

MONTGOMERY COUNTY EXECUTIVE ORDER

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

Subject Authorizing the Loan with PNC Bank	Executive Order No. 165-18	Subject Suffix
Originating Department Department of Finance	Department Number B365-18	Effective Date 8/6/18

ORDER AUTHORIZING MONTGOMERY COUNTY, MARYLAND TO ENTER INTO A SUBJECT TO APPROPRIATION OBLIGATION WITH PNC BANK, NATIONAL ASSOCIATION OR AN AFFILIATE THEREOF PURSUANT TO A LOAN AGREEMENT AND PROMISSORY NOTE IN PRINCIPAL AMOUNT NOT TO EXCEED \$7,100,000 (THE "LOAN") FOR THE PURPOSE OF PREPAYING CERTAIN LOANS AND REMOVING LIENS ON CERTAIN COUNTY ASSETS; PRESCRIBING CERTAIN TERMS OF THE LOAN AND OTHER DETAILS INCIDENT THERETO; PROVIDING GENERALLY FOR SUCH OBLIGATION TO BE SUBJECT TO ANNUAL APPROPRIATION AND AUTHORIZING THE EXECUTION AND DELIVERY OF ALL DOCUMENTS IN CONNECTION THEREWITH.

RECITALS

BE IT ORDERED by the County Executive of Montgomery County, Maryland, that:

Section 1. The County is hereby authorized to borrow from PNC Bank, National Association or an affiliate thereof (the "Bank") the principal amount not to exceed \$7,100,000, by entering into a Loan Agreement (the "Loan Agreement") by and between the County and the Bank pursuant to which the Bank will loan such amount to the County (the "Loan"), and which shall be evidenced by a Promissory Note executed by the County in favor of the Bank (the "Note" and together with the Loan Agreement, the "Loan Documents"); provided that all payment obligations under the Loan Documents will be subject to annual appropriation. The County shall use the proceeds of the Loan for the purpose of refinancing certain indebtedness held by the Bank (the "MEDCO Loans") in name of the Maryland Economic Development Corporation ("MEDCO") incurred for the purpose of financing certain capital improvements with respect to the Rockville Innovation Center and the National Cybersecurity Center of Excellence (collectively, the "Incubators"), two business incubators located in the County and managed by MEDCO for the benefit of the County.

Section 2. Legal fees and the fees of other professionals engaged by the County in connection with the Loan shall be paid from legally available funds, which may include Loan

proceeds and/or funds realized by the County upon the termination of the interest rate swap relating to one of the MEDCO Loans.

Section 3. The Loan Documents shall be dated the date of their delivery by the parties thereto and shall not be a general obligation of the County. The obligation of the County to pay amounts due under the Loan Documents shall not constitute a pledge of the full faith and credit or of the general tax revenues, funds or moneys of the County. The County's payment obligation with respect to the Loan Documents, as described in the Note, shall be subject to duly authorized annual appropriations made by the County Council.

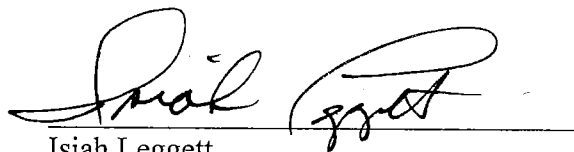
Section 4. Debt service payments on the Loan shall be paid no more frequently than monthly and shall commence no later than March 1, 2019. The final payment due under the Loan Documents shall be no later than June 1, 2032. Interest payable on the Loan shall be at the rate set forth in the final Loan Documents executed and delivered on behalf of the County as provided herein, provided that the aggregate principal and interest payments under the Loan Documents shall not exceed the aggregate principal and interest payments currently paid under the MEDCO Loans.

Section 5. The Chief Administrative Officer and the Director of Finance are hereby authorized to execute and deliver the Loan Agreement and the Note on behalf of the County together with any supporting certificates and documents relating thereto. The Chief Administrative Officer and Director of Finance, and such other officers, employees, and agents of the County are hereby authorized and directed to take such further actions, and to provide such further certifications of facts and estimates regarding the amount and use of the proceeds of the Loan, as may be necessary or appropriate from time to time to comply with, or to evidence the County's compliance with this Order.

Section 6. Any reference to an official of the County in this Order shall be deemed to include any such official serving in an "acting" capacity.

Section 7. This Order shall take effect immediately.

Dated as of this 6 day of August 2018.



Isiah Leggett
County Executive
Montgomery County, Maryland

INCUMBENCY CERTIFICATE

I, the undersigned, Clerk of the County Council of Montgomery County, Maryland (the "County"), as of the 22nd day of August, 2018, do hereby certify in connection with the issuance and delivery to PNC Bank National Association (the "Bank") of a subject to appropriation obligation in principal amount not to exceed \$7,100,000, pursuant to and as evidenced by the Loan Agreement and Term Note dated the date hereof, that:

1. I am the duly appointed, qualified and acting Clerk of the County Council of the County.

2. Isiah Leggett is the duly elected, qualified and acting County Executive for the County as of the date of this certificate, having held this position continuously since December 4, 2006, and having been re-elected on November 4, 2014, and the signature appearing next to his name on Schedule 1 attached hereto is the genuine signature of such officer.

3. Timothy L. Firestine is the duly appointed, qualified and acting Chief Administrative Officer of the County, having held this position continuously since December 12, 2006, and the signature appearing next to his name on Schedule 1 attached hereto is the genuine signature of such officer.

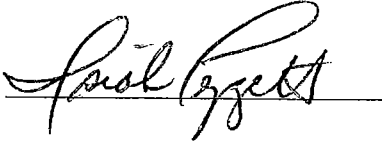
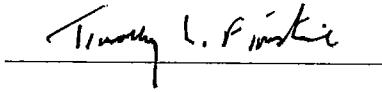

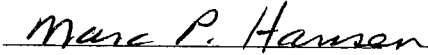
4. Alexandre A. Espinosa is the duly appointed, qualified and acting Director of Finance of the County, having held this position continuously since August 2, 2016, and the signature appearing next to his name on Schedule 1 attached hereto is the genuine signature of such officer.

5. Marc P. Hansen is the duly appointed, qualified and acting County Attorney for the County, having held this position continuously since January 17, 2010, and the signature appearing next to his name on Schedule 1 attached hereto is the genuine signature of such officer.

6. All statements, representations and certifications contained herein are, to the best of the knowledge, information and belief of the undersigned, true and correct as of the date hereof.

[Signature page to follow]

SCHEDULE 1

Name	Signature	Office
Isiah Leggett		County Executive
Timothy L. Firestine		Chief Administrative Officer
Alexandre A. Espinosa		Director of Finance
Marc P. Hansen		County Attorney

WITNESS my official signature and the seal of the County as of the date first above written.

(SEAL)

Megan Davey Limarzi, Esq.
Clerk to the County Council of Montgomery
County

[Signature page to Incumbency Certificate]