonds of a Series in accordance with Article IX, upon the Order of the County, the Trustee shall apply any money on deposit in the Bond Fund or the Debt Service Reserve Fund securing such Bonds available for the payment of the principal or Redemption Price of and interest on such Bonds, to the payment or redemption of such Bonds in the manner provided by Article IX, except as otherwise provided in any Supplemental Trust Agreement.

#### **Section 4.12. Rebate Fund.**

Upon the written direction of the County, the Trustee shall transfer amounts on deposit in any fund or account created by this Trust Agreement to the Rebate Fund, any other provision of this Trust Agreement to the contrary notwithstanding. Amounts on deposit in the Rebate Fund from time to time required to be paid to the United States of America pursuant to Section 148 as a rebate or payment in lieu thereof shall be made available by the Trustee to the County for such payments upon the Order of the County and shall not be pledged to the payment of the principal or Redemption Price of or interest on any Bonds.

Upon the written direction of the County, the Trustee shall transfer amounts on deposit in the Rebate Fund to any other fund or account created by this Trust Agreement, *provided* that the amount transferred shall not exceed the excess of the amount on deposit in the Rebate Fund over the rebate liability as of the date of calculation by the County, less amounts theretofore paid to the United States of America as rebate with respect to the Tax-Exempt Bonds.

#### **Section 4.13. Funds Not Held by Trustee.**

The Rate Stabilization Reserve and the Repair and Replacement Fund shall each be held by the County for the purposes set forth in this Article IV, including the ongoing operation and maintenance of the Facilities and shall constitute non-trusteed funds.

### **ARTICLE V PARTICULAR COVENANTS**

#### **Section 5.01. Payment of Bonds.**

The County shall pay or cause to be paid the principal or Redemption Price of and interest on, and the purchase price of, every Bond on the date and at the place and in the manner provided herein

and in the Bonds, according to the true intent and meaning thereof, provided that the Bonds shall be limited obligations of the County payable solely from the Pledged Revenues and the Trust Estate.

Neither the State, the County, nor any political subdivision of the State shall be obligated to pay the Bonds or the interest thereon except from the Pledged Revenues, the Trust Estate and from other sources as provided herein, and neither the faith and credit nor the taxing power of the State, the County, or any political subdivision of the State is pledged to the payment of the Bonds or the interest thereon. The issuance of the Bonds shall not directly or indirectly or contingently obligate the State, the County, or any political subdivision of the State to levy or to pledge any form of taxation whatever therefore or to make any appropriation for their payment.

#### **Section 5.02. Representations of the County.**

The County represents and covenants that: (a) it is duly authorized under the Constitution and laws of the State, particularly the Authorizing Legislation, to issue the Bonds, to enter into this Trust Agreement and to pledge the Trust Estate in the manner and to the extent set forth in this Trust Agreement, (b) all action on its part for the issuance of the Bonds has been duly and effectively taken, and (c) the Bonds when issued in accordance with this Trust Agreement will be valid and binding limited obligations of the County.

#### **Section 5.03. Accounts and Audits.**

The County shall keep proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions with respect to the Pledged Revenues and the Trust Estate. Such books and accounts shall be subject to the inspection of the Trustee (at reasonable hours and subject to the reasonable rules and regulations of the County).

#### **Section 5.04. Additional Indebtedness; Subordination.**

The County shall not create or incur any Indebtedness payable in whole or in part from any portion of the Trust Estate other than any Additional Bonds issued in accordance with this Trust Agreement except as provided in this Section and Section 2.03 hereof. The County may issue or incur any Indebtedness secured by a pledge of all or any portion of the Trust Estate junior and subordinate to the pledge of such portion of the Trust Estate securing the Bonds ("Subordinated Indebtedness") and any unsecured Indebtedness ("Unsecured Obligations") provided that, based on an analysis of the records of the Solid Waste System, if such Indebtedness had been incurred as of the first day of the most recently completed Bond Year, the amount of the Net Revenues for such Bond Year would not have been less than the sum of (a) 115% of the Maximum Annual Debt Service on all Outstanding Bonds, (b) 100% of the Maximum Annual Debt Service on all other outstanding Long-Term Indebtedness for such Bond Year, and (c) 100% of the amount to be deposited to the Debt Service Reserve Fund and the Repair and Replacement Fund in such Bond Year.

No payments shall be made with respect to the principal of or interest on any Subordinated Indebtedness or any unsecured obligation during any period in which (i) any Default or Event of Default shall have occurred and be continuing, or (ii) any deposit required to be made under Section 4.03 remains unpaid. During any other period, the County may pay or prepay, or authorize the payment or prepayment of, the principal of and interest on any Subordinated Indebtedness or any Unsecured

Obligation and no recourse shall be had by the Trustee or any Holder against the person to whom any such payment shall have been made unless such person shall have had, at the time of receipt of such payment, actual knowledge of the occurrence of an Event of Default.

Notwithstanding any other provision of this Trust Agreement or any Supplemental Trust Agreement, Subordinated Indebtedness shall be subordinate to the Bonds and the owners of the Bonds in all respects, including without limitation, with respect to all rights to payment from the Trust Estate, priority of lien with respect to the Trust Estate, any exercise of remedies under this Trust Agreement and in priority of payments and performance of all present and future duties, obligations and liabilities (whether presently existing or arising in the future) of the County to the Trustee in any amount now or hereafter existing, whether for principal, interest or premium, fees, expenses or otherwise. During the occurrence and continuation of any Default or Event of Default, while any amounts now or hereafter remain outstanding or may become payable by the County or the Trustee on or with respect to the Bonds, neither the County nor the Trustee shall make any payment, prepayment or repayment of principal, interest, or other payment of any kind or nature whatsoever, on or with respect to any Subordinated Indebtedness or permit the terms of any Subordinated Indebtedness or any other document (including any Subordinated Indebtedness documents) relating to any Subordinated Indebtedness to be changed to allow the debt service payments on any Subordinated Indebtedness to be increased beyond the amount due and owing under any such Subordinated Indebtedness prior to such Default or Event of Default. While and for so long as the Bonds remain Outstanding, no Subordinated Indebtedness may under any circumstances: (i) take any enforcement action against the County or any of the Trust Estate with respect to any such Subordinated Indebtedness or otherwise; or (ii) accept any collateral (other than the collateral pledged to any Subordinated Indebtedness under this Agreement and not otherwise pledged as collateral for the Bonds) as additional security for any such Subordinated Indebtedness.

The County shall promptly notify the Trustee and owners of the Bonds of any default with respect to any such Subordinated Indebtedness or the exercise of any remedies by the owners or holders of any such Subordinated Indebtedness. The County shall not provide any additional security or collateral as collateral for any Subordinated Indebtedness. This Trust Agreement and any Supplemental Trust Agreement may be modified, amended, supplemented or restated in any manner and at any time in accordance with their respective terms and applicable law without obtaining the consent of or providing notice to any owners of Subordinated Indebtedness.

The County shall cause all Subordinated Indebtedness and each instrument evidencing Subordinated Indebtedness, to contain the following legend:

“Subordination. This instrument and all of the provisions hereof, including, without limitation, all provisions with respect to the rights relating to priority of payments, remedies and any benefits provided to the Holder or Beneficial Owner of this instrument, are subject to and subordinated in all respects as provided by the terms and conditions of the Trust Agreement, dated as of June 1, 2025 (as supplemented, amended and restated, the “Trust Agreement”), by and between Montgomery County, Maryland and U.S. Bank Trust Company, National Association, as Trustee. To the extent that any of the terms or provisions hereof are inconsistent with any of the terms or provisions set forth in the Trust

Agreement, the provisions of the Trust Agreement shall prevail and control.”

### **Section 5.05. Rate Covenant.**

The County covenants that it shall fix, charge and collect Operating Revenues in each Bond Year as will be sufficient to produce Net Revenues in such Bond Year in an amount not less than the sum of (a) 115% of the Debt Service Requirements of all Outstanding Bonds for such Bond Year, (b) 100% of the Debt Service Requirements of all Outstanding Indebtedness for such Bond Year, and (c) 100% of the amount to be deposited in the Debt Service Reserve Fund and the Repair and Replacement Fund for such Bond Year. For the purpose of determining the Debt Service Requirements of Bonds for any Bond Year, any portion of the Debt Service Requirements of such Bond that is paid from amounts that the County has received from the United States government or any instrumentality or agency thereof and that the County has pledged and assigned to the Trustee for the payment of Bonds, and that are properly allocated to the Solid Waste System shall be excluded. The covenant set forth in this paragraph is referred to herein as the “Rate Covenant.” For purposes of evidencing compliance with the Rate Covenant, the records of the Solid Waste System shall be analyzed and a Certificate of the County, signed by a County Representative, shall be prepared setting forth the calculation of Net Revenues for the preceding Fiscal Year and compliance with this Section 5.05. The County may rely on an Independent Consultant for purposes of delivering this certificate.

If in any Bond Year the amount of Operating Revenues imposed and collected by the County produces Net Revenues less than the amount required by the Rate Covenant, as soon as practicable after the last day of such Bond Year (but in no event more than 120 days after the last day of such Bond Year) (“Engagement Deadline”), the County shall employ an Independent Consultant to prepare a Report including recommendations with respect to the operation of the Facilities and Operating Revenues and Operating Expenses. The County shall require the Independent Consultant to file its Report with the County and the Trustee within 30 days after the date of its employment by the County pursuant to this Section, provided that the County may extend the time for the filing by the Independent Consultant of its Report to the extent reasonably necessary to enable the Independent Consultant to complete such Report which shall be no longer than 120 days from the Engagement Deadline (the “Extension Deadline”), if the Independent Consultant files a Request for such an extension with the County and the Trustee containing an estimated completion date for such Report that is no later than the Extension Deadline and stating that the Independent Consultant is proceeding diligently to complete its Report and that its Report will be completed by the Extension Deadline.

The Independent Consultant may recommend with respect to the Operating Revenues imposed and collected in connection with operation of the Facilities and the Operating Expenses, either that the County (i) make no change, or (ii) make some change, even though such recommendation is not likely to satisfy the Rate Covenant within 12 calendar months if the Independent Consultant determines and includes in its Report a statement to the effect that compliance with such recommendations should result in the generation of Pledged Revenues sufficient to satisfy the Rate Covenant within twenty-four (24) calendar months of date of the Report.

The County shall revise the Operating Revenues and Operating Expenses, in conformity with any practicable recommendation of the Independent Consultant and shall otherwise follow any practicable recommendation of the Independent Consultant. If the County complies with the reasonable

recommendations of such Independent Consultant, then the failure of the County to meet the requirements of this Section for such Bond Year shall not constitute an Event of Default.

Notwithstanding the foregoing, so long as any Bond is outstanding and unpaid, the County hereby covenants to charge and collect Operating Revenues in each Bond Year as will be sufficient to produce Net Revenues in such Bond Year to satisfy the Rate Covenant.

The provisions of this Section are in all respects subject to Applicable Law.

#### **Section 5.06. Rates and Charges.**

The County shall at all times maintain adequate accounting and management procedures to provide for the periodic review of the Pledged Revenues imposed and collected and the Trust Estate in order to determine the need for any change therein or modification thereof and to permit such change or modification to be implemented within the period required to enable the County to comply with this Trust Agreement.

#### **Section 5.07. Budget.**

The County hereby covenants that, to the extent permitted by law, it will take or cause to be taken all actions necessary so that Net Revenues at least equal to the amount required by the Rate Covenant for each Bond Year are collected when due (or as soon thereafter as possible in accordance with Applicable Law) or are otherwise made available in a timely manner.

#### **Section 5.08. Liens and Encumbrances.**

The County hereby covenants and agrees as follows:

(a) Except as provided in this Trust Agreement, the County shall not issue any Indebtedness secured by a pledge of or other lien on the Pledged Revenues or the Trust Estate and shall not otherwise create or cause to be created any lien or charge on the Pledged Revenues or the Trust Estate. Notwithstanding anything herein to the contrary, the County shall not issue any Indebtedness secured by a pledge of or other lien on the Pledged Revenues or the Trust Estate that is senior to the pledge of and lien on the Pledged Revenues and Trust Estate in favor of the Bonds.

(b) Nothing herein shall be construed to prohibit the County from issuing or assuming any Indebtedness other than Bonds or entering into any leases, financing leases, sale-leasebacks and similar transactions (“Leases”) for any valid public purpose related to the Solid Waste System, which Indebtedness or Leases, if so determined by the County and permitted by Applicable Law, are issued as Subordinated Indebtedness pursuant to Section 5.04 hereof.

(c) The Facilities may not be sold, mortgaged, leased or otherwise disposed of or encumbered unless there shall be delivered to the Trustee a Certificate of the County Representative to the effect that such sale, mortgage, lease, encumbrance or other disposition will not adversely affect the operating efficiency of the Facilities or the ability of the County to meet the Rate Covenant.

## **Section 5.09. Operation and Maintenance of the Facilities.**

The County shall (i) operate, or cause to be operated, the Facilities properly and in a sound, efficient and economical manner and shall maintain, preserve, and keep the same or cause the same to be maintained, preserved, and kept in good repair, working order and condition, (ii) make, or cause to be made, all necessary and proper repairs, replacements and renewals so that the operation of the Facilities may be properly and advantageously conducted, and (iii) if any useful portion of the Facilities is damaged or destroyed or taken through the exercise of eminent domain, to commence and diligently prosecute the repair, replacement or reconstruction of such damaged, destroyed, or taken portion of the Facilities, in each case to the extent that Pledged Revenues are available for the payment of the cost thereof; *provided*, however, that nothing in this Trust Agreement shall require the County to operate, maintain, preserve, repair, replace, renew or reconstruct any portion of the Facilities if abandonment of operation of such portion of the Facilities is economically justified, is not materially prejudicial to the interests of the Holders of Outstanding Bonds and will not impair the ability of the County to satisfy the Rate Covenant.

## **Section 5.10. Insurance and Condemnation.**

(a) The County shall at all times (i) keep all Facilities of an insurable nature and of the character usually insured by solid waste facilities similar to the Facilities insured, insofar as practicable, against loss or damage by fire and from other causes customarily insured against, and (ii) maintain insurance, insofar as practicable, against loss or damage from such hazards and risks to the persons and property as are usually insured against by facilities similar to the Facilities. In determining the amounts and types of insurance to be maintained under this Section, the County may rely upon the advice of an Engineer or an insurance consultant.

(b) All insurance prescribed by this Section shall be procured from financially sound and reputable insurers qualified to transact an insurance business in the State of Maryland. All policies and certificates of insurance shall be open to inspection by the Trustee at all reasonable times upon advanced written request. Within 120 days after the end of each Bond Year, the County shall deliver to the Trustee a list prepared as of the last day of each Bond Year describing such policies and certificates. The Trustee shall have no responsibility with respect to any such insurance except to receive such certificates and hold the same for inspection by any Holder of Outstanding Bonds.

(c) All proceeds of insurance insuring the Facilities against loss or damage shall be applied to the restoration, replacement or reconstruction of the property lost or damaged, unless the County determines not to restore, replace or reconstruct such Facilities and such restoration, replacement or reconstruction is not necessary for the County to meet the Rate Covenant.

(d) Notwithstanding anything to the contrary contained herein, the County may elect to self-insure itself against the risks to be covered by such insurance as noted above.

(e) If any portion of the Facilities shall be taken through the exercise of the power of eminent domain, the County shall apply the proceeds of any award received on account of such taking to the replacement of the property so taken, unless the County determines in accordance with paragraph (c) not to replace such property.

