



MONTGOMERY COUNTY EXECUTIVE ORDER

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

Subject Authorizing the issuance of Taxable Limited Obligation Certificates (Facility and Residential Development Projects), Series 2018A and Taxable Limited Obligation Refunding Certificates (Facility and Residential Development Projects), Series 2018B	Executive Order No. 199-18	Subject Suffix
Department Department of Finance	Department No. B368-18	Effective Date 10/23/18

ORDER PROVIDING FOR THE AUTHORIZATION, SALE, ISSUANCE AND DELIVERY OF TAXABLE LIMITED OBLIGATION CERTIFICATES OF MONTGOMERY COUNTY, MARYLAND IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$62,062,000, SUBJECT TO ADJUSTMENT AS PROVIDED HEREIN; PRESCRIBING THE FORM AND TENOR OF SUCH CERTIFICATES, AND THE MANNER, TERMS AND CONDITIONS OF THE SALE AND ISSUANCE THEREOF; PRESCRIBING THE TERMS OF SUCH CERTIFICATES AND ALL OTHER DETAILS INCIDENT THERETO; AUTHORIZING THE EXECUTION AND DELIVERY OF ALL DOCUMENTS IN CONNECTION WITH THE ISSUANCE THEREOF; PROVIDING FOR THE PAYMENT WHEN DUE, OF THE PRINCIPAL OR REDEMPTION PRICE OF AND INTEREST ON THE CERTIFICATES WHICH ARE SUBJECT TO ANNUALLY APPROPRIATED FUNDS; AND TO PROVIDE GENERALLY FOR THE SALE, ISSUANCE, AND DELIVERY OF SUCH CERTIFICATES.

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

Section 1. Pursuant to the authority of Section 25B of the Montgomery County Code (the "Code"), certain provisions of the Charter of the County, Maryland (the "Charter"), Resolution No. 16-675 of the County Council of the County (the "County Council") adopted on July 29, 2008 and effective on July 31, 2008, as amended by Resolution No. 16-1298 of the County Council, adopted on March 23, 2010, Resolution No. 17-227 of the County Council adopted and effective on July 26, 2011, Resolution No. 17-803 of the County Council adopted on July 16, 2013 and effective on July 19, 2013 and Resolution No. 18-1181 of the County Council adopted and effective on July 17, 2018, there is hereby authorized and directed the execution, sale, issuance and delivery of: (i) a series of certificates designated "Montgomery County, Maryland Taxable Limited Obligation Certificates (Facility and Residential Development Projects), Series 2018A" (the "Series 2018A Certificates") in the aggregate principal amount not to exceed \$37,562,000 and (ii) a series of certificates designated "Montgomery County, Maryland Taxable Limited Obligation Refunding Certificates (Facility and Residential Development Projects), Series 2018B" (the "Series 2018B Certificates" and together with the Series 2018A Certificates, the "Series 2018 Certificates") in the aggregate principal amount not to exceed \$24,500,000.

Section 2. The Series 2018 Certificates shall be issued pursuant to the terms and conditions of the Third Supplemental Taxable Limited Obligation Certificate Trust Agreement and Supplemental Funding Agreement (the "Third Supplemental Trust and Agreement") to be executed by the County and U.S. Bank National Association, as trustee (the "Trustee") and the Bank (the "Bank") substantially in the form attached hereto as Exhibit A, with such further amendments, omissions, insertions, or variations deemed necessary or appropriate by the Chief Administrative Officer of the County (the "Chief Administrative Officer") and/or the Director of Finance of the County (the "Director of Finance"), under which the County is obligated to make periodic payments (the "Contract Payments"). The Third Supplemental Trust and Agreement will amend and supplement the Funding Agreement dated as of April 1, 2010 by and



MONTGOMERY COUNTY EXECUTIVE ORDER

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

Subject Authorizing the issuance of Taxable Limited Obligation Certificates (Facility and Residential Development Projects), Series 2018A and Taxable Limited Obligation Refunding Certificates (Facility and Residential Development Projects), Series 2018B	Executive Order No. 199-18	Subject Suffix
Department Department of Finance	Department No. B368-18	Effective Date 10/23/18

between the County and the Bank (as so amended and supplemented, the "Funding Agreement"), and amends and supplements the Taxable Limited Obligation Certificate Trust Agreement by and between the County and the Trustee dated as of April 1, 2010 (as so amended and supplemented, the "Trust Agreement"). The Director of Finance is hereby authorized to execute the Third Supplemental Trust and Agreement in accordance with the terms of this Order.