## **Section 5.11. Disposal of All or Substantially All of the Facilities.**

Prior to any transfer of all or substantially all of the Facilities to another Person (including, without limitation, any body politic and corporate, there shall be delivered to the Trustee (a) evidence that such Person has assumed all of the duties, privileges, powers, liabilities, disabilities, immunities and rights of the County with respect to the Facilities, or such portion thereof, and (b) if any Tax-Exempt Bonds are then outstanding, an Opinion of Bond Counsel to the effect that such action will not adversely affect the excludability from gross income of interest paid on any Tax-Exempt Bond for federal income tax purposes.

## **Section 5.12. Tax Matters.**

The County shall not take any or omit to take, or permit to be taken on its behalf, any actions which, if taken or omitted, would adversely affect the excludability from the gross income of the Bondholders of interest paid on any Tax-Exempt Bonds for federal income tax purposes.

The County Executive, the Chief Administrative Officer and the Director of Finance the County shall be officials of the County responsible for issuing the Tax-Exempt Bonds (the “Section 148 Certifying Officials”) for the purpose of Section 148 of the Code (“Section 148”). The Section 148 Certifying Officials shall execute and deliver (on the date of each issuance of Tax-Exempt Bonds) a Certificate of the County (as it may be amended and supplemented from time to time in accordance with this Section, being referred to herein as a “Section 148 Certificate”) that complies with the requirements of Section 148 of the Code or any successor to such Section in effect on the date of issuance of such Tax-Exempt Bonds.

The County shall set forth in such Section 148 Certificate its reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of such Tax-Exempt Bonds, or of any money, securities or other obligations that may be deemed to be proceeds of such Tax-Exempt Bonds within the meaning of Section 148 (collectively, “Bond Proceeds”).

The County covenants that (i) the facts, estimates and circumstances set forth in each Section 148 Certificate will be based on the County’s reasonable expectations on the date of delivery of such Certificate and will be, to the best of the Section 148 Certifying Officials’ knowledge, true, correct and complete as of that date, and (ii) the Section 148 Certifying Officials will make reasonable inquiries to ensure such truth, correctness and completeness.

The County further covenants that it will not make any use of the Bond Proceeds that would cause any Tax-Exempt Bonds to be “arbitrage bonds” within the meaning of Section 148.

The County further covenants that it will comply with those provisions of Section 148 that are applicable to any Tax-Exempt Bonds on the date of issuance of such Bonds and with those provisions of Section 148 that may subsequently be lawfully made applicable to such Bonds. To the extent that the provisions of Section 148 apply only to a portion of the Tax-Exempt Bonds, it is intended that the covenants of the County contained in this Section be construed so as to require the County to comply with Section 148 only to the extent of such applicability.

The County and the Trustee shall hold and invest Bond Proceeds within their control (if such Bond Proceeds are invested), in accordance with the expectations of the County set forth in the Section 148 Certificates. The County shall (i) direct the Trustee to transfer amounts on deposit in any fund or account created by this Trust Agreement to the Rebate Fund, and (ii) deposit Pledged Revenues with the Trustee for deposit to the Rebate Fund or otherwise make Pledged Revenues available for the payment of rebates or payments in lieu thereof to the United States of America, all in accordance with the expectations of the County set forth in the Section 148 Certificate.

The County shall make timely payment, but only from the Pledged Revenues, of any rebate amount or payment in lieu thereof (or installment of either) required to be paid to the United States of America in order to preserve the excludability from gross income, for federal income tax purposes, of interest paid on the Tax-Exempt Bonds and shall include with any such payment such other documents, certificates or statements as shall be required to be included therewith under then-applicable law and regulations.

Upon the Order of the County, the Trustee shall transfer amounts on deposit in any fund or account created by this Trust Agreement to the Rebate Fund, any other provision of this Trust Agreement to the contrary notwithstanding. Amounts on deposit in the Rebate Fund from time to time required to be paid to the United States of America pursuant to Section 148 as a rebate or payment in lieu thereof shall be made available by the Trustee to the County for such payments upon the Order of the County. Upon the Order of the County, the Trustee shall transfer amounts on deposit in the Rebate Fund to any fund or account created by this Trust Agreement.

The Section 148 Certifying Officials may execute an amendment or supplement to the Section 148 Certificate upon delivery to the County of an Opinion of Bond Counsel to the effect that such action will not adversely affect the excludability from gross income of interest paid on any Tax-Exempt Bond for federal income tax purposes.

Neither the County nor the Trustee shall incur any liability in connection with any action as contemplated herein so long as the County and the Trustee act in good faith. The County shall comply with the provisions of Section 103 of the Code and the regulations thereunder applicable to the Tax-Exempt Bonds to the extent required to maintain the excludability from gross income of the interest on the Tax-Exempt Bonds for federal income tax purposes.

### **Section 5.13. Financing Statements**

The County covenants that, in order further to evidence and perfect the grant to the Trustee of the interest of the Trustee in the Trust Estate made hereby to the extent possible by such filing, appropriate financing statements (the “Financing Statements”), naming the Trustee as secured party and as assignee of the Trust Estate, will be filed in the appropriate offices as required by the Maryland Uniform Commercial Code, as from time to time in effect (the “UCC”). The County shall file or cause to be filed such necessary continuation statements (“Continuation Statements”) from time to time as may be required pursuant to the UCC to maintain, perfect and protect at all times the first priority security interests of the Trustee and the Holders in the Trust Estate.

## ARTICLE VI CONCERNING THE TRUSTEE

### **Section 6.01. Registrar; Paying Agent.**

Except as otherwise provided in any Supplemental Trust Agreement, the Trustee shall also be the registrar and the paying agent for the Bonds.

### **Section 6.02. Trustee Entitled to Indemnity.**

The Trustee shall be under no obligation to institute any suit, or to undertake any proceeding under this Trust Agreement, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, advances, outlays and counsel fees and other reasonable disbursements, and against all liability except as such liability that arises as a consequence of its own gross negligence or willful misconduct. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as the Trustee, without indemnity.

### **Section 6.03. Responsibilities of the Trustee.**

The recitals, statements and representations contained in this Trust Agreement and in the Bonds shall be taken as the statements of the County and not of the Trustee, and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Trust Agreement or with respect to the security afforded by this Trust Agreement or the due execution hereof by the County, and the Trustee shall incur no liability with respect thereto. Except as otherwise expressly provided in this Trust Agreement, the Trustee shall have no responsibility or duty with respect to: (i) the issuance of the Bonds for value, (ii) the application of the proceeds thereof, except to the extent that such proceeds are received by it in its capacity as Trustee, or (iii) the application of any money paid to the County or others in accordance with this Trust Agreement except as to the application of any money paid to it in its capacity as Trustee.

The duties and obligations of the Trustee shall be determined by the express provisions of this Trust Agreement and no implied covenant or obligation shall be read into this Trust Agreement against the Trustee, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Trust Agreement.

The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Trust Agreement except for its own gross negligence or willful misconduct.

The Trustee is not liable with respect to any action it takes or omits to be taken by it in good faith in accordance with the direction of the Bondholders under any provision of this Trust Agreement relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Trust Agreement.

No provision of this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any liability in the performance of any of its duties hereunder, or in the exercise of any

of its rights or powers, if it has reasonable grounds for believing that the repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Trustee is under no obligation to exercise any of the rights or powers vested in it by this Trust Agreement at the request or direction of any of the Bondholders unless such holders have offered to the Trustee security or indemnity satisfactory to the Trustee as to its terms, coverage, duration, amount and otherwise with respect to the costs, expenses and liabilities which may be incurred by it in compliance with such request or direction, and the provision of such indemnity shall be mandatory for any remedy taken upon direction of the holders of a majority in aggregate principal amount of the Bonds.

The Trustee is not required to take notice or deemed to have notice of any default or Event of Default hereunder, except Events of Default under Section 7.01(a) and (b), unless a responsible officer of the Trustee has actual knowledge thereof or has received notice in writing of such default or Event of Default from the County or the holders of at least 25% of the Bonds, and in the absence of any such notice, the Trustee may conclusively assume that no such default or Event of Default exists.

The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Trust Agreement shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and right to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the defeasance or discharge of this Trust Agreement and final payment of the Bonds.

The permissive right of the Trustee to take the actions permitted by this Trust Agreement shall not be construed as an obligation or duty to do so.

In case an Event of Default shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it hereby and use the same degree of care and skill in their exercise as a prudent person would exercise under the circumstances in the conduct of his or her own affairs.

The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Trust Agreement arising or caused, directly or indirectly, by circumstances beyond its reasonable control, including by way of example and without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage, epidemic; pandemic; riots; interruptions; loss or malfunctions of utilities or communications services; accidents; labor disputes; and acts of civil protest or military authority or other governmental action; it being understood that the Trustee shall use commercially reasonable efforts that are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under any such circumstances.

#### **Section 6.04. Property Held in Trust.**

All money and securities held by the Trustee at any time pursuant to the terms of this Trust Agreement shall be held by it in trust for the purposes and under the terms and conditions of this Trust Agreement.

### **Section 6.05. Trustee Protected in Relying on Certain Documents.**

The Trustee may rely upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other document provided to the Trustee in accordance with the terms of this Trust Agreement that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Trust Agreement, or upon the written opinion or advice of any counsel, architect, engineer, insurance consultant, management consultant or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry into any statements contained or matters referred to in any such instrument. The Trustee may consult with counsel, who may or may not be Bond Counsel or counsel to the County, and the opinion or advice of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith and in accordance therewith.

Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Trust Agreement, such matter may be deemed to be conclusively proved and established by a Certificate of the County, unless other evidence in respect thereof be hereby specifically prescribed. Such certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by the County to the Trustee shall be sufficiently executed if executed in the name of the County by a County Representative.

The Trustee shall not be under any obligation to see to the recording or filing of this Trust Agreement, or otherwise to the giving to any person of notice of the provisions hereof, except as provided in Section 6.13.

### **Section 6.06. Compensation and Expenses of the Trustee.**

The County covenants and agrees:

(a) to pay the Trustee from the Pledged Revenues from time-to-time reasonable compensation for all services rendered by it hereunder and under the other agreements relating to the Bonds to which the Trustee is a party subject to the terms agreed to from time to time by the County and the Trustee;

(b) to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Trust Agreement, any other agreement relating to the Bonds to which it is a party or in complying with any request by the County or any Rating Agency with respect to the Bonds, including the reasonable compensation, expenses and disbursements of its agents and counsel, except any such expense, disbursement or advance attributable to the Trustee's gross negligence or bad faith; and

(c) to indemnify, defend and hold the Trustee harmless from and against any loss, liability or expense incurred without gross negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the office of Trustee under this Trust Agreement, including the costs

of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder or thereunder.

In the event the Trustee incurs expenses or renders services in any proceedings under any bankruptcy law relating to the County, the expenses so incurred and compensation for services so rendered are intended to constitute expenses of administration under any bankruptcy law.

The obligations of the County to make the payments described in this Section shall survive discharge of this Trust Agreement, the resignation or removal of the Trustee and payment in full of the Bonds.

#### **Section 6.07. Permitted Acts.**

The Trustee and its directors, officers, employees or agents may become the owner of or may in good faith buy, sell, own, hold and deal in Bonds and may join in any action that any Holder of Bonds may be entitled to take as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the County or any committee formed to protect the rights of the Holders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Trust Agreement.

#### **Section 6.08. Resignation of the Trustee.**

The Trustee may at any time resign and be discharged from its duties and obligations hereunder by giving not fewer than 90 days' written notice, specifying the date when such resignation shall take effect, to the County and each Holder. Such resignation shall take effect upon the appointment of a successor Trustee and the acceptance of such appointment by such successor.

#### **Section 6.09. Replacement of Trustee.**

The Trustee may be replaced by the County so long as no Event of Default shall have occurred and be continuing or, if any Event of Default shall have occurred and be continuing, by a majority of the Holders by an instrument or concurrent instruments in writing signed and acknowledged by such Holders or by their attorneys-in-fact, duly authorized and delivered to the County. Copies of each such instrument shall be delivered by the County to the Trustee and any successor thereof. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Trust Agreement with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the County or of not less than 10% of the Holders.

#### **Section 6.10. Successor Trustee.**

If the Trustee shall resign, be removed, be dissolved or become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of the Trustee hereunder shall thereupon become vacant.

If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, a successor Trustee shall be appointed (i) by the County, so long as no Event of Default shall have occurred and be continuing, or (ii) if an Event of Default shall have occurred and be continuing, by a majority of the Holders, by an instrument or concurrent instruments in writing signed and acknowledged by such Holders or their attorneys-in-fact, duly authorized and delivered to such successor Trustee, with notification thereof being given to the predecessor Trustee and the County.

Copies of any instrument of the County providing for any such appointment shall be delivered by the County to the Trustee so appointed and the predecessor Trustee. The successor Trustee shall mail notice of any such appointment to each Holder within 90 days after such appointment.

If in a proper case no appointment of a successor Trustee shall be made within 60 days after the giving by any Trustee of any written notice of resignation in accordance with Section 6.08 or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Holder may apply to any court of competent jurisdiction for the appointment of such a successor, and the court may thereupon, after such notice, if any, as the court may deem proper, appoint such successor.

Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association having a capital and surplus aggregating at least \$100,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms, and authorized by law to perform all the duties of the Trustee required by this Trust Agreement.

### **Section 6.11. Transfer of Rights and Property to Successor Trustee.**

Any successor Trustee appointed under the provisions of Section 6.10 shall execute, acknowledge and deliver to its predecessor and the County an instrument in writing accepting such appointment, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all money, estates, properties, rights, immunities, powers, duties, obligations and trusts of its predecessor hereunder, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request of the County or of such successor, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the rights, immunities, powers and trusts of such Trustee and all the right, title and interest of such Trustee in and to the Trust Estate, and shall pay over, assign and deliver to such successor any money or other properties subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the County be required by such successor for more fully and certainly vesting in and confirming to it any such money, estates, properties, rights, powers, duties or obligations, any and all such deeds, conveyances and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged and delivered by the County.

### **Section 6.12. Merger, Conversion or Consolidation of Trustee.**

Any company into which the Trustee may be merged or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee hereunder, without any further act, deed or conveyance, provided

that such company shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 6.10.

### **Section 6.13. County to File Continuation Statements.**

The County shall, at its expense, file such Continuation Statements as may be required by the UCC, in order to continue perfection of the security interest of the Trustee in such property as may have been granted to the Trustee pursuant to this Trust Agreement in the time, place and manner required by the UCC, and shall provide the Trustee with a copy of each such Continuation Statement showing the date, file number, and office of filing, promptly after the filing of same.

## **ARTICLE VII** **EVENTS OF DEFAULT AND REMEDIES**

### **Section 7.01. Events of Default.**

Each of the following events is hereby declared to constitute an event of default hereunder (an "Event of Default"):

- (a) the principal of any Bond shall not have been paid when the same shall have become due and payable, either at maturity or by proceedings for redemption or otherwise;
- (b) the interest on any Bond shall not have been paid when the same shall have become due and payable;
- (c) the County shall default in the due and punctual performance of any of the covenants, conditions, agreements and provisions contained in any Bond or in this Trust Agreement or any Supplemental Trust Agreement on the part of the County to be performed (other than as described in clause (a) or (b) above), which default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the County by the Trustee, *provided* that, if the default can be cured and the County shall proceed to take any curative action which, if begun and prosecuted with due diligence, cannot be completed within a period of 30 days, then such period shall be increased to 275 days so long as the County continues and completes such curative action through the exercise of due diligence.
- (d) any provision of this Trust Agreement, any Bond or any Supplemental Trust Agreement related to the payment of principal or interest on any Bond, or the pledge of and charge and lien on any Pledged Revenues or any of the Trust Estate shall at any time for any reason cease to be valid and binding or fully enforceable on the County as determined by any governmental authority or court of competent jurisdiction in a final nonappealable judgment, or the validity or enforceability of any provision of this Trust Agreement, any Bond or any Supplemental Trust Agreement related to the payment of principal or interest on the Bonds, or the pledge of and lien on the Pledged Revenues Fund or any of the Trust Estate shall be contested in writing or publicly by an authorized officer of the County;
- (e) County shall, subject to applicable law, (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of County or the Solid Waste System or of all or a substantial

part of the assets of County, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable Federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against County in any bankruptcy, liquidation, readjustment, reorganization, moratorium or insolvency proceeding; or

(f) Subject to applicable law, an order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator for County or the Solid Waste System or of all or a substantial part of the assets of County, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of sixty (60) consecutive days.

A default under this Trust Agreement with respect to the Bonds shall not be or constitute a default under any other trust agreement entered into by the County or with respect to any other Indebtedness or other obligations of the County, and no default under any other trust agreement entered into by the County or with respect to any other Indebtedness of the County shall be or constitute a default under this Trust Agreement.

## **Section 7.02. Enforcement.**

Upon the happening and continuance of any Event of Default, then and in every such case the Trustee shall, upon the written request of not less than 25% of the Holders, proceed to protect and enforce its rights and the rights of the Holders under the laws of the State and under this Trust Agreement and any Credit Facility by such suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant contained herein or therein, or in aid or execution of any power herein or therein granted, or for an accounting against the County as if the County were the trustee of an express trust or for the enforcement of any proper legal or equitable remedy as the Trustee shall deem most effectual to protect and enforce such rights. The Trustee may (and shall, upon the written request of not less than 25% of the Holders) request an accounting of the Pledged Revenues Fund.

In the enforcement of any remedy upon the occurrence of an Event of Default under this Trust Agreement, the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the County, for principal of or interest on the Bonds, or otherwise under any of the provisions of this Trust Agreement or of any Bonds, with interest on overdue payments of principal at the rate or rates of interest specified in the Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under the Bonds, without prejudice to any other right or remedy of the Trustee or of the Holders, and to recover and enforce judgment or decree against the County, but solely as provided herein and in the Bonds and from the sources and money provided herein and in the Bonds, for any portion of such amounts remaining unpaid and to collect in any manner provided by law the money adjudged or decreed to be payable.

The principal of the Bonds shall not be subject to acceleration by the Trustee or the Bondholders upon the occurrence of any Event of Default notwithstanding any other provision of this Trust Agreement.

### **Section 7.03. Priority of Payments Following Default.**

If at any time there shall have occurred and be continuing an Event of Default, after payment of all amounts owing to the Trustee under this Trust Agreement, amounts held by the Trustee hereunder, together with any money thereafter becoming available for such purpose, whether through exercise of the remedies provided in this Article or otherwise, shall be applied as follows:

(a) unless the principal of all Outstanding Bonds shall have become due and payable, all such money shall be applied:

**FIRST:** to the payment to the persons entitled thereto of all installments of interest then due on the Bonds Outstanding, in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment of such installment, ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference, except as to any difference in the respective rates of interest specified in such Bonds;

**SECOND:** to the payment to the persons entitled thereto of the unpaid principal of any Outstanding Bonds that shall have become due and payable, in the order of their due dates, with interest upon the principal amount of such Bonds from the respective dates upon which they shall have become due and payable and, if the amount available shall not be sufficient to pay in full the principal of such Bonds due and payable on any particular date, together with such interest, then first to the payment of such interest, ratably, according to the amount of interest due on such date, and then to the payment of such principal, ratably, according to the amount of principal due on such date, to the persons entitled thereto, without any discrimination or preference, except as to any difference in the respective rates of interest specified in such Bonds;

**THIRD:** to the payment of the interest on and the principal of the Bonds outstanding as the same become due and payable; and

**FOURTH:** to the payment to any Credit Facility Provider of amounts payable to such Credit Facility Provider under this Trust Agreement in respect of amounts paid by such Credit Facility Provider on any Bonds; and

(b) if the principal of all Outstanding Bonds shall have become due by their terms, all such money shall be applied to the payment of the principal and interest then due and unpaid upon such Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in such Bonds.

Whenever money are to be applied by the Trustee pursuant to the provisions of this Section, such money shall be applied by the Trustee on a *pari passu* basis across each Outstanding Series of Bonds at such times, and from time to time, as the Trustee may determine (which determination may be based upon an opinion or advice of counsel), having due regard to the amount of such money available for application and the likelihood of additional money becoming available for such application in the future. The setting aside of such money in trust for the benefit of all Holders shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to the County, to any Holder or to any other person for any delay in applying any such money, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Trust Agreement as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such money (which must be on a *pari passu* basis across each Outstanding Series of Bonds), it shall fix the date (which shall be an Interest Payment Date for the Bonds unless the Trustee shall deem another date more suitable) upon which such application is to be made, and upon such date interest on the amounts of principal of the Bonds to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date. The provisions of this paragraph shall be subject in all respects to the provisions of the Bonds with respect to the payment of defaulted interest on the Bonds. The Trustee shall not be required to make payment to the Holder of any Bond unless such Bond shall be presented to the Trustee for appropriate endorsement.

#### **Section 7.04. Discontinuance of Proceedings.**

In case any proceedings taken by the Trustee or the Holders on account of any default with respect to the Bonds shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or such Holders, then and in every such case the County, the Trustee and the Holders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

#### **Section 7.05. Majority of the Holders May Control Proceedings.**

Anything in this Trust Agreement to the contrary notwithstanding, a majority of the Holders shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under this Trust Agreement, *provided* that such direction shall not be otherwise than in accordance with law and the provisions of this Trust Agreement, that such Holders shall provide indemnity reasonably satisfactory to the Trustee, and that the Trustee shall have the right to decline to follow any such direction which, in the opinion of the Trustee, would be unjustly prejudicial to Holders not parties to such direction.

#### **Section 7.06. Restrictions Upon Action by Individual Holders.**

No Holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law on any Bond for the execution of any trust hereunder or for any other remedy hereunder unless (i) such Holder previously shall have given to the Trustee written notice of the Event of Default on account of which such suit, action or proceeding is to be instituted, (ii) not less than 25% of Holders shall have made written request to the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity

either to proceed to exercise the powers granted by this Trust Agreement or to institute such action, suit or proceeding in its or their name, and (iii) there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Trust Agreement or to any other remedy hereunder. Notwithstanding the foregoing provisions of this Section and without complying therewith, 25% or more of the Holders may institute any such suit, action or proceeding in their own names for the benefit of all Holders.

It is understood and intended that, except as otherwise provided above, no one or more Holders shall have any right in any manner whatever to affect, disturb or prejudice the security of this Trust Agreement or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted and maintained in the manner herein provided and for the benefit of all Holders and that any individual right of action or other right given by law to one or more of such Holders is restricted by this Trust Agreement to the rights and remedies herein provided.

### **Section 7.07. Actions by Trustee.**

All rights of action under this Trust Agreement or under any Bond may be enforced by the Trustee without the possession of any Bond or the production thereof at the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all Holders, all subject to the provisions of this Trust Agreement.

### **Section 7.08. No Remedy Exclusive.**

No remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

### **Section 7.09. No Delay or Omission Construed as a Waiver; Waiver of Default.**

No delay or omission of the Trustee or of any Holder to exercise any right or power accruing upon any default shall impair any such right or power, nor shall any such delay or omission be construed to be a waiver of any such default or an acquiescence therein. Every power and remedy given by this Article to the Trustee and the Holders, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee shall, upon written request of not less than 25% of the Holders, waive any default with respect to Bonds which in its opinion (which may be based on an opinion or advice of counsel) shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Trust Agreement or before the completion of the enforcement of any other remedy under this Trust Agreement; but no such waiver shall extend to or affect any other existing or any subsequent default or impair any rights or remedies consequent thereon.

### **Section 7.10. Notice of Default.**

The Trustee shall mail to all Holders written notice of the occurrence of any Event of Default of which the Trustee shall have knowledge within 30 days after such Event of Default shall have occurred and be known to it. The Trustee shall not be subject to any liability to any Holder by reason of its failure to mail any notice required by this Section.

## **ARTICLE VIII** **MODIFICATION OR AMENDMENT OF TRUST AGREEMENT**

### **Section 8.01. Modification or Amendment of Trust Agreement Without Consent.**

Without notice to, or the consent of, the Holders, the County and the Trustee may enter into a Supplemental Trust Agreement supplementing, modifying or amending this Trust Agreement or any Supplemental Trust Agreement at any time or from time to time for one or more of the following purposes:

- (a) to grant to or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Trustee for the benefit of the Holders;
- (b) to add to the covenants and agreements of the County contained in this Trust Agreement, other covenants and agreements thereafter to be observed relative to the acquisition, construction, equipping, operation, maintenance, development or administration of the Facilities, or the application, custody, use or disposition of the proceeds of Bonds;
- (c) to surrender to the Trustee any right, power or privilege reserved to or conferred upon the County by this Trust Agreement;
- (d) to confirm, as further assurance, any pledge under, and the subjection to any lien on, or claim or pledge of (whether created or to be created by this Trust Agreement), the Trust Estate;
- (e) to cure any ambiguity or to cure or correct any defect or inconsistent provisions contained in this Trust Agreement or to make such provisions in regard to matters or questions arising under this Trust Agreement as may be necessary or desirable and not contrary to or inconsistent with this Trust Agreement;
- (f) to provide for the issuance of Additional Bonds, including (without limitation) any modifications or amendments required to grant to or otherwise secure for the Holders of such Additional Bonds a parity interest in the security granted to the holders of any other then-Outstanding Bonds in accordance with Section 2.03;
- (g) to permit the qualification of this Trust Agreement or any Supplemental Trust Agreement under any federal statute now or hereafter in effect or under any state blue sky law and, in connection therewith, to add to this Trust Agreement or any Supplemental Trust Agreement such other terms, conditions and provisions as may be permitted or required by such federal statute or state blue sky law;

- (h) to obtain or to maintain any ratings on the Bonds of any Series from any Rating Agency;
- (i) to provide for the issuance of any Bonds in coupon form or in book entry form, to change any Securities Depository or to discontinue any book-entry system;
- (j) to preserve the excludability from gross income for federal income tax purposes of the interest paid on any Tax-Exempt Bonds theretofore issued; or
- (k) to make any other change in this Trust Agreement that, in the opinion of the Trustee (which may be based on a reasonable opinion or reasonable advice of counsel), shall not prejudice in any material respect the rights of the Holders of the Bonds Outstanding at the date as of which such change shall become effective.

### **Section 8.02. Supplemental Trust Agreements Requiring Consent of Holders.**

In addition to Supplemental Trust Agreements permitted by Section 8.01, with the prior written consent of a the Holders of majority of the Bonds affected thereby, the County and the Trustee may enter into at any time and from time to time Supplemental Trust Agreements amending or supplementing this Trust Agreement, any Supplemental Trust Agreement or any Bond to modify any of the provisions thereof or to release the County from any of the obligations, covenants, agreements, limitations, conditions or restrictions therein contained, *provided* that nothing contained herein shall permit (i) a change in any terms of redemption or purchase of any Bond, the due date for the payment of the principal of or interest on any Bond or any reduction in the principal, Redemption Price or purchase price of or interest rate on any Bond without the consent of the Holder of such Bond, or (ii) the creation of a claim or lien upon, or a pledge of, the Trust Estate ranking prior to or on a parity with the claim, lien and pledge created by this Trust Agreement as security for any Bonds issued within the limitations of this Trust Agreement, a preference or priority of any Bond over any other Bond or a reduction in the percentage of Bonds the consent of the Holders of which is required for any modification of this Trust Agreement without the unanimous consent of the Holders.

### **Section 8.03. Restriction on Amendment; Execution of Supplemental Trust Agreements.**

Neither this Trust Agreement, nor any Supplemental Trust Agreement, nor any Bond shall be supplemented or amended in any respect except as provided in this Article. Any Supplemental Trust Agreement authorized by Sections 8.01 or 8.02 may be entered into by the County and the Trustee without notice to or the consent of the Holders but shall become effective only on the conditions, to the extent and at the time provided herein and in such Section.

The Trustee shall not be obligated to enter into any supplemental trust agreement or amendment which adversely affects the Trustee's rights, duties or immunities under this Trust Agreement.

### **Section 8.04. Notation on Bonds.**

Bonds authenticated and delivered after the effective date of any Supplemental Trust Agreement entered into by the County may, and if the Trustee or the County so determines, shall, bear a notation by endorsement or otherwise in form approved by the County and the Trustee of such action. If the County or the Trustee shall so determine, new Bonds modified as necessary, in the opinion of the Trustee and

the County, to conform to such Supplemental Trust Agreement shall be prepared, authenticated and delivered and, upon demand of the holder of any Outstanding Bonds and surrender of such Bonds to the Trustee, such Bonds shall be exchanged, without cost to such holder, for a new Bond so modified.

## **ARTICLE IX** **DEFEASANCE**

### **Section 9.01. Defeasance.**

(a) If the County shall pay or cause to be paid the principal or Redemption Price of and interest on all Bonds at the times and in the manner stipulated therein, in this Trust Agreement and in any Supplemental Trust Agreement authorizing the issuance of any Additional Bonds, then the pledge of the Trust Estate to the Trustee for the benefit of the Holders and all other rights granted hereby to the Trustee or the Holders shall be discharged and satisfied. In such event, upon the request of the County, the Trustee shall execute and deliver to the County all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee shall pay or deliver to the County, or to such officer, board or body as may then be entitled by law to receive the same, all property held by it pursuant to this Trust Agreement (other than any money and securities required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption).

(b) Any Bond, except as otherwise provided in any Supplemental Trust Agreement authorizing the issuance thereof, shall be deemed to have been paid within the meaning of, and with the effect expressed in, this Section if (i) money for the payment or redemption of such Bond shall be held by the Trustee (through deposit by the County of money for such payment or redemption or otherwise, regardless of the source of such money), whether at or prior to the maturity or the redemption date of such Bond, or (ii) if the maturity or redemption date of such Bond shall not have arrived, provision shall have been made by the County for the payment of the principal or Redemption Price of and interest on such Bond on the due dates for such payments by deposit with the Trustee (or other method satisfactory to the Trustee) of Government Obligations, the principal of and the interest on which when due will provide for such payment, provided that, (1) if such Bond is to be redeemed prior to the maturity thereof, the County shall have taken all action necessary to redeem such Bond and notice of such redemption shall have been duly and irrevocably given or provisions satisfactory to the Trustee shall have been made for the giving of such notice, and (2) the Trustee shall have been provided a written determination by an Independent Public Accountant or a nationally-recognized verification agent or firm of verification agents that the principal amount of Government Obligations, together with any other money deposited with the Trustee for such purpose and the investment income to be earned on funds held by the Trustee for the payment or redemption of Bonds, will be sufficient to pay, whether upon redemption or at maturity, the principal of and premium, if any, and interest on the Bonds.

(c) If the County shall determine to provide for the payment of all of the Bonds of any Series in accordance with this Section, upon the direction of the County, the Trustee shall set aside any amounts on deposit in any funds and accounts maintained for the Bonds of such Series (other than amounts theretofore set aside for the payment of particular Bonds of such Series in accordance with Section 10.04) for the payment of the principal or Redemption Price of and interest on, and the purchase price of, such Bonds on the due dates for such payments in accordance with this Section. If all of the Bonds of any Series shall have been paid in accordance with this Trust Agreement, amounts on deposit in any

funds and accounts maintained for such Bonds (other than amounts set aside for the payment of particular Bonds of such Series in accordance with Section 10.04) shall be paid to the County. The provisions of this paragraph shall be subject in all respects to the provisions of any Supplemental Trust Agreement authorizing any Additional Bonds.