Section 3. The proceeds of the Series 2018A Certificates will be used to finance the costs of the acquisition, construction, rehabilitation and renovation of real property for the purpose of preserving or increasing the inventory of affordable housing in the County and implementing the objectives of the County's Housing Initiative program (the "Project") pursuant to the Code and the regulations promulgated thereunder. The proceeds of the Series 2018B Certificates will be applied to the purchase of direct obligations of, or obligations the timely payment of principal and interest upon which is unconditionally guaranteed by, the United States of America and which will be held by the U.S. Bank National Association, as the escrow deposit agent (the "Escrow Deposit Agent") in an escrow deposit fund established under an escrow deposit agreement by and between the County and the Escrow Deposit Agent to refund all or a portion of the Taxable Limited Obligation Certificates (Facility and Residential Development Projects), Series 2010A (the "Refunded Certificates").

Section 4. The Series 2018 Certificates shall be dated the date of their initial delivery. The Series 2018 Certificates shall mature on May 1 in such principal amounts and in such years pursuant to a subsequent order. The Series 2018 Certificates shall each be of the denomination of \$5,000 or any integral multiple thereof, shall be numbered from R-1 consecutively upwards in order of their maturities (or such other numbering as may be acceptable to the County), shall be fully registered as to both principal and interest, shall contain such provisions relating to redemption prior to maturity, and shall bear interest at such rate or rates per annum as provided herein. Interest on the Series 2018 Certificates shall be payable on May 1, 2019 and semi-annually thereafter on May 1 and November 1 of each year until maturity or earlier redemption. The Series 2018 Certificates shall be payable to the registered owners as to principal and premium, if any, in lawful money of the United States of America, upon presentation and surrender at the office of the Trustee and as to interest by check mailed to the registered owners, as shown on the fifteenth day of the month preceding each interest payment date on the registration books maintained by the Trustee, and shall be authenticated and delivered by the Trustee as provided under the Trust Agreement. The provisions provided in this Section may be modified by a subsequent order or orders of the County Executive (or the Chief Administrative Officer, acting in the capacity of the County Executive).

Section 5. Notwithstanding anything to the contrary contained in this Order, the Series 2018 Certificates shall initially be maintained under a book-entry only system with The Depository Trust Company, New York, New York ("DTC"). So long as any of the Series 2018 Certificates shall be maintained under a book-entry system with DTC or any other securities depository for the Series 2018 Certificates appointed pursuant to this Section (each, a "Depository"), the provisions of this Section shall apply to the Series 2018 Certificates.



MONTGOMERY COUNTY EXECUTIVE ORDER

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

Subject Authorizing the issuance of Taxable Limited Obligation Certificates (Facility and Residential Development Projects), Series 2018A and Taxable Limited Obligation Refunding Certificates (Facility and Residential Development Projects), Series 2018B	Executive Order No. 199-18	Subject Suffix
Department Department of Finance	Department No. B368-18	Effective Date 10/23/18

(a) The Series 2018 Certificates shall be issued in book-entry only form by issuing a single certificate for each maturity of each series registered in the name of Cede & Co., as nominee for DTC, substantially in the forms as set forth in Exhibit A to the Third Supplemental Trust and Agreement attached hereto as Exhibit A, with such variations, modifications, omissions, and insertions not inconsistent with the provisions of this Order as the Director of Finance deems necessary or appropriate. Such forms shall also have endorsed thereon such legends or text as may be necessary or appropriate to confirm to the applicable rules and regulations of any governmental authority or any securities exchange on which the Series 2018 Certificates may be listed or any requirement of law with respect thereto. Such forms of the Series 2018 Certificates set forth in Exhibit A to the Third Supplemental Trust and Agreement are hereby adopted as the forms and tenors of the obligations to be incurred, and such covenants and conditions be thereby made binding upon the County, including the promises to pay therein contained. The Director of Finance is hereby authorized to execute and deliver to DTC any letters of representation or other agreements as shall be deemed necessary or appropriate in order to qualify the Series 2018 Certificates for registration in book-entry only form by DTC.

(b) The principal of and interest on the Series 2018 Certificates shall be payable to DTC, or registered assigns, as the registered owner of the Series 2018 Certificates, on each date on which the principal of or interest on the Series 2018 Certificates becomes due. Such payments shall be made to the offices of DTC specified by DTC to the County and the Trustee in writing. Without notice to or the consent of the beneficial owners of the Series 2018 Certificates, the County and DTC 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 Series 2018 Certificates in the manner specified in such notice. Neither the County nor the Trustee shall have any obligation with respect to the transfer or crediting of the appropriate payments to any participant of DTC (a "Participant") or the beneficial owners of the Series 2018 Certificates or their nominees.