(d) Anything in this Trust Agreement to the contrary notwithstanding, at the written request of the County, any money held by the Trustee in trust for the payment of any of the Bonds that remain unclaimed for four years after the later of the date at which such Bonds became due and payable and the date of deposit of such money shall be repaid by the Trustee to the County, or to such officer, board or body as may then be entitled by law to receive such money, as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged with respect thereto.

## **ARTICLE X** **MISCELLANEOUS**

### **Section 10.01. Further Assurances.**

So far as it may be authorized and not prohibited by law, the County shall pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights and other property hereby pledged or assigned, or intended so to be, or which the County may hereafter become bound to pledge or assign.

### **Section 10.02. Consent of Holders; Evidence of Signatures of Holders and Ownership of Bonds.**

Any request, direction, consent or other instrument which this Trust Agreement may require or permit to be signed and executed by the Holders may be in one or more instruments of similar tenor, and shall be signed or executed by such Holders in person, by their legal representatives or by their attorneys duly appointed in writing. Except as otherwise expressly provided herein, proof of the execution of any such instrument or of an instrument appointing any such attorney, or the holding by any person of such Bond shall be sufficient for any purpose of this Trust Agreement and shall be conclusive in favor of the Trustee, and the County, with regard to any action taken by any of them under such instrument if made in the following manner:

(a) the fact and date of the execution by any Holder or Holder's attorney or legal representative of such instrument may be proved by the certificate (which need not be acknowledged or verified) of an officer of a bank or trust company satisfactory to the Trustee of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which such officer purports to act, that the person signing such instrument acknowledged to such officer the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer; and the authority of any person executing any such instrument on behalf of a corporate Holder may be established without further proof if such instrument is signed by a person purporting to be the president or a vice president of such corporation with a corporate seal affixed and attested by a person purporting to be its secretary or an assistant secretary, its cashier or an assistant cashier; and

(b) the ownership of Bonds and the amount, numbers and other identification and date of holding the same shall be proved by the registration books established with respect to such Bonds.

Notwithstanding the foregoing, the Trustee may in its discretion require further or other proof in any case in which it deems such further or other proof desirable.

Notwithstanding the foregoing provisions of this Section, the Supplemental Trust Agreement authorizing the issuance of any Additional Bond secured by a Credit Facility may provide that the issuer of such Credit Facility shall be deemed the holder of such Bond for the purposes of making any request or giving or withholding any consent, vote or direction permitted or required to be made or given by any holder of such Bond under this Trust Agreement or such Supplemental Trust Agreement.

Any request, direction, consent or vote of the Holder of any Bond given in accordance with this Trust Agreement or any Supplemental Trust Agreement shall bind all future Holders of such Bond with respect to anything done or suffered to be done or omitted to be done by the County or the Trustee in accordance therewith.

#### **Section 10.03. Preservation by Trustee and Inspection of Documents.**

All documents received by the Trustee from the County, the Holders or otherwise under the provisions of this Trust Agreement shall be retained in its possession and shall be subject at all reasonable times to the inspection of the County, any Holder and their agents and representatives, any of whom may make copies thereof.

#### **Section 10.04. Moneys and Funds Held for Particular Bonds.**

Amounts held by the Trustee for the payment of the principal or Redemption Price of, and interest on, Bonds due on any date shall, pending such payment, be set aside and held in trust by it for the Holders of such Bonds and, for the purposes of this Trust Agreement, such principal or Redemption Price of and interest on such Bonds, due after such date, shall no longer be considered to be unpaid, except to receive payment from such amounts set aside or held for such payment.

#### **Section 10.05. No Recourse Against Members and Officers.**

No recourse shall be had for the payment of the principal or Redemption Price of and interest on the Bonds or for any claims based thereon or on this Trust Agreement against any member or officer, employee, or agent of the County, all such liability, if any, being expressly waived and released by every Holder of Bonds by the acceptance of such Bonds.

#### **Section 10.06. Severability of Invalid Provision.**

If any covenant or agreement in this Trust Agreement is determined to be contrary to law, then such covenant or agreement shall be null and void and shall in no way affect the validity of the other provisions of this Trust Agreement or of the Bonds.

## **Section 10.07. Notices.**

(a) Any notice or other instrument authorized or required to be given pursuant to this Trust Agreement shall be deemed given when delivered by overnight courier service or mailed by certified or registered mail postage prepaid, or delivered by hand addressed as follows (or to such other address as may be designated by written notice given hereunder):

In the case of the County:

Montgomery County, Maryland  
101 Monroe Street, 15<sup>th</sup> Floor  
Rockville, Maryland 20850  
Attention: Director of Finance  
Telephone: 240-777-8860

In the case of the Trustee or the Registrar and Paying Agent:

U.S. Bank Trust Company, National Association  
Three James Center  
1051 East Cary Street, Suite 600  
Richmond, Virginia 23219  
Attention: Melody M. Scott, Assistant Vice President  
Telephone: 804-343-1560

(b) Except as otherwise expressly provided herein or in any Supplemental Trust Agreement pursuant to which any Additional bonds are issued, when any notice is required to be given to the holder of any Bond, such notice shall be mailed to the registered owner of such Bond at such owner's address as it appears on the registration books maintained by the Trustee. Any notice mailed as provided herein will be conclusively presumed to have been given, whether or not actually received by the addressee.

Notwithstanding the foregoing, the Trustee shall have the right to accept and, as applicable, act upon notices, approvals, consents, requests, instructions or directions pursuant to this Trust Agreement or any Supplemental Trust Agreement that are sent in a written document signed manually or by way of a Digital Signature, delivered by Electronic Means, provided, however, that the County shall provide to the Trustee an incumbency certificate listing designated persons with the authority to provide such instructions and containing specimen signatures of such designated persons, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the County elects to give the Trustee instruction or direction by Electronic Means and/or with Digital Signatures, and the Trustee in its discretion elects to act upon such instruction or direction, the Trustee's understanding of such instruction or direction shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instruction or direction, notwithstanding that such instruction or direction may conflict or be inconsistent with a subsequent written instruction or direction. The County agrees to assume all risks arising out of the use of Digital Signatures and Electronic Means to submit communications, instructions and directions to the Trustee, including, without limitation, the risk of the Trustee acting on unauthorized instructions or directions, and the risk of interception and misuse by third parties.

### **Section 10.08. Other Trust Agreements.**

The County expressly reserves the right to enter into one or more other trust agreements and to issue bonds, notes and other obligations thereunder without compliance with the provisions hereof, provided that nothing contained in this Section shall permit the County to create a claim or lien upon, or a pledge of, the Trust Estate ranking prior to or on a parity with the claim, lien and pledge created by this Trust Agreement as security for any Additional Bonds issued within the limitations of this Trust Agreement.

### **Section 10.09. Business Days.**

Except as otherwise expressly provided herein or in any Supplemental Trust Agreement, if any date specified herein for the payment of any Bond or the performance of any act shall not be a Business Day, such payment or performance shall be made on the next succeeding Business Day with the same effect as if made on such date.

### **Section 10.10. Interested Parties.**

Nothing in this Trust Agreement expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the County, the Trustee and the Holders any right, remedy or claim under or by reason of this Trust Agreement or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Trust Agreement contained by and on behalf of the County shall be for the sole and exclusive benefit of the County, the Trustee and the Holders.

### **Section 10.11. Execution in Several Counterparts.**

This Trust Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original for all purposes; and all such counterparts shall together constitute but one and the same instrument.

### **Section 10.12. Governing Law.**

This Trust Agreement shall be governed by and construed in accordance with the laws of the State of Maryland.

### **Section 10.13. Security Agreement.**

This Trust Agreement constitutes a security agreement under the Uniform Commercial Code as in effect in the State of Maryland.

### **Section 10.14. USA Patriot and Freedom Act Compliance.**

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Trustee may require documentation to verify its formation and existence as a legal

entity. The Trustee may also request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

*[Remainder of Page Left Blank Intentionally]*

IN WITNESS WHEREOF, the parties hereto have caused this Trust Agreement to be duly executed, sealed and delivered, all as of the day and year first above written.



**MONTGOMERY COUNTY, MARYLAND**

By: \_\_\_\_\_

Richard Madaleno  
Chief Administrative Officer

By: \_\_\_\_\_

Michael J. Coveyou  
Director of Finance

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION, as Trustee**

By: \_\_\_\_\_

Melody M. Scott  
Assistant Vice President

**EXHIBIT A TO  
TRUST AGREEMENT**

**FORM OF BONDS**

REGISTERED

UNITED STATES OF AMERICA  
STATE OF MARYLAND

REGISTERED

No. R-\_\_

\$\_\_\_\_\_

**MONTGOMERY COUNTY, MARYLAND  
Solid Waste System Revenue Bonds  
Series 20[\_\_]**

<b><u>Maturity Date</u></b>	<b><u>Interest Rate</u></b>	<b><u>Dated Date</u></b>	<b><u>CUSIP No.</u></b>
_____ 1, 20__	%	_____, 20__	

Registered Owner:

Principal Amount: \_\_\_\_\_ Dollars \$\_\_\_\_\_

**MONTGOMERY COUNTY, MARYLAND**, a body politic and corporate and political subdivision of the State of Maryland (the "County"), for value received, hereby promises to pay, but only from Pledged Revenues (defined herein) and other amounts pledged to such payment under the Trust Agreement (defined herein) to the Registered Owner shown above or its registered assigns or legal representative, on the Maturity Date set forth above (or earlier as hereinafter referred to), upon the presentation and surrender hereof at the designated office (the "Designated Office") of the Trustee (defined herein), the Principal Amount shown above (or such lesser amount as shall be outstanding hereunder from time to time in accordance with Section 5 hereof), with interest thereon from the most recent date to which interest has been paid, or if the Date of Authentication shown below is prior to the first Interest Payment Date (defined herein), from the Dated Date set forth above at the Interest Rate shown above until said Principal Amount is paid, payable on \_\_\_\_\_ 1, 20\_\_, and semiannually thereafter on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 of each year (each, an "Interest Payment Date").

The Bonds are authorized to be issued pursuant to (i) Chapter 20, Sections 20-47 through 20-54 (the "Revenue Bond Act") and Chapter 48 (the "Solid Waste Act") of the Montgomery County Code, as amended; (ii) Council Resolution No. \_\_\_\_ passed by the County Council of the County on

\_\_\_\_\_, 20\_\_ and approved by the County Executive of the County and effective on \_\_\_\_\_, 20\_\_ (the “Bond Ordinance”); and (iii) the Charter of the County (the “Charter” and together with the Revenue Bond Act, the Solid Waste Act, and the Bond Ordinance, the “Authorizing Legislation”); and (iv) an Executive Order of the County Executive issued on \_\_\_\_\_, 20\_\_ (the “Order”).

All interest due on this Bond shall be payable to the person in whose name this Bond is registered on the Bond registration books maintained by U.S. Bank Trust Company, National Association, as trustee and registrar and paying agent (such entity and any successors being referred to herein as the “Trustee”), as of the close of business on the fifteenth (15<sup>th</sup>) day of the calendar month immediately preceding any Interest Payment Date (as defined in the Trust Agreement) for the payment of such interest.

The principal or redemption price of and interest on this Bond are payable in lawful money of the United States of America or by check payable in such money. If any payment of the principal or redemption price of or interest on this Bond shall be due on a day other than a Business Day (defined herein), such payment shall be made on the next Business Day with like effect as if made on the originally scheduled date. A “Business Day” means a day other than (i) a Saturday, a Sunday, or legal holiday (ii) a day on which commercial banks in the State of Maryland, in the State of New York, or in the city in which the Designated Office of the Trustee is located are authorized or obligated to remain closed, or (iii) a day on which the New York Stock Exchange is closed.

THIS BOND, TOGETHER WITH INTEREST AND PREMIUM, IF ANY, THEREON IS NOT A GENERAL OBLIGATION OF THE COUNTY, BUT IS A SPECIAL LIMITED OBLIGATION PAYABLE SOLELY FROM THE PLEDGED REVENUES. THE COUNTY SHALL NOT BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST OR PREMIUM, IF ANY, ON THE BONDS, OR OTHER COSTS INCIDENT THERETO, EXCEPT AS HEREIN PROVIDED.

NEITHER THE FAITH AND CREDIT OF THE STATE, THE COUNTY, OR ANY OTHER AGENCY OR INSTRUMENTALITY OF THE STATE OR ANY POLITICAL, SUBDIVISION OF THE STATE, NOR THE TAXING POWER OF THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, OR INTEREST OR PREMIUM, IF ANY, ON THE BONDS, OR OTHER COSTS INCIDENT THERETO. THE BONDS AND ANY INTEREST OR PREMIUM, IF ANY, THEREON SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE COUNTY, STATE, OR ANY AGENCY, INSTRUMENTALITY OR POLITICAL SUBDIVISION OF THE STATE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISIONS WHATSOEVER.

1. Trust Agreement; Pledged Revenues. This bond (this “Bond”) is one of a duly authorized series of revenue bonds of the County aggregating \_\_\_\_\_ Dollars (\$\_\_\_\_\_) in principal amount, known as “Montgomery County, Maryland, Solid Waste System Revenue Bonds, Series 20\_\_ (the “Bonds”), duly authorized and issued by the County under and pursuant to the Authorizing Legislation and the Order (ii) certain proceedings of the County, (iii) and the Trust Agreement, dated as of June 1, 2025 (as amended and supplemented, the “Trust Agreement”), by and between the County and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), to finance and refinance the cost of certain solid waste facilities, to fund the Debt Service Reserve Fund (as defined in the Trust Agreement) in the amount of the Debt Service Reserve Fund Requirement (as defined in the Trust Agreement), and to pay certain costs of issuance.

This Bond is payable as to principal, interest, and premium, if any, solely from the Pledged Revenues (as defined in the Trust Agreement). So long as any Bond is outstanding and unpaid, the County has covenanted in the Authorizing Legislation and the Trust Agreement to collect the System Benefit Charges (as defined in the Trust Agreement), in rate and amount which shall be sufficient to make payments on the Bonds and any Additional Bonds issued under the Trust Agreement interest (except for capitalized interest) in such Fiscal Year (as defined in the Trust Agreement) or any succeeding Fiscal Year.

The terms of the Bonds include those stated in the Trust Agreement and the Bonds are subject to all such terms. Reference is hereby made to the Trust Agreement for a description of the funds, revenues and charges pledged thereunder, the nature and extent of the security created or to be created, and the rights, limitations of rights, obligations, duties and immunities of the County, the Trustee and the rights of the registered owners of the Bonds. By the acceptance of this Bond, the Registered Owner hereof assents to all of the provisions of the Trust Agreement. Certified copies of the Trust Agreement are on file at the Designated Office of the Trustee and at the offices of the County in Rockville, Maryland. All capitalized terms used, but not defined herein, are defined in the Trust Agreement and are used herein in the same manner and with the same meaning as in the Trust Agreement.

2. Interest. The Bonds shall bear interest pursuant to the Trust Agreement.

3. Authorized Denominations. The Bonds are issuable as fully registered bonds without coupons in denominations of \$5,000 and any integral multiple thereof.

4. Additional Bonds. The Trust Agreement provides that Additional Bonds may be issued within the limitations and provisions of the Trust Agreement. All Bonds issued within the limitations and provisions of the Trust Agreement shall be secured equally and ratably by the Pledged Revenues and other moneys pledged by the County, to the extent provided in the Trust Agreement.

5. Redemption.

(a) The Bonds are subject to optional and mandatory redemption prior to maturity as provided in the Trust Agreement.

(b) Notice of Redemption. The Trustee shall mail notice of any redemption at least twenty (20) days prior to the redemption date to the registered owners of the Bonds to be redeemed at their addresses as they appear on the registration books maintained by the Trustee. The failure so to mail any such notice to any of such registered owners shall not affect the validity of the proceedings for the redemption of any Bonds.

(c) Effect of Call for Redemption. On the date designated for redemption, if all conditions, if any, to such redemption shall have been satisfied, the Bonds or portions of Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds or such portions thereof on such date and, if moneys for the payment of the redemption price and accrued interest are held by the Trustee as provided in the Trust Agreement, interest on such Bonds or such portions thereof so called for redemption shall cease to accrue, such Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the

Trust Agreement, and the registered owners thereof shall have no rights in respect of such Bonds or such portions thereof so called for redemption except to receive payment of the redemption price thereof and the accrued interest thereon so held by the Trustee. If a portion of this Bond shall be called for redemption, a new Bond or Bonds in the aggregate principal amount equal to the unredeemed portion hereof, of the same series and maturity and bearing interest at the same rate, shall be issued to the registered owner upon the surrender hereof.

(d) Provisions Applicable to Book-Entry Bonds. So long as all of the Bonds shall be maintained in book-entry form with a Securities Depository (as defined in the Trust Agreement) in accordance with the Trust Agreement, in the event that part, but not all, of this Bond shall be called for redemption, the holder of this Bond may elect not to surrender this Bond in exchange for a new Bond in accordance with paragraph (c) above and in such event shall make a notation indicating the principal amount of such redemption and the date thereof on the Payment Grid attached hereto. For all purposes, the principal amount of this Bond outstanding at any time shall be equal to the Principal Sum shown on the face hereof reduced by the principal amount of any partial redemption of this Bond following which the holder of this Bond has elected not to surrender this Bond in accordance with paragraph (c) above. The failure of the owner hereof to note the principal amount of any partial redemption on the Payment Grid attached hereto, or any inaccuracy therein, shall not affect the payment obligation of the County hereunder. **THEREFORE, IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER A PART OF THE PRINCIPAL OF THIS BOND HAS BEEN PAID.**

6. Defeasance. The Trust Agreement prescribes the manner in which it may be discharged and provides that Bonds shall be deemed to be paid if moneys or certain Government Obligations (as defined in the Trust Agreement), the principal of and interest on which, when due, will be sufficient to pay the principal or redemption price of and interest on such Bonds to the date of maturity or redemption thereof, shall have been deposited with the Trustee.

7. Persons Deemed Owners; Restrictions upon Actions by Individual Owners. The County and the Trustee may deem and treat the person in whose name this Bond is registered as the absolute owner hereof (whether or not this Bond shall be overdue and notwithstanding any notation of ownership or other writing hereon made by anyone other than the County or the Trustee) for the purpose of receiving payment of or on account of the principal or redemption price of this Bond, and for all other purposes except as otherwise provided herein with respect to the payment of interest on this Bond, and neither the County nor the Trustee shall be affected by any notice to the contrary. All such payments so made to any such registered owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable under this Bond.

The registered owner of this Bond shall have no right to enforce the provisions of the Trust Agreement, or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Trust Agreement, or to institute, appear in or defend any suit or other proceeding with respect hereto, except as provided in the Trust Agreement.

8. Transfer and Exchange. This Bond may be exchanged for an equal, aggregate principal amount of Bonds, of the same maturity and bearing interest at the same rate and of other authorized denominations, and the transfer of this Bond may be registered, upon presentation and surrender of this Bond at the Designated Office of the Trustee, together with an assignment duly executed by the registered owner hereof or such owner attorney or legal representative. The County and the Trustee may

require the person requesting any such exchange or transfer to reimburse them for any tax or other governmental charge payable in connection therewith. Neither the County nor the Trustee shall be required to register the transfer of this Bond or make any such exchange of this Bond after this Bond or any portion thereof has been selected for redemption.

9. Modifications. Modifications or alterations of the Trust Agreement may be made only to the extent and in the circumstances permitted by the Trust Agreement.

10. Negotiability. As declared by the Authorizing Legislation, this Bond shall be and be deemed to be for all purposes a negotiable instrument subject only to the provisions for registration and registration of transfer stated herein.

11. Governing Law. This bond shall be governed by and construed in accordance with the laws of the State of Maryland.

12. Notices. Except as otherwise provided in the Trust Agreement, when the Trustee is required to give notice to the owner of this Bond, such notice shall be mailed by first-class mail to the registered owner of this Bond at such owner's address as it appears on the registration books maintained by the Trustee. Any notice mailed as provided herein will be conclusively presumed to have been given, whether or not actually received by the addressee.

All acts, conditions and things required by the Constitution and laws of the State of Maryland and the Authorizing Legislation to happen, exist and be performed precedent to and in the issuance of this Bond and the execution and delivery of the Trust Agreement have happened, exist and have been performed as so required.

None of the employees or officers of the County executing this Bond shall be liable personally for the payment of the principal or redemption price of and interest on this Bond or be subject to any personal liability or accountability for any claims based thereon or on the Trust Agreement against any employee or officer of the County or any person executing this Bond, all such personal liability, if any, being expressly waived and released by the registered owner of this Bond by the acceptance of this Bond.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Trust Agreement until it shall have been authenticated by the execution by the Trustee of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, MONTGOMERY COUNTY, MARYLAND has caused this Bond to be executed in its name by the manual or facsimile signature of its County Executive and a facsimile of its Seal to be imprinted or otherwise reproduced hereon, attested by the manual or facsimile signature of its Director of Finance, all as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_.

[SEAL]

MONTGOMERY COUNTY, MARYLAND

ATTEST:

By:\_\_\_\_\_

Marc Elrich  
County Executive

By:\_\_\_\_\_

Michael J. Coveyou  
Director of Finance

**CERTIFICATE OF AUTHENTICATION**

This bond is the bond of the series referred to in the within-mentioned Trust Agreement.

Date of Authentication:

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION, as Trustee**

By: \_\_\_\_\_

## PAYMENT GRID

**EXHIBIT B TO  
TRUST AGREEMENT**

**FORM OF REQUISITION**

Requisition Number: \_\_\_\_\_

Amount Requested: \$\_\_\_\_\_

Total Disbursements to Date: \_\_\_\_\_

1. The undersigned, the County Representative, hereby requests and authorizes U.S. Bank Trust Company, National Association, as Trustee under the Trust Agreement dated as of June 1, 2025 (as so amended and supplemented, the “Trust Agreement”), relating to the Montgomery County, Maryland Solid Waste System Revenue Bonds, Series 20[\_\_\_\_], to pay to or upon the order of the County the amount specified above for the payment or reimbursement of Costs of the Project all as more fully described on the attached disbursement schedule in Exhibit 1.
2. The bills, invoices, statements of account or other explanation for each obligation referenced in Exhibit 1 are attached to Exhibit 1.
3. The County hereby certifies that each obligation mentioned in Exhibit 1 has been properly incurred, is a proper charge against the Series 20[\_\_\_\_] Construction Fund Subaccount and has not been the basis of any previous disbursement.
4. All capitalized terms herein shall have the meanings assigned to them in the Trust Agreement.

MONTGOMERY COUNTY, MARYLAND

By: \_\_\_\_\_  
County Representative

Dated: \_\_\_\_\_, 20\_\_\_\_

**EXHIBIT 1**  
**TO REQUISITION DISBURSEMENT SCHEDULE**

To Requisition No. \_\_\_\_ for the Construction Fund Subaccount relating to the Montgomery County, Maryland Solid Waste System Revenue Bonds, Series 20[\_\_\_\_].

1. Amount:

Pay to:

Address of Payee:

For Account of:

Account Number:

Purpose:

**EXHIBIT C TO  
TRUST AGREEMENT**

**TRUSTEE FEE SCHEDULE**

See attached.

# MONTGOMERY COUNTY EXECUTIVE ORDER

Offices of the County Executive • 101 Monroe Street • Rockville, Maryland 20850

Subject	Executive Order No.	Subject Suffix
Authorizing the issuance of the Montgomery County, Maryland Solid Waste System Revenue Bonds, Series 2025A	107-25	
Department	Department No.	Effective Date
Department of Finance	B414-25	June 24, 2025

## EXHIBIT B

### FIRST SUPPLEMENT

[See attached]

---

---

**MONTGOMERY COUNTY, MARYLAND**

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,  
as Trustee**

---

**FIRST SUPPLEMENTAL TRUST AGREEMENT**

dated as of June 1, 2025

---

**\$39,360,000  
MONTGOMERY COUNTY, MARYLAND  
SOLID WASTE SYSTEM REVENUE BONDS  
SERIES 2025A**

---

---

## TABLE OF CONTENTS

	<u>Page</u>
<b>ARTICLE I</b>	
<b>DEFINITIONS AND RULES OF CONSTRUCTION</b>	
Section 1.01. Definitions.....	2
Section 1.02. Rules of Construction. ....	3
<b>ARTICLE II</b>	
<b>AUTHORIZATION AND DETAILS OF SERIES 2025A BONDS</b>	
Section 2.01. Series 2025A Bonds Authorized.....	3
Section 2.02. Details and Form of Series 2025A Bonds.....	4
Section 2.03. Conditions Precedent to Issuance of Series 2025A Bonds. ....	4
<b>ARTICLE III</b>	
<b>REDEMPTION OF SERIES 2025A BONDS BEFORE MATURITY</b>	
Section 3.01. Partial Optional Redemption of Series 2025A Bonds. ....	5
Section 3.02. In Whole Optional Redemption of Series 2025A Bonds.....	6
Section 3.03. Mandatory Sinking Redemptions .....	6
<b>ARTICLE IV</b>	
<b>FUNDS AND ACCOUNTS; PROCEEDS OF THE SERIES 2025A BONDS</b>	
Section 4.01. Extension of Pledge of Trust Estate; Source of Payment of the Series 2025A Bonds. ....	7
Section 4.02. Creation of Subaccounts for Series 2025A Bonds.....	7
Section 4.03. Application of Proceeds of the Series 2025A Bonds.....	7
Section 4.04. Use of Proceeds of the Series 2025A Bonds Deposited in Series 2025A Construction Fund Subaccount.....	8
Section 4.05. Use of Proceeds of the Series 2025A Bonds Remaining in Series 2025A Construction Fund Subaccount.....	9
<b>ARTICLE V</b>	
<b>MISCELLANEOUS</b>	
Section 5.01. Execution in Several Counterparts. ....	9
Section 5.02. Severability .....	9
Section 5.03. Application of Provisions of Trust Agreement. ....	9
Section 5.04. Captions. ....	9
Section 5.05. Additional Special Terms .....	10
Section 5.06. USA Patriot and Freedom Act Compliance.....	10
Exhibit A – Form of Series 2025A Bond	
Exhibit B – Form of Requisition	
Exhibit C – Lender Terms and Conditions	

## **FIRST SUPPLEMENTAL TRUST AGREEMENT**

**THIS FIRST SUPPLEMENTAL TRUST AGREEMENT** dated as of June 1, 2025 (this “First Supplement”) and effective as of the date of delivery by the parties, is by and between the **MONTGOMERY COUNTY, MARYLAND** (the “County”), and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association, as trustee (the “Trustee”) under the Trust Agreement (as defined herein).

### **RECITALS**

I. The County is authorized pursuant to Chapter 20, Sections 20-47 through 20-54 (the “Revenue Bond Act”) and Chapter 48 of the Montgomery County Code, as amended (the “Solid Waste Act”), and Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2024 Supplement), to issue special project revenue bonds for the purpose of financing and refinancing all or any part of the costs of solid waste facilities (as defined in the Solid Waste Act) and to secure such revenue bonds by a trust agreement, which may pledge and assign all or any part of the revenues of solid waste facilities to secure such revenue bonds.

II. The County has determined to authorize the issuance, sale and delivery of its \$39,360,000 Solid Waste System Revenue Bonds, Series 2025A (the “Series 2025A Bonds”) to Capital One Public Funding, LLC (together with its successors and assigns, the “Lender”), in order to finance and refinance (i) the Costs (as defined in the Trust Agreement) of certain improvements, enhancements, and acquisitions relating to the remediation of low-level environmental contamination at the Gude Landfill and any designated improvements to other facilities relating to the development of a passive use at the Gude Landfill and (ii) the payment of costs of issuance of the Series 2025A Bonds (the “2025 Project”).

III. The County and the Trustee are entering into this First Supplement in order to provide for the issuance of the Series 2025A Bonds pursuant to the Trust Agreement.

IV. **THE SERIES 2025A BONDS, TOGETHER WITH THE INTEREST THEREON, ARE LIMITED OBLIGATIONS OF THE COUNTY PAYABLE SOLELY FROM THE TRUST ESTATE (AS DEFINED IN THE TRUST AGREEMENT). NEITHER THE STATE OF MARYLAND (THE “STATE”), NOR ANY POLITICAL SUBDIVISION OF THE STATE, NOR THE COUNTY SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THE SERIES 2025A BONDS EXCEPT FROM THE PLEDGED REVENUES AND THE TRUST ESTATE (AS DEFINED IN THE TRUST AGREEMENT). THE SERIES 2025A BONDS ARE NOT A DEBT, LIABILITY OR PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE STATE, ANY POLITICAL SUBDIVISION OF THE STATE OR THE COUNTY AND MAY NOT GIVE RISE TO ANY PECUNIARY LIABILITY OF THE STATE, ANY POLITICAL SUBDIVISION OF THE STATE OR THE COUNTY. THE ISSUANCE OF THE SERIES 2025A BONDS IS NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY A MORAL OR OTHER OBLIGATION OF THE STATE, ANY POLITICAL SUBDIVISION OF THE STATE OR THE COUNTY TO LEVY OR PLEDGE ANY TAX OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT.**

**NOW THEREFORE**, in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Trustee do hereby agree that the Trust Agreement shall be amended and supplemented as follows:

## **ARTICLE I** **DEFINITIONS AND RULES OF CONSTRUCTION**

### **Section 1.01. Definitions.**

Terms used in this First Supplement and the Exhibits attached hereto and not defined herein shall have the respective meanings given such terms in the Trust Agreement. In addition to terms defined elsewhere herein, as used in the Trust Agreement and this First Supplement, unless a different meaning clearly appears from the context, the following terms shall have the meanings indicated below:

**“First Supplement”** means this First Supplemental Trust Agreement, as amended and supplemented from time to time.

**“Default”** means any event or condition that, with the giving of any notice, would be an Event of Default.

**“Event of Taxability”** means the circumstance of all or any portion of the interest paid or payable on the Series 2025A Bond being or becoming includable, in whole or in part, in the gross income of a Holder or any former Holder for federal income tax purposes, as a result or consequence of any act or omission of the County whatsoever, including, without limitation, the taking of any action by the County, or the failure to take any action by the County, or the making by the County of any misrepresentation in the Trust Agreement, herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Series 2025A Bond. An Event of Taxability shall be presumed to have occurred upon (a) the receipt by a Holder or the County of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency or other written correspondence of the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time, including but not limited to the Internal Revenue Service or the Director of Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the Internal Revenue Service, or any other government official exercising the same or a substantially similar function from time to time, including an employee subordinate to one of these officers who has been authorized to provide such advice) which indicates that all or any portion of the interest paid or payable on the Series 2025A Bond is includable in the gross income of the owner thereof; (b) the issuance of any public or private ruling of the Internal Revenue Service that all or any portion of the interest paid or payable on the Series 2025A Bond is includable in the gross income of the owner thereof; or (c) receipt by a Holder or the County of a written opinion of a nationally recognized firm of attorneys experienced in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, to the effect that all or any portion of the interest paid or payable on the Series 2025A Bond is includable in the gross income of the owner thereof. For all purposes of this definition, an Event of Taxability shall be deemed to occur on the date as of which interest paid or payable on the Series 2025A Bond is deemed includable in the gross income of the owner

thereof for Federal income tax purposes; *provided, however*, no Event of Taxability shall occur if within one hundred eighty (180) days of such Event of Taxability, the County shall deliver to such Holder or such former Holder, as applicable, a ruling or determination letter issued to or on behalf of the County by the Commissioner of the Internal Revenue Service or the Director of Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the Internal Revenue Service (or any other government official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for such Event of Taxability, that an Event of Taxability shall not have occurred; *provided further, however*, that upon demand from a Holder or former Holder, the County shall promptly reimburse, such Holder or former Holder for any payments, including any taxes, interest, penalties or other charges, such Holder (or former Holder) shall be obligated to make as a result of the Event of Taxability. The County will not make any reimbursement of interest, penalties, payments, or other charges that the Holder made voluntarily without an obligation to make such payments.