(c) In the event that part but not all of any outstanding Series 2018 Certificate is to be retired (by redemption, by acceleration or otherwise), DTC, in its discretion (i) may request the Trustee to authenticate and deliver a new Series 2018 Certificate in accordance with Section 7.04 of the Trust Agreement upon presentation and surrender of such Series 2018 Certificate to the Trustee or (ii) shall make appropriate notation on the Series 2018 Certificate indicating the date and amount of each principal payment, provided that payment of the final principal amount of any Series 2018 Certificate shall be made only upon presentation and surrender of such Series 2018 Certificate to the Trustee.

(d) So long as DTC or its nominee is the registered owner of the Series 2018 Certificates, the County and the Trustee will recognize DTC or its nominee, respectively, as the holder of all of the Series 2018 Certificates for all purposes, including (without limitation) the payment of the principal of and interest on the Series 2018 Certificates, the giving of notices and any consent or direction required or permitted to be given to, or on behalf of, the holders of the Series 2018 Certificates under the Trust Agreement.

(e) The County, at any time may replace DTC as the Depository for the Series 2018



MONTGOMERY COUNTY EXECUTIVE ORDER

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

Subject Authorizing the issuance of Taxable Limited Obligation Certificates (Facility and Residential Development Projects), Series 2018A and Taxable Limited Obligation Refunding Certificates (Facility and Residential Development Projects), Series 2018B	Executive Order No. 199-18	Subject Suffix
Department Department of Finance	Department No. B368-18	Effective Date 10/23/18

Certificates with another qualified securities depository or discontinue the maintenance of the Series 2018 Certificates under a book-entry only system upon 30 days' notice to DTC (or such fewer number of days as shall be acceptable to DTC). A copy of any such notice shall be delivered promptly to the Trustee.

(f) If the County discontinues the maintenance of the Series 2018 Certificates under the book-entry only system, the County will issue the Series 2018 Certificates directly to the Participants or, to the extent requested by any Participant, to the beneficial owners of the Series 2018 Certificates pursuant to the terms of the Trust Agreement. The County shall make provisions to notify Participants and the beneficial owners of the Series 2018 Certificates, by mailing an appropriate notice to DTC, or by other means deemed appropriate by the County in its discretion, that it will issue the Series 2018 Certificates directly to the Participants or, to the extent requested by any Participant, to beneficial owners of Series 2018 Certificates 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 DTC).

In the event that Series 2018 Certificates are to be issued to Participants or to beneficial owners of the Series 2018 Certificates, the Trustee shall promptly have prepared the Series 2018 Certificates in certificated form registered in the names of the Participants as shown on the records of DTC provided to the Trustee or, to the extent requested by any Participant, in the names of the beneficial owners of Series 2018 Certificates shown on the records of such Participant provided to the Trustee, as of the date set forth in the notice delivered in accordance with the Trust Agreement.

(g) If the County replaces DTC as the Depository for the Series 2018 Certificates with another qualified securities depository, the County will issue to the replacement Depository the Series 2018 Certificates registered in the name of such replacement Depository or its nominee.

(h) Each of the Depository and the Participants and the beneficial owners of the Series 2018 Certificates, by their acceptance of the Series 2018 Certificates, agree that the County and the Trustee shall have no liability for the failure of DTC or such replacement Depository to perform its obligations to any Participant or any beneficial owner of any Series 2018 Certificates, nor shall the County or the Trustee be liable for the failure of any Participant or other nominee of any beneficial owner of any Series 2018 Certificates to perform any obligation that such Participant or other nominee may incur to any beneficial owner of the Series 2018 Certificates.

Section 6. All amounts payable by the County under the Funding Agreement, including the Contract Payments, are subject in each year to appropriation by the County Council. The County Council is under no obligation to make any appropriation with respect to the Funding Agreement. The Funding Agreement is not a general obligation of the County and shall never constitute an indebtedness of the County within the meaning of any constitutional or statutory limitation or a charge against the general credit or taxing power of the County.

Section 7. Series 2018 Certificates which mature on or before May 1, 2026 are not subject to redemption prior to their respective maturities. The Series 2018 Certificates which mature on or after



MONTGOMERY COUNTY EXECUTIVE ORDER

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

Subject Authorizing the issuance of Taxable Limited Obligation Certificates (Facility and Residential Development Projects), Series 2018A and Taxable Limited Obligation Refunding Certificates (Facility and Residential Development Projects), Series 2018B	Executive Order No. 199-18	Subject Suffix
Department Department of Finance	Department No. B368-18	Effective Date 10/23/18

May 1, 2027, are subject to redemption prior to maturity, in whole or in part, on May 1, 2027, or any time thereafter, in any order of their maturities, at the option of the County, at a redemption price for each certificate equal to the principal amount of the certificate to be redeemed, together with interest accrued to the date fixed for redemption, without premium. The redemption provisions provided in this section may be modified by subsequent order or orders of the County Executive (or the Chief Administrative Officer, acting in the capacity of the County Executive).

If fewer than all of the outstanding Series 2018 Certificates are called for redemption, the Trustee shall redeem the Series 2018 Certificates of the maturities directed by the County and by lot in such manner as the Trustee shall determine within any maturity; provided however, that the portion of any Series 2018 Certificate to be redeemed shall be in the principal amount of \$5,000 or any integral multiple thereof and, in selecting Series 2018 Certificates for redemption, the Trustee shall treat each Series 2018 Certificate as representing that number of Series 2018 Certificates that is obtained by dividing the principal amount of such Series 2018 Certificate by \$5,000.

The Trustee will mail notice of redemption, by first class mail, not less than 20 days and not more than 60 days before the date of redemption to the registered holders of the Series 2018 Certificates of the maturity or maturities to be redeemed at their addresses shown on the registration books maintained by the Trustee. Notice having been given and sufficient moneys having been delivered to the Trustee, interest will cease to accrue on the Series 2018 Certificates to be redeemed on and after the redemption date. Any notice of redemption may indicate that such redemption is conditioned upon the deposit of sufficient moneys to effect such redemption on the redemption date. The failure by the Trustee to mail a notice of redemption, or any defect therein, shall not affect the validity of the proceedings for the redemption of the Series 2018 Certificates.

Section 8. (a) The Series 2018 Certificates shall be issued, delivered and sold at public sale upon electronic proposals via the BiDCOMP/Parity Competitive Bidding System ("PARITY") or via such other electronic bidding system as may be determined by subsequent order or orders of the County Executive (or the Chief Administrative Officer, acting in the capacity of the County Executive), in such manner and for such price or prices, not less than the principal amount thereof and accrued interest thereon, as may be determined by the Director of Finance. The Series 2018 Certificates shall be sold in accordance with the Official Notice of Sale (as defined below).

(b) The Preliminary Official Statement relating to the Series 2018 Certificates (the "Preliminary Official Statement") in substantial form is attached hereto as Exhibit B, subject to such additions, deletions and amendments as shall be approved by the Director of Finance, publication of such Preliminary Official Statement to constitute conclusive evidence of approval by the Director of Finance. The official Notices of Sale (the "Notice of Sale") pertaining to the Series 2018 Certificates shall be substantially in the forms set forth in Appendix D to the Preliminary Official Statement and the terms, provisions and conditions set forth in such forms of Notice of Sale are hereby adopted and approved as the terms, provisions and conditions under which and in the manner in which the Series 2018 Certificates shall be sold, issued and delivered at public sale.



MONTGOMERY COUNTY EXECUTIVE ORDER

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

Subject Authorizing the issuance of Taxable Limited Obligation Certificates (Facility and Residential Development Projects), Series 2018A and Taxable Limited Obligation Refunding Certificates (Facility and Residential Development Projects), Series 2018B	Executive Order No. 199-18	Subject Suffix
Department Department of Finance	Department No. B368-18	Effective Date 10/23/18

(c) The Director of Finance is hereby authorized to cause to be prepared an Official Statement, and any necessary supplements or addenda thereto (the "Official Statement"). The Preliminary Official Statement and the Official Statement shall contain such financial and other data as are customarily found in such publications and as may be deemed appropriate by the Director of Finance. The Director of Finance is further authorized to take such actions on behalf of the County as they deem appropriate or necessary to comply with Rule 15c2-12 (hereinafter defined) in connection with the offering and sale of the Series 2018 Certificates.

(d) The Director of Finance is hereby authorized and directed to publish a summary of the Notice of Sale for the Series 2018 Certificates at least twice in one or more daily or weekly newspapers having a general circulation in Montgomery County, Maryland, the first such publication to be at least ten (10) days prior to the date of sale. The summary of the Notice of Sale shall be published in substantially the form as approved by the Director of Finance, the publication of such notice to constitute conclusive evidence of the approval of the Director of Finance.