**“Requisition”** means a written request for a disbursement from the Construction Fund, signed by a County Representative, substantially in the form attached hereto as Exhibit B to this First Supplement satisfactorily completed as contemplated by said form.

**“Series 2025A Interest Payment Date”** means each June 1 and December 1, commencing on December 1, 2025.

**“Trust Agreement”** means the Trust Agreement dated as of June 1, 2025, by and between the County and the Trustee, as amended and supplemented by this First Supplement, as the same may be further amended and supplemented from time to time.

### **Section 1.02. Rules of Construction.**

Any reference to a particular Article, Section or Exhibit shall be to such Article, Section or Exhibit of this First Supplement unless the context shall otherwise require. In all other respects, the rules set forth in Section 1.02 of the Trust Agreement shall apply to the construction of this First Supplement.

## **ARTICLE II**

### **AUTHORIZATION AND DETAILS OF SERIES 2025A BONDS**

#### **Section 2.01. Series 2025A Bonds Authorized**

There is hereby authorized the issuance of one Series of Bonds constituting special limited obligations of the County, in the maximum principal amount of Thirty-Nine Million Three Hundred and Sixty Thousand Dollars (\$39,360,000) designated “Montgomery County, Maryland Solid Waste System Revenue Bonds, Series 2025A,” for the purpose of (i) financing and refinancing the Costs of certain improvements, enhancements, and acquisitions relating to the remediation of low-level environmental contamination at the Gude Landfill and any designated improvements to other facilities relating to the development of a passive use at the Gude Landfill and (ii) the payment of costs of issuance of the Series 2025A Bonds.

## **Section 2.02. Details and Form of Series 2025A Bonds.**

The Series 2025A Bond shall be issued as a fully registered bond without coupons in denomination of the aggregate principal amount of such Series 2025A Bond outstanding, and shall bear interest at the rate of 4.860% per annum (calculated on the basis of a 360-day year consisting of twelve 30-day months) payable semiannually on each Series 2025 Interest Payment Date until the principal amount thereof has been paid; provided that on and after an Event of Taxability, the Series 2025A Bonds shall bear interest at a taxable rate of 6.42% per annum. The principal amount of the Series 2025A Bond shall be payable as set forth in the Series 2025A Bond, a copy of which is attached hereto as Exhibit A, and the Trust Agreement, the provisions of each of which shall be as though set forth in full and incorporated herein. The record date for the payment of such principal and interest shall be the Business Day immediately preceding the Series 2025A Interest Payment Date. The County shall promptly provide to the Trustee a copy of any reamortized payment schedule relating to the Series 2025A Bond.

The Series 2025A Bond shall not be (i) assigned a separate rating by any municipal securities rating agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of offering document or official statement, or (iv) assigned a CUSIP number.

## **Section 2.03. Conditions Precedent to Issuance of Series 2025A Bonds.**

In accordance with Section 2.03 of the Trust Agreement, the Series 2025A Bonds shall be executed by the County and delivered to the Trustee, whereupon the Trustee shall authenticate the Series 2025A Bonds and deliver the Series 2025A Bonds upon the request and authorization of the County referred to below, but only upon delivery to the Trustee of each of the following items:

- (a) an executed counterpart of this First Supplement;
- (b) an executed counterpart of the Trust Agreement;
- (c) a copy of the resolutions adopted by the County, authorizing the issuance of the Series 2025A Bonds in the amount specified therein and providing for the application of the proceeds thereof;
- (d) a written order of the County directing the authentication and delivery of the Series 2025A Bonds, describing the Series 2025A Bonds, designating the purchaser of the Series 2025A Bonds, stating the purchase price of the Series 2025A Bonds and stating that all items required by Section 2.03 of the Trust Agreement are herewith delivered to the Trustee in form and substance satisfactory to the County;
- (e) a general certificate of the County;
- (f) a certificate signed by a County Representative, stating that no Event of Default under the Trust Agreement has occurred and is continuing;
- (g) an opinion of Bond Counsel addressed to the Lender and the Trustee, or with a reliance letter(s) to the Lender and the Trustee, and dated the date of issuance of the Series

2025A Bond to the effect that (i) the Trust Agreement and this First Supplement authorizing the issuance of the Series 2025A Bonds has been duly authorized, executed and delivered by the County and assuming proper authorization, execution and delivery by the other parties thereto, each constitutes the valid and binding obligation of the County, (ii) the County is duly authorized and entitled to issue the Series 2025A Bonds, (iii) the Series 2025A Bonds have been duly and validly issued and constitute valid and binding limited obligations of the County, (iv) the execution and delivery by the County of the Trust Agreement and this First Supplement and the performance by the County of its obligations thereunder and hereunder and, when executed and delivered, the Series 2025A Bonds do not and will not violate the Constitution or laws of the State, (v) the Series 2025A Bonds are special obligations of the County payable from and secured by the Pledged Revenues, the Pledged Funds and the Trust Estate under the Trust Agreement (the “Collateral”) and the Series 2025A Bonds are payable from and secured by the Collateral, (vi) the Trust Agreement creates an irrevocable pledge of and charge and lien on the Collateral to secure the payment of the Series 2025A Bonds, (vii) the County has taken all actions, and has obtained any approvals, necessary to the authorization, execution, delivery, and performance by the County of the Trust Agreement, this First Supplement and the Series 2025A Bonds, and (viii) the interest on the Series 2025A Bonds is excludable from gross income for federal income tax purposes and excludable from State income tax;

(h) a request and authorization to the Trustee on behalf of the County to authenticate and deliver the Series 2025A Bonds to the purchasers therein identified upon payment to the Trustee, for the account of the County, of a sum specified in such request and authorization;

(i) a Lender Letter executed by the Lender; and

(j) a closing memorandum dated the date of issuance of the Series 2025A Bonds (the “Closing Memorandum”) with wire instructions for the Lender’s wire of the purchase price of the Series 2025A Bonds.

The County hereby finds and determines that all of the conditions precedent to the issuance of the Series 2025A Bonds under the Trust Agreement, set forth in Section 2.03 of the Trust Agreement, have been satisfied.

### **ARTICLE III REDEMPTION OF SERIES 2025A BONDS BEFORE MATURITY**

#### **Section 3.01. Partial Optional Redemption of Series 2025A Bonds.**

The Series 2025A Bonds are not subject to partial redemption at the option of the County prior to August 28, 2025. On or after August 28, 2025, the County may, at its option, once a calendar year, redeem a portion of the Series 2025A Bonds, in an amount not to exceed 80% of the aggregate principal amount of the Series 2025A Bonds then outstanding (but never more, individually or collectively, in the aggregate to exceed 80% of the original Principal Amount of the Series 2025A Bonds), by paying to the Holder of the Series 2025A Bonds, 100% of the principal amount so redeemed and the accrued interest thereon to the date of redemption. The County will provide the Lender of the Series 2025A Bonds with written notice of such optional redemption, under this Section 3.01, not less than 45 days and not more than 60 days prior to the date fixed for such redemption, unless the County and the Lender agree to another time period in writing. Such redemption notice shall contain the information required by Section 3.02 of the

Trust Agreement, and shall specify such date (which shall be a Business Day), the aggregate principal amount of the Series 2025A Bonds to be redeemed on such date, the principal amount of each Series 2025A Bond held by the Lender to be redeemed, and the interest to be paid on the redemption date with respect to such principal amount being redeemed. In the event of any optional prepayment of the Series 2025A Bonds in part, Sections 3.01 and 3.04 of the Trust Agreement shall not apply and if there is more than one Holder of the Series 2025A Bonds, the Series 2025A Bonds will be redeemed on a pro-rata basis amongst the Holders. Any partial redemption shall be applied either in inverse order or pro-rata across all remaining principal payments for the outstanding Series 2025A Bonds. The Lender shall promptly provide to the County and the Trustee a copy of any reamortized payment schedule relating to the Series 2025A Bond reflecting such partial redemption.

### **Section 3.02. In Whole Optional Redemption of Series 2025A Bonds.**

(a) The Series 2025A Bonds are not subject to redemption in whole at the option of the County prior to June 28, 2030. Subject to the last sentence of this Section 3.02(a), on and after June 28, 2030, the Series 2025A Bonds are subject to redemption in whole at the option of the County, at a redemption price equal to 100% of the principal amount of the Series 2025A Bonds to be redeemed (the “Principal Amount to Be Redeemed”) plus accrued interest thereon to the date fixed for redemption, on any date (the “Initial Call Date”) upon no less than thirty (30) days prior written notice to the Holders of the Series 2025A Bonds. The Principal Amount to Be Redeemed of the Series 2025A Bonds to be redeemed in whole pursuant to this Section 3.02(a), shall be redeemed as follows: (a) 95% of the Principal Amount to Be Redeemed shall be redeemed on the Initial Call Date and (b) the remaining 5% of the Principal Amount to Be Redeemed shall be redeemed 60 days after the Initial Call Date, unless the County and the Lender agree to another time period in writing.

(b) The County will provide the Lender of the Series 2025A Bonds written notice of redemption under this Section 3.02 not less than 30 days and not more than 60 days prior to the date fixed for such redemption, unless the County and the Lender agree to another time period in writing. Each such notice shall specify (i) the Initial Call Date (which shall be a Business Day), (ii) the Principal Amount to Be Redeemed to be redeemed on the Initial Call Date, (iii) the interest to be paid on the Initial Call Date with respect to such principal amount being redeemed, (iv) the principal amount of the remaining 5% of the Principal Amount to Be Redeemed, (v) the date that is 60 days after the Initial Call Date and (vi) the interest to be paid on such remaining 5% of the Principal Amount to Be Redeemed on the date that is 60 days after the Initial Call Date unless the County and the Lender agree to another time period in writing.

### **Section 3.03. Mandatory Sinking Fund Redemptions.**

The principal amount of the Series 2025A Bonds shall subject to mandatory sinking fund redemption on the following dates and in the following amounts:

Principal Payment Date (June 1)	Principal Amount	Principal Payment Date (June 1)	Principal Amount
2026	\$1,120,000	2036	\$1,945,000
2027	1,270,000	2037	2,040,000
2028	1,330,000	2038	2,140,000

2029	1,395,000	2039	2,245,000
2030	1,465,000	2040	2,355,000
2031	1,535,000	2041	2,465,000
2032	1,610,000	2042	2,585,000
2033	1,690,000	2043	2,715,000
2034	1,770,000	2044	2,845,000
2035	1,855,000	2045	2,985,000

Prior to the final maturity date of the Series 2025A Bonds, payments of principal of and interest on the Series 2025A Bonds will be payable without presentation and surrender thereof.

## **ARTICLE IV** **FUNDS AND ACCOUNTS; PROCEEDS OF THE SERIES 2025A BONDS**

### **Section 4.01. Extension of Pledge of Trust Estate; Source of Payment of the Series 2025A Bonds.**

Without limiting the generality of the grant of the Trust Estate contained in the Trust Agreement to secure the payment of the principal of, premium, if any, and interest on the Series 2025A Bonds according to their tenor and effect and to secure the performance and observance by the County of all the covenants in the Trust Agreement, express or implied, and in the Series 2025A Bonds, the County, pursuant to the Trust Agreement, hereby expressly extends the pledge of the Trust Estate to the Series 2025A Bonds and any other Additional Bonds so that the Trust Estate is held by the Trustee for the equal and proportionate benefit and security of all present and future holders of the Series 2025A Bonds and any other Additional Bonds, and for enforcement of the payment of the Series 2025A Bonds and any other Additional Bonds and interest thereon, in accordance with their terms, and all other sums payable under the Trust Agreement or on such Bonds, and for the performance and compliance with the obligations, covenants and conditions of the Trust Agreement, as if all of the Series 2025A Bonds and all other Additional Bonds at any time Outstanding had been authenticated, executed and delivered simultaneously with the original execution and delivery of the Trust Agreement, all as set forth in the Trust Agreement.

The Series 2025A Bonds are not general obligations of the County but are limited obligations payable solely from funds, revenues and receipts derived from the Trust Estate as provided in the Trust Agreement.

### **Section 4.02. Creation of Subaccounts for Series 2025A Bonds.**

Pursuant to Section 4.01 of the Trust Agreement, the Trustee shall create a Series 2025A Pledged Revenues Subaccount within the Pledged Revenues Fund, a Series 2025A Construction Fund Subaccount within the Construction Fund, a Series 2025A Interest Subaccount and Series 2025A Principal Subaccount within the Bond Fund, and a Series 2025A Redemption Fund Subaccount within the Redemption Fund.

### **Section 4.03. Application of Proceeds of the Series 2025A Bonds.**

(a) The proceeds of the Series 2025A Bonds in the amount of \$39,360,000 shall be received by the Trustee from the Lender for the Series 2025A Bonds on behalf of the County and

held by the Trustee in trust within the Series 2025A Construction Fund Subaccount subject to and in accordance with the terms and conditions of the Trust Agreement.

(b) Upon receipt of the proceeds of the Series 2025A Bonds, the Trustee shall allocate and deposit such proceeds as follows in accordance with the provisions hereof and the Closing Memorandum:

(i) \$27,718,482.38 of the proceeds of the Series 2025A Bonds deposited into the Series 2025A Construction Fund Subaccount shall be delivered to the County pursuant to the instructions set forth in the Closing Memorandum.

(ii) Funds remaining in the Series 2025A Construction Fund shall be disbursed to the County, or at the direction of the County, pursuant to and in accordance with Requisitions submitted to the Trustee by the County.

(c) Upon the occurrence of a failure to pay principal of or interest on the Series 2025A Bonds when due or an Event of Default described in Section 7.01(a), (b), (f) or (g) of the Trust Agreement, amounts remaining in the Series 2025A Construction Fund Subaccount shall be applied to repay the Series 2025A Bonds in the manner described in Section 7.03 of the Trust Agreement.

**Section 4.04. Use of Proceeds of the Series 2025A Bonds Deposited in Series 2025A Construction Fund Subaccount.**

(a) Except as otherwise expressly provided in this First Supplement, money in the Series 2025A Construction Fund Subaccount shall be used to finance, refinance or reimburse any Costs of certain improvements, enhancements, and acquisitions relating to the remediation of low-level environmental contamination at the Gude Landfill and any required improvements to other facilities relating to the Gude Landfill and pay costs of issuance of the Series 2025A Bonds.