Section 9. Immediately after the sale of the Series 2018 Certificates, the aggregate principal amount of the Series 2018 Certificates to be issued, the interest rate or rates payable on the Series 2018 Certificates, the maturity schedule for the Series 2018 Certificates, the dated date and interest payment dates for the Series 2018 Certificates and the redemption provisions relating to the Series 2018 Certificates, shall be fixed by an executive order of the County Executive (or the Chief Administrative Officer, acting in the capacity of the County Executive and in accordance with the terms of this Order), subject to the provisions hereof and in accordance with the terms and conditions of the sale of the Series 2018 Certificates.

Section 10. Prior to the delivery of the Series 2018B Certificates, the County shall have received a report from a firm of independent certified public accountants, nationally recognized in the field of refunding taxable obligations, verifying that the proceeds of the Series 2018B Certificates deposited with the Escrow Deposit Agent will be sufficient to pay all principal payments and interest accruing on the Refunded Certificates prior to their date of redemption and all accrued interest and the redemption price of the Refunded Certificates on the date of redemption.

Section 11. It is hereby determined that it is necessary and appropriate for the County to execute and deliver a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") in accordance with the provisions of Rule 15c2-12 of the Securities and Exchange Act of 1934 ("Rule 15c2-12"), for the benefit of the registered owners from time to time of the Series 2018 Certificates, in order to enable the successful bidders for the Series 2018 Certificates (including any of such bidders' associates constituting "principal underwriters" within the meaning of Rule 15c2-12) to comply with the requirements of Rule 15c2-12. The Director of Finance shall execute and deliver the Continuing Disclosure Agreement substantially in the form attached as Appendix B to the Preliminary Official Statement, with such changes therein as bond counsel to the County may advise.

Section 12. There may be deducted from the gross proceeds received from the sale of the Series 2018 Certificates the cost of advertising, underwriting fees, printing and legal fees and fees of other



MONTGOMERY COUNTY EXECUTIVE ORDER

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

Subject Authorizing the issuance of Taxable Limited Obligation Certificates (Facility and Residential Development Projects), Series 2018A and Taxable Limited Obligation Refunding Certificates (Facility and Residential Development Projects), Series 2018B	Executive Order No. 199-18	Subject Suffix
Department Department of Finance	Department No. B368-18	Effective Date 10/23/18

professionals, and expenses relating to such sale as may be determined by the Director of Finance. There may also be deducted from the gross proceeds of the sale of the Series 2018 Certificates any other incidental expenses relating thereto and the reimbursement of the general tax receipts of the County for any monies previously expended therefrom for the projects more specifically described in this Order.

Section 13. The Chief Administrative Officer is hereby authorized by subsequent order, to award the Series 2018 Certificates to the winning bidders for the Series 2018 Certificates in accordance with the Notice of Sale and this Order, and take such other action as deemed necessary in connection with the issuance, sale and delivery of the Series 2018 Certificates.

Section 14. The Chief Administrative Officer and Director of Finance, and such other officers, employees, and agents of the County are hereby authorized and empowered to approve, execute, and deliver all instruments, certificates and documents in any manner deemed appropriate by the County Executive and/or Chief Administrative Officer 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 issuance, sale and delivery of the Series 2018 Certificates.

Section 15. 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 actions, and to provide such certifications of facts and estimates regarding the amount and use of the proceeds of the Series 2018 Certificates, as may be necessary or appropriate from time to time to comply with, or to evidence the County's compliance with the covenants set forth in this Order.

Section 16. This Order shall take effect immediately.



MONTGOMERY COUNTY EXECUTIVE ORDER

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

Subject Authorizing the issuance of Taxable Limited Obligation Certificates (Facility and Residential Development Projects), Series 2018A and Taxable Limited Obligation Refunding Certificates (Facility and Residential Development Projects), Series 2018B	Executive Order No. 199-18	Subject Suffix
Department Department of Finance	Department No. B368-18	Effective Date 10/23/18

Dated as of this 23 day of October, 2018.

A handwritten signature in cursive script, appearing to read "Isian Leggett", written over a horizontal line.

Isian Leggett
County Executive
Montgomery County, Maryland

List of Exhibits

- Exhibit A – Third Supplemental Trust and Agreement
- Exhibit B – Preliminary Official Statement