(b) The Trustee is authorized and directed to make disbursements from the Series 2025A Construction Fund Subaccount pursuant to and in accordance with Requisitions submitted to the Trustee by the County to finance, refinance or reimburse Costs of certain improvements, enhancements, and acquisitions relating to the remediation of low-level environmental contamination at the Gude Landfill and any required improvements to other facilities relating to the Gude Landfill and pay costs of issuance of the Series 2025A Bonds, and to issue checks, drawn on the Construction Fund, for those disbursements, unless a different method of payment is requested by the County.

## **Section 4.05. Use of Proceeds of the Series 2025A Bonds Remaining in Series 2025A Construction Fund Subaccount.**

So long as no Default or Event of Default has occurred or is continuing, any amounts remaining in the Series 2025A Construction Fund Subaccount following the Trustee's receipt of a certification from the County of the completion of the 2025 Project shall be transferred to the Series 2025A Interest Subaccount or the Series 2025A Principal Subaccount maintained for the Series 2025A Bonds, as directed by the County.

## **ARTICLE V MISCELLANEOUS**

### **Section 5.01. Execution in Several Counterparts.**

This First Supplement may be executed in any number of counterparts, each of which shall be deemed to be an original for all purposes, and all such counterparts shall together constitute but one and the same instrument. Any counterpart executed by a party and delivered by Electronic Means shall be effective as an original. Any party delivering a counterpart of this First Supplement by Electronic Means shall forthwith deliver the original of such counterpart by one of the other methods permitted under the Trust Agreement for the giving of notices thereunder; provided, however, that failure by such party to do so shall not impair the effectiveness of the counterpart delivered by electronic means.

### **Section 5.02. Severability.**

If any clause, provision or section of this First Supplement is held illegal or invalid by any court, the invalidity of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections hereof, and this First Supplement shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained herein. In case any agreement or obligation contained in this First Supplement is held to be in violation of law, such agreement or obligation shall nevertheless be determined to be the agreement or obligation of the County or the Trustee, as the case may be, to the full extent permitted by law.

### **Section 5.03. Application of Provisions of Trust Agreement.**

The provisions of this First Supplement are intended to supplement those of the Trust Agreement as in effect immediately prior to the execution and delivery hereof. The Trust Agreement shall remain in full force and effect and the provisions of the Trust Agreement shall apply with like force and effect to the Series 2025A Bonds except to the extent that the provisions of the Trust Agreement are expressly modified, or their application expressly limited by the terms of this First Supplement.

### **Section 5.04. Captions.**

The captions or headings in this First Supplement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this First Supplement.

### **Section 5.05. Additional Special Terms.**

The County further covenants and agrees to the terms set forth in Exhibit C attached hereto and incorporated herein. The Lender is deemed to be a third-party beneficiary of this First Supplemental Trust Agreement and subject to the next sentence, the Lender is entitled to enforce all of its terms in the same manner as other Holders. Notwithstanding the foregoing, the Lender is entitled to directly enforce against the County any and all of the terms set forth in Exhibit C attached hereto. In the event that the Lender takes action to enforce any such terms, the Lender shall provide written notice to the Trustee, contemporaneously with or promptly after the taking of such action.

### **Section 5.06. USA Patriot and Freedom Act Compliance.**

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Trustee may require documentation to verify its formation and existence as a legal entity. The Trustee may also request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

*[Remainder of Page Left Blank Intentionally]*

**IN WITNESS WHEREOF**, the parties hereto have caused this First Supplemental Trust Agreement to be duly executed, sealed and delivered as of the day and year first written above.



**MONTGOMERY COUNTY, MARYLAND**

By: \_\_\_\_\_

Richard Madaleno  
Chief Administrative Officer

By: \_\_\_\_\_

Michael J. Coveyou  
Director of Finance

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION, as Trustee**

By: \_\_\_\_\_

Melody M. Scott  
Assistant Vice President

*[Signature page to First Supplemental Trust Agreement]*

**EXHIBIT A**

**FORM OF SERIES 2025A BOND**

REGISTERED

UNITED STATES OF AMERICA  
STATE OF MARYLAND

REGISTERED

No. R-\_\_ \$39,360,000

**MONTGOMERY COUNTY, MARYLAND  
Solid Waste System Revenue Bonds  
Series 2025A**

<b><u>Maturity Date</u></b>	<b><u>Interest Rate</u></b>	<b><u>Dated Date</u></b>
June 1, 2045	4.860%	June 27, 2025

Registered Owner: Capital One Public Funding, LLC

Principal Amount: Thirty-Nine Million Three Hundred and Sixty Thousand Dollars (\$39,360,000)

**MONTGOMERY COUNTY, MARYLAND**, a body politic and corporate and political subdivision of the State of Maryland (the “County”), for value received, hereby promises to pay, but only from Pledged Revenues (defined herein), the Trust Estate (as defined in the Trust Agreement) and other amounts or collateral pledged to such payment under the Trust Agreement (defined herein) to the Registered Owner shown above or its successor or registered assigns or legal representative, on the Maturity Date set forth above (or earlier as hereinafter referred to), upon the presentation and surrender hereof at the designated office (the “Designated Office”) of the Trustee (defined herein), the Principal Amount shown above (or such lesser amount as shall be outstanding hereunder from time to time in accordance with Section 5 hereof), with interest thereon from the most recent date to which interest has been paid, or if the Date of Authentication shown below is prior to the first Interest Payment Date (defined herein), from the Dated Date set forth above at the Interest Rate shown above (subject to adjustment upon an Event of Taxability) until said Principal Amount is paid, payable on December 1, 2025, and semiannually thereafter on June 1 and December 1 of each year (each, an “Interest Payment Date”). Principal and interest on this Bond shall be payable as provided in Schedule I hereto.

The Bonds are authorized to be issued pursuant to (i) Chapter 20, Sections 20-47 through 20-54 (the “Revenue Bond Act”) and Chapter 48 (the “Solid Waste Act”) of the Montgomery County Code, as amended, and Section 10-203 of the Local Government Article of the Annotated Code of Maryland

(2013 Replacement Volume and 2024 Supplement); (ii) Council Resolution No. 20-839 passed by the County Council of the County on June 10, 2025, and approved by the County Executive of the County and effective on June 10, 2025 (the “Bond Ordinance”); and (iii) the Charter of the County (the “Charter” and together with the Revenue Bond Act, the Solid Waste Act, and the Bond Ordinance, the “Authorizing Legislation”); and (iv) an Executive Order of the County Executive issued on June \_\_, 2025 (the “Order”).

Payments of both principal and interest on this Bond shall be made by wire transfer or other form of electronic payment in accordance with written instructions provided by the Registered Owner of this Bond or, with the Registered Owner’s written consent, by such other commercially reasonable method of payment. All interest due on this Bond shall be payable to the person in whose name this Bond is registered on the Bond registration books maintained by U.S. Bank Trust Company, National Association, as trustee and registrar and paying agent (such entity and any successors being referred to herein as the “Trustee”), as of the close of business on the fifteenth (15th) day of the calendar month immediately preceding any Interest Payment Date (as defined in the Trust Agreement) for the payment of such interest.

The principal or redemption price of and interest on this Bond are payable in lawful money of the United States of America. If any payment of the principal or redemption price of or interest on this Bond shall be due on a day other than a Business Day (defined herein), such payment shall be made on the next Business Day with like effect as if made on the originally scheduled date. A “Business Day” means a day other than (i) a Saturday, a Sunday, or legal holiday (ii) a day on which commercial banks in the State of Maryland, in the State of New York, or in the city in which the Designated Office of the Trustee is located are authorized or obligated to remain closed, or (iii) a day on which the New York Stock Exchange is closed.

THIS BOND, TOGETHER WITH INTEREST AND PREMIUM, IF ANY, THEREON IS NOT A GENERAL OBLIGATION OF THE COUNTY, BUT IS A SPECIAL LIMITED OBLIGATION PAYABLE SOLELY FROM THE PLEDGED REVENUES AND THE TRUST ESTATE. THE COUNTY SHALL NOT BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST OR PREMIUM, IF ANY, ON THE BONDS, OR OTHER COSTS INCIDENT THERETO, EXCEPT AS HEREIN PROVIDED.

NEITHER THE FAITH AND CREDIT OF THE STATE, THE COUNTY, OR ANY OTHER AGENCY OR INSTRUMENTALITY OF THE STATE OR ANY POLITICAL, SUBDIVISION OF THE STATE, NOR THE TAXING POWER OF THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, OR INTEREST OR PREMIUM, IF ANY, ON THE BONDS, OR OTHER COSTS INCIDENT THERETO. THE BONDS AND ANY INTEREST OR PREMIUM, IF ANY, THEREON SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE COUNTY, STATE, OR ANY AGENCY, INSTRUMENTALITY OR POLITICAL SUBDIVISION OF THE STATE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISIONS WHATSOEVER.

1. Trust Agreement; Pledged Revenues. This bond (this “Bond”) is one of a duly authorized series of revenue bonds of the County aggregating Thirty-Nine Million Three Hundred and Sixty Thousand Dollars (\$39,360,000) in principal amount, known as “Montgomery County, Maryland, Solid Waste System Revenue Bonds, Series 2025A (the “Bonds”), duly authorized and issued by the County

under and pursuant to the Authorizing Legislation and the Order (ii) certain proceedings of the County, and (iii) the Trust Agreement, dated as of June 1, 2025, by and between the County and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), as amended and supplemented by the First Supplemental Trust Agreement dated as of June 1, 2025, by and between the County and the Trustee (as so amended and supplemented, and as further amended and supplemented, the “Trust Agreement”), to (i) finance and refinance the cost of certain improvements, enhancements, and acquisitions relating to the remediation of low-level environmental contamination at the Gude Landfill and any required improvements to other facilities relating to the Gude Landfill and (ii) pay the costs of issuance of the Series 2025A Bonds.

This Bond is payable as to principal, interest, and premium, if any, solely from the Pledged Revenues (as defined in the Trust Agreement) and the Trust Estate (as defined in the Trust Agreement). So long as any Bond (as defined in the Trust Agreement) is outstanding and unpaid, the County has covenanted in the Authorizing Legislation and the Trust Agreement to collect the System Benefit Charges (as defined in the Trust Agreement), in rate and amount which shall be sufficient to make payments on the Bonds and any Additional Bonds issued under the Trust Agreement and interest thereon (except for capitalized interest) in such Fiscal Year (as defined in the Trust Agreement) or any succeeding Fiscal Year.

The terms of the Bonds include those stated in the Trust Agreement and the Bonds are subject to all such terms. Reference is hereby made to the Trust Agreement for a description of the funds, revenues and charges pledged thereunder, the nature and extent of the security created or to be created, and the rights, limitations of rights, obligations, duties and immunities of the County, the Trustee and the rights of the registered owners of the Bonds. By the acceptance of this Bond, the Registered Owner hereof assents to all of the provisions of the Trust Agreement. Certified copies of the Trust Agreement are on file at the Designated Office of the Trustee and at the offices of the County in Rockville, Maryland. All capitalized terms used, but not defined herein, are defined in the Trust Agreement and are used herein in the same manner and with the same meaning as in the Trust Agreement.

2. Interest. The Bonds shall bear interest pursuant to the Trust Agreement.

3. Authorized Denominations. The Bonds are issuable as fully registered bonds without coupons in denominations of \$250,000 and any integral multiple of \$1,000 in excess thereof.

4. Additional Bonds. The Trust Agreement provides that Additional Bonds may be issued within the limitations and provisions of the Trust Agreement. All Bonds issued within the limitations and provisions of the Trust Agreement shall be secured equally and ratably by the Pledged Revenues, the Trust Estate and other moneys pledged by the County, to the extent provided in the Trust Agreement.

5. Redemption.

(a) The Bonds are subject to optional and mandatory redemption prior to maturity as provided in the Trust Agreement. No presentment of the Bonds is required for mandatory redemption principal payments prior to final maturity.

(b) Notice of Redemption. Within the timeframes set forth in the Trust Agreement, the Trustee shall e-mail and mail notice of any redemption prior to the redemption date to the registered owners of the Bonds to be redeemed to their e-mail addresses and at their addresses as they appear on the registration books maintained by the Trustee. The failure so to mail any such notice to any of such registered owners shall not affect the validity of the proceedings for the redemption of any Bonds.

(c) Effect of Call for Redemption. On the date designated for redemption, if all conditions, if any, to such redemption shall have been satisfied, the Bonds or portions of Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Bonds or such portions thereof on such date and, if moneys for the payment of the redemption price and accrued interest are held by the Trustee as provided in the Trust Agreement, interest on such Bonds or such portions thereof so called for redemption shall cease to accrue, such Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Trust Agreement, and the registered owners thereof shall have no rights in respect of such Bonds or such portions thereof so called for redemption except to receive payment of the redemption price thereof and the accrued interest thereon so held by the Trustee. If a portion of this Bond shall be called for redemption, a new Bond or Bonds in the aggregate principal amount equal to the unredeemed portion hereof, of the same series and maturity and bearing interest at the same rate, shall be issued to the registered owner upon the surrender hereof.

6. Defeasance. The Trust Agreement prescribes the manner and conditions in which it may be discharged and provides that Bonds shall be deemed to be paid if moneys or certain Government Obligations (as defined in the Trust Agreement), the principal of and interest on which, when due, will be sufficient to pay the principal or redemption price of and interest on such Bonds to the date of maturity or redemption thereof, shall have been deposited with the Trustee.

7. Persons Deemed Owners; Restrictions upon Actions by Individual Owners. The County and the Trustee may deem and treat the person in whose name this Bond is registered as the absolute owner hereof (whether or not this Bond shall be overdue and notwithstanding any notation of ownership or other writing hereon made by anyone other than the County or the Trustee) for the purpose of receiving payment of or on account of the principal or redemption price of this Bond, and for all other purposes except as otherwise provided herein with respect to the payment of interest on this Bond, and neither the County nor the Trustee shall be affected by any notice to the contrary. All such payments so made to any such registered owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable under this Bond.

The registered owner of this Bond shall have no right to enforce the provisions of the Trust Agreement, or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Trust Agreement, or to institute, appear in or defend any suit or other proceeding with respect hereto, except as provided in the Trust Agreement.

8. Transfer and Exchange. The Registered Owner retains the right at any time to dispose of this Bond, in whole or in part, but agrees that any such sale, transfer or distribution by the Registered Owner shall be made in accordance with applicable laws to (a) an affiliate of the Registered Owner; or (b) one or more banks, trusts, governmental entities, conduit issuers, custodians, insurance companies or other financial institutions. The Registered Owner shall have the right to grant participations in all or any portion of its interest in this Bond at any time without the consent of the County.

This Bond may be exchanged for an equal, aggregate principal amount of Bonds, of the same maturity and bearing interest at the same rate and of other authorized denominations, and the transfer of this Bond may be registered, upon presentation and surrender of this Bond at the Designated Office of the Trustee, together with an assignment duly executed by the registered owner hereof or such owner attorney or legal representative. The County and the Trustee may require the person requesting any such exchange or transfer to reimburse them for any tax or other governmental charge payable in connection therewith. Neither the County nor the Trustee shall be required to register the transfer of this Bond or make any such exchange of this Bond until after the redemption thereof if this Bond or any portion thereof has been selected for optional redemption.

9. Modifications. Modifications or alterations of the Trust Agreement may be made only to the extent and in the circumstances permitted by the Trust Agreement.

10. Negotiability. As declared by the Authorizing Legislation, this Bond shall be and be deemed to be for all purposes a negotiable instrument subject only to the provisions for registration and registration of transfer stated herein.

11. Governing Law. This bond shall be governed by and construed in accordance with the laws of the State of Maryland.

12. Notices. Except as otherwise provided in the Trust Agreement, when the Trustee is required to give notice to the owner of this Bond, such notice shall be delivered by overnight courier service or mailed by certified or registered mail to the registered owner of this Bond at such owner's address as it appears on the registration books maintained by the Trustee. Any notice delivered or mailed as provided herein will be conclusively presumed to have been given, whether or not actually received by the addressee.

All acts, conditions and things required by the Constitution and laws of the State of Maryland and the Authorizing Legislation to happen, exist and be performed precedent to and in the issuance of this Bond and the execution and delivery of the Trust Agreement have happened, exist and have been performed as so required.

None of the employees or officers of the County executing this Bond shall be liable personally for the payment of the principal or redemption price of and interest on this Bond or be subject to any personal liability or accountability for any claims based thereon or on the Trust Agreement against any employee or officer of the County or any person executing this Bond, all such personal liability, if any, being expressly waived and released by the registered owner of this Bond by the acceptance of this Bond.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Trust Agreement until it shall have been authenticated by the execution by the Trustee of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, MONTGOMERY COUNTY, MARYLAND has caused this Bond to be executed in its name by the manual or facsimile signature of its County Executive and a facsimile of its Seal to be imprinted or otherwise reproduced hereon, attested by the manual or facsimile signature of its Director of Finance, all as of the 27<sup>th</sup> day of June, 2025.

[SEAL]

MONTGOMERY COUNTY, MARYLAND

ATTEST:

By:\_\_\_\_\_

Marc Elrich  
County Executive

By:\_\_\_\_\_

Michael J. Coveyou  
Director of Finance

**CERTIFICATE OF AUTHENTICATION**

This bond is the bond of the series referred to in the within-mentioned Trust Agreement.

Date of Authentication:

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION, as Trustee**

By: \_\_\_\_\_

## SCHEDULE I

### DEBT SERVICE SCHEDULE

Payment Date	Principal	Interest	Total Debt Service
12/01/2025	--	\$818,294.40	\$ 818,294.40
06/01/2026	\$1,120,000	956,448.00	2,076,448.00
12/01/2026	--	929,232.00	929,232.00
06/01/2027	1,270,000	929,232.00	2,199,232.00
12/01/2027	--	898,371.00	898,371.00
06/01/2028	1,330,000	898,371.00	2,228,371.00
12/01/2028	--	866,052.00	866,052.00
06/01/2029	1,395,000	866,052.00	2,261,052.00
12/01/2029	--	832,153.50	832,153.50
06/01/2030	1,465,000	832,153.50	2,297,153.50
12/01/2030	--	796,554.00	796,554.00
06/01/2031	1,535,000	796,554.00	2,331,554.00
12/01/2031	--	759,253.50	759,253.50
06/01/2032	1,610,000	759,253.50	2,369,253.50
12/01/2032	--	720,130.50	720,130.50
06/01/2033	1,690,000	720,130.50	2,410,130.50
12/01/2033	--	679,063.50	679,063.50
06/01/2034	1,770,000	679,063.50	2,449,063.50
12/01/2034	--	636,052.50	636,052.50
06/01/2035	1,855,000	636,052.50	2,491,052.50
12/01/2035	--	590,976.00	590,976.00
06/01/2036	1,945,000	590,976.00	2,535,976.00
12/01/2036	--	543,712.50	543,712.50
06/01/2037	2,040,000	543,712.50	2,583,712.50
12/01/2037	--	494,140.50	494,140.50
06/01/2038	2,140,000	494,140.50	2,634,140.50
12/01/2038	--	442,138.50	442,138.50
06/01/2039	2,245,000	442,138.50	2,687,138.50
12/01/2039	--	387,585.00	387,585.00
06/01/2040	2,355,000	387,585.00	2,742,585.00
12/01/2040	--	330,358.50	330,358.50
06/01/2041	2,465,000	330,358.50	2,795,358.50
12/01/2041	--	270,459.00	270,459.00
06/01/2042	2,585,000	270,459.00	2,855,459.00
12/01/2042	--	207,643.50	207,643.50
06/01/2043	2,715,000	207,643.50	2,922,643.50
12/01/2043	--	141,669.00	141,669.00
06/01/2044	2,845,000	141,669.00	2,986,669.00
12/01/2044	--	72,535.50	72,535.50
06/01/2045	<u>2,985,000</u>	<u>72,535.50</u>	<u>3,057,535.50</u>
Total	<u>\$39,360,000</u>	<u>\$22,970,903.40</u>	<u>\$62,330,903.40</u>

**EXHIBIT B**

**FORM OF REQUISITION**

Requisition Number: \_\_\_\_\_

Amount Requested: \$ \_\_\_\_\_

Total Disbursements to Date: \_\_\_\_\_

1. The undersigned, the County Representative, hereby requests and authorizes U.S. Bank Trust Company, National Association, as Trustee under the Trust Agreement dated as of June 1, 2025, as amended and supplemented by the First Supplemental Trust Agreement dated as of June 1, 2025 (as so amended and supplemented, the "Trust Agreement"), relating to the Montgomery County, Maryland Solid Waste System Revenue Bonds, Series 2025A, to pay to or upon the order of the County the amount specified above for the payment or reimbursement of Costs of the 2025 Project all as more fully described on the attached disbursement schedule in Exhibit 1.
2. The bills, invoices, statements of account or other explanation for each obligation referenced in Exhibit 1 are attached to Exhibit 1.
3. The County hereby certifies that each obligation mentioned in Exhibit 1 has been properly incurred, is a proper charge against the Series 2025A Construction Fund Subaccount and has not been the basis of any previous disbursement.
4. No Default or Event of Default under the Trust Agreement has occurred or is continuing.
5. All capitalized terms herein shall have the meanings assigned to them in the Trust Agreement.

**MONTGOMERY COUNTY, MARYLAND**

By: \_\_\_\_\_  
County Representative

Dated: \_\_\_\_\_, 20\_\_\_\_

**EXHIBIT 1**  
**TO REQUISITION DISBURSEMENT SCHEDULE**

To Requisition No. \_\_\_\_ for the Construction Fund Subaccount relating to the Montgomery County, Maryland Solid Waste System Revenue Bonds, Series 2025A.

1. Amount:

Pay to:

Address of Payee:

For Account of:

Account Number:

Purpose:

## EXHIBIT C

### LENDER TERMS AND CONDITIONS

#### THE COUNTY COVENANTS AND AGREES FOR THE BENEFIT OF THE LENDER:

(a) At the request of the Lender, the County will provide its audited financial statements to the Lender, as soon as available, only in the event that such information is not otherwise available on the Municipal Securities Rulemaking Board's (the "MSRB") Electronic Municipal Market Access System ("EMMA"). At the request of the Lender, the County will provide unaudited financial statements to the Lender, as soon as available if the audited financial statements of the County are not available within 12 months of the close of the County's fiscal year and the County shall certify that any unaudited financial information provided to the Lender is accurate to the best of its knowledge.

(b) If the County at any time fails to satisfy the Rate Covenant, the County shall deliver to the Lender within forty-five (45) days of receiving the Report of the Independent Consultant described in Section 5.05 of the Trust Agreement, a written explanation detailing the County's implementation plans and identifying any portions of the Report the County deems unpractical or unreasonable and the specific rationale for such conclusion. Notwithstanding anything in the Trust Agreement to the contrary, it shall constitute an Event of Default under the Trust Agreement if the County fails to satisfy the Rate Covenant for the following two (2) fiscal years following the County's receipt of the Report of the Independent Consultant.

(c) The County shall at all times keep Operating Revenues and every part thereof free and clear of all liens, pledges and security interests except for the first priority lien in favor of the Trustee securing the Bonds under the Trust Agreement and liens, pledges or security interests provided with respect to necessary and reasonable Operating Expenses. During any Default or Event of Default, the County shall not grant any liens on Operating Revenues or make any payments from Operating Revenues other than for necessary and reasonable Operating Expenses. The County shall maintain and protect the pledge of the Trust Estate to the Trustee in favor of the Bonds under the Trust Agreement as a fully perfected first priority and senior pledge and lien and all rights, title and interests of the County to receive any amount of the Operating Revenues and the Trust Estate. Upon the occurrence and during the continuation of any Default or Event of Default, other than payment of reasonable and necessary Operating Expenses of the Solid Waste System, the County shall not use Operating Revenues to pay any obligations before the payment of principal and interest on the Bonds under the Trust Agreement. The County shall not pay any Indebtedness or other obligations that are not Bonds other than for necessary and reasonable Operating Expenses, before it makes the deposits and transfers of Operating Revenues as required by Section 4.03(a) of the Trust Agreement if doing so would cause the County to be delinquent with respect to the deposits and transfers required by Section 4.03(a) of the Trust Agreement.

Notwithstanding anything in the Trust Agreement to the contrary (including without limitation, the second sentence of the second paragraph in Section 5.04 of the Trust Agreement), during the occurrence and continuation of any Default or Event of Default, while any amounts now or

hereafter remain outstanding or may become payable by the County or the Trustee on or with respect to the Series 2025A Bonds, neither the County nor the Trustee shall make any payment, prepayment or repayment of principal, interest, or other payment of any kind or nature whatsoever other than payments for necessary and reasonable Operating Expenses, on or with respect to any Subordinated Indebtedness or permit the terms of any Subordinated Indebtedness or any other document (including any Subordinated Indebtedness documents) relating to any Subordinated Indebtedness to be changed to allow the debt service payments on any Subordinated Indebtedness to be increased beyond the amount due and owing under any such Subordinated Indebtedness prior to such Default or Event of Default.

(d) The County shall promptly provide the Lender (upon request no more than annually) with a copy of the coverage table showing coverage with respect to the Rate Covenant with respect to the most recent fiscal year of the Solid Waste System. The County shall promptly provide the Lender with a copy of all certifications required to be delivered by the County under the Trust Agreement including in connection with the issuance of Subordinated Indebtedness under Section 5.04 of the Trust Agreement, each Report of an Independent Consultant and each written determination by an Independent Public Accountant in connection with the issuance of any Additional Bonds under the Trust Agreement (including under Section 2.03). The County shall provide the Lender with at least 90 days prior written notice of the issuance or incurrence of any Bonds, Indebtedness or Subordinated Indebtedness. Prior to issuing or incurring any Bonds, Indebtedness or Subordinated Indebtedness, the County shall make the determinations and certifications required to be delivered by the County in Section 2.03(viii) and (ix) and Section 5.04 of the Trust Agreement, as applicable. The County shall promptly provide the Lender with a copy of each amendment and supplement to the Trust Agreement.

(e) Notwithstanding anything in the Trust Agreement or the First Supplemental Trust Agreement to the contrary, no portion of the Facilities or Solid Waste System may be sold, transferred, mortgaged, leased, abandoned or otherwise disposed of or encumbered (each of the foregoing a "Disposition") without the prior written consent of the Lender in its sole and absolute discretion, unless (1) such Disposition would not cause the County to fail to (i) make scheduled principal and interest payments on all Bonds and Indebtedness as and when due and the payments required under the First Supplemental Trust Agreement and/or (ii) meet the Rate Covenant, (2) no Default or Event of Default has occurred and is continuing and (3) the County provides a certification to the Lender as to (1) and (2) and the County covenants to the Lender that such Disposition will not cause the County to fail to (i) make scheduled principal and interest payments on all Bonds and Indebtedness as and when due and the payments required under the First Supplemental Trust Agreement and/or (ii) meet the Rate Covenant. Additionally, in connection with any such Disposition, the County shall provide the Lender with a revised coverage table evidencing that Net Revenues following such Disposition will be sufficient to meet the Rate Covenant and the County shall certify that it is in compliance with all of the terms of the Trust Agreement, the First Supplemental Trust Agreement and the Series 2025A Bond. Notwithstanding anything in the Trust Agreement or the First Supplemental Trust Agreement, the County may not undertake any Disposition that would change, replace or diminish the County as the obligor on the Series 2025A Bonds or replace, reduce or impair the County's obligations under the Trust Agreement, the First Supplemental Trust Agreement or the Series 2025A Bonds.

The County shall not amend or supplement the First Supplemental Trust Agreement without the prior written consent of the Lender in its sole and absolute discretion.

The County shall not amend or supplement the Trust Agreement in any way that could materially prejudice or adversely affect the rights of the Holders of Series 2025A Bonds, without the prior written consent of the Lender.

To ensure that all Bonds are *pari passu* the County shall ensure that if there are insufficient funds to pay debt service across Series of Bonds, that each Series of Bonds is paid on a pro-rata basis.

The County covenants that it shall not grant any other Holder of Bonds or any holder of other Indebtedness a right of acceleration.

The County covenants that it shall not grant any other Holder of Bonds or any holder of other Indebtedness a Most Favored Nations Provision. For purposes hereof, "*Most Favored Nations Provision*" means a provision in a document or instrument that provides for the incorporation by reference of, or requires the entering into any amendment to incorporate, any: (i) more restrictive or different covenant, (ii) more restrictive or different event of default, (iii) greater right or remedy or (iv) other different, additional or more restrictive provisions than were originally provided in the document or instrument.

The County and the Trustee agree that unless waived by the Lender in writing, it shall constitute an Event of Default for purposes of Section 7.01 of the Trust Agreement if any material statement, representation or warranty made by County in or pursuant to the Trust Agreement, the Series 2025A Bond or the First Supplemental Trust Agreement shall prove to have been materially false, incorrect, misleading, or breached in any material respect on the date when made.

(f) Upon the occurrence of an Event of Default, all amounts in the Series 2025A Construction Fund Subaccount shall be applied to repay the Series 2025A Bonds, subject to applicable law.

(i) The County shall provide the Lender:

(i) Notice of any Default or Event of Default, specifying the nature of such Default or Event of Default, the period of its existence and the action which the County is taking or proposes to take with respect thereto unless such Default or Event of Default has previously been reported, and no change in the status of such Default or Event of Default has occurred; and

(ii) From time to time such additional information regarding the Solid Waste System, the Pledged Revenues, the Trust Estate or the County as the Lender may reasonably request.

(g) The County shall execute and deliver all such documents and instruments and take such actions as may be necessary or reasonably required by the Lender to (i) carry out the purpose and intent of the Trust Agreement, the Series 2025A Bonds and this First Supplemental Trust Agreement, (ii) enable the Lender and/or the Trustee to exercise and enforce their rights under the Trust Agreement, the Series 2025A Bonds and this First Supplemental Trust Agreement and

(iii) maintain and protect any rights, revenues and other funds and Pledged Revenues and the Trust Estate.

(h) In the event the County files with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or its successor ("EMMA"), this First Supplemental Trust Agreement or any description of the material terms thereof or notice of any agreement to covenants, events of default, remedies, priority rights or other similar terms, or any other document or certificate signed or delivered by the Lender, either voluntarily or as required pursuant to a continuing disclosure agreement or Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule") (each such posting, an "EMMA Posting"), the County shall (i) provide the Lender with a copy of each EMMA Posting prior to submitting or posting on EMMA for its records and (ii) shall not file or permit the filing of any EMMA Posting that includes Confidential Information. The County acknowledges and agrees that the Lender is not responsible for the County's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with any continuing disclosure agreement or any applicable securities or other laws, including, but not limited to, those relating to the Rule. "Confidential Information" means any sensitive or confidential information regarding the County or the Lender including, without limitation, address, account and wiring information, e-mail addresses, telephone numbers, facsimile numbers, logos, names and signatures of officers, employees or representatives of the County and the Lender.