

EXECUTIVE ORDER
COUNTY EXECUTIVE
OF
HOWARD COUNTY, MARYLAND

Executive Order No. 2015-02

Subject: An Order determining various matters in connection with the sale and issuance of Howard County, Maryland Consolidated Public Improvement Project and Refunding Bonds, 2015 Series A, and Metropolitan District Project and Refunding Bonds, 2015 Series A.

WHEREAS, pursuant to Ordinance No. 42-2013 passed by the County Council of Howard County, Maryland (the "County Council") on October 7, 2013 and approved by the County Executive of Howard County, Maryland (the "County Executive") and effective on October 9, 2013 and Ordinance No. 1-2015 passed by the County Council on February 2, 2015 and approved by the County Executive and effective on February 4, 2015 (together, the "Bond Ordinances"), and Council Bill No. 53-2010 passed by the County Council on October 28, 2010 and approved by the County Executive and effective on November 1, 2010 and Council Bill No. 7-2015 to be passed by the County Council on April 6, 2015 (together, the "Refunding Ordinances"), it was provided that the County Executive shall determine by order matters concerning the advertisement, sale, issuance, delivery and payment of the Bonds (as defined below), including maturities of outstanding general obligation bonds of the County to be refunded, the date or dates of sale, date or dates of the Bonds, the aggregate principal amount of the Bonds, the interest payment dates of the Bonds, manner of authentication of the Bonds, manner of numbering of the Bonds and selection of a paying agent and bond registrar; and

WHEREAS, the proceeds of the Bonds will be used to (i) refund all or a portion of the County's General Obligation Bond Anticipation Tax-Exempt Note, Series 2014 (Public Improvement Projects) and General Obligation Bond Anticipation Tax-Exempt Note, Series 2014 (Metropolitan District Projects) (collectively, the "Refunded Notes"), (ii) refund certain of the County's outstanding general obligations bonds (the "Refunded Bonds"), (iii) finance a portion of the costs of Consolidated Public Improvement and Metropolitan District Capital Projects (as defined in the Ordinance) not funded with the proceeds of the Refunded Notes and (iv) pay the costs of issuing the Bonds; and

WHEREAS, the County Executive has determined to prescribe such terms of the Bonds by this Order.

NOW, THEREFORE, BE IT ORDERED AND DETERMINED:

Section 1. (a) General obligation bonds of Howard County, Maryland (the "County") designated as "Consolidated Public Improvement Project and Refunding Bonds, 2015 Series A" (the "Public Improvement Bonds") are authorized to be sold, issued and delivered pursuant to the Bond Ordinances, the Refunding Ordinances, this Order, and the statutes and other authority cited therein and shall be issued in the aggregate principal amount of \$198,760,000, subject to the provisions of this Order.

Section 2. General obligation bonds of the County designated as "Metropolitan District Project and Refunding Bonds, 2015 Series A" (the "Metropolitan District Bonds") are authorized to be issued, sold and delivered pursuant to the Bond Ordinances, the Refunding Ordinances, this Order, and the statutes and other authority cited therein and shall be issued in the maximum aggregate principal amount of \$38,080,000, subject to the provisions of this Order.

Section 3. The Metropolitan District Bonds and the Public Improvement Bonds (collectively, the "Bonds") shall be dated the date of their initial delivery and shall be issuable in registered form in the denomination of Five Thousand Dollars (\$5,000) each or any integral multiple thereof. The Bonds will initially be issued in book-entry only form without physical distribution of certificates to the public. The Depository Trust Company, New York, New York ("DTC") will act as the securities depository for the Bonds and the Bonds will be registered in the name of Cede & Co. as nominee for DTC. The Bonds of each issue, when first issued, may be numbered from No. R-1 upward in the order of their maturities or in some other manner which conforms to standard bond registration practices and is acceptable to DTC and the Director of Finance. Registration books (the "Bond Register") for the Bonds shall be maintained by the County, which shall also act as paying agent for the Bonds (the "Bond Registrar and Paying Agent"). As long as the Bonds are issued in book-entry only form, no other entity need be designated as Bond Registrar and Paying Agent. The Director of Finance from time to time may designate a bank or other financial institution to serve as Bond Registrar and Paying Agent upon thirty (30) days' prior written notice to the registered owners of the Bonds.

So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, the County will send all payments of principal of and premium, if any, and interest on and notices to Cede & Co., and consider Cede & Co. as registered owner for all other purposes under the Bond Ordinances and Refunding Ordinances. Principal payments shall be made to Cede & Co. by check, draft or wire transfer at its address as it appears on the Bond Register on the respective payment or redemption dates. Interest shall be paid to Cede & Co. by check, draft or wire transfer at its address as it appears on the Bond Register, such interest being payable semi-annually on February 15 and August 15 in each year (commencing August 15, 2015), accounting from the most recent date to which interest has been paid or, if no interest has been paid, from the date of initial delivery of the Bonds.

The Bonds shall contain similar provisions to and be in substantially the forms set forth in Exhibits A and B attached hereto, with such variations as are necessary to reflect the

provisions with respect to book-entry bonds set forth herein as long as the Bonds are in book-entry form. So long as the Bonds are in book-entry form, the manual or facsimile signature of the Director of Finance shall be sufficient to authenticate the Bonds. Bonds issued substantially in accordance with such forms, with appropriate insertions as indicated, when properly executed and authenticated as required by this Section, shall be deemed to constitute unconditional general obligations of the County, to the payment of which, in accordance to the terms thereof, the County's full faith and credit are pledged, and all the covenants and conditions contained in such Bonds shall be deemed to be binding on the County.

Section 4. A portion of proceeds of the Bonds will be used to refund all or a portion of the Refunded Bonds, as such Refunded Bonds are more particularly set forth in Exhibit C attached hereto, which meets a public purpose of restructuring the debt of such Refunded Bonds in order to realize savings to the County in the aggregate cost of debt service. The Director of Finance is hereby authorized to finally determine the maturities of the Refunded Bonds to be redeemed with the proceeds of the Bonds in accordance with the provisions of this Order.

Section 5. (a) A portion of the proceeds from the sale of the Public Improvement Bonds shall be used to pay the Refunded Notes, finance certain capital projects of the County, pay a portion of the Refunded Bonds, and pay the costs, fees and expenses incurred in the sale and issuance of the Public Improvement Bonds and as otherwise permitted under the Bond Ordinances and the Refunding Ordinances.

(b) A portion of the proceeds from the sale of the Metropolitan District Bonds shall be used to pay a portion of the Refunded Bonds, to pay the costs, fees and expenses incurred in the sale and issuance of the Metropolitan District Bonds and to finance a portion of the costs of the Metropolitan District Capital Projects and as otherwise permitted under the Bond Ordinances and the Refunding Ordinances.

Section 6. A portion of the proceeds of the sale of the Public Improvement Bonds and the Metropolitan District Bonds, including any premium received therefor, shall be paid to the Director of Finance who shall deposit the same with an escrow deposit agent in a trust account established in the name of the County as hereinafter provided. Such proceeds, except for the portion of such proceeds retained by the Director of Finance to be applied to the costs of issuance of the Public Improvement Bonds and Metropolitan District Bonds (which amount is hereby authorized for such purpose), shall be paid over to U.S. Bank National Association, to be held, administered and disbursed by it in its capacity as escrow deposit agent (the "Escrow Deposit Agent") under an Escrow Deposit Agreement (the "Escrow Deposit Agreement") substantially in the form attached hereto as Exhibit D, with such additions, deletions, and modifications as the Director of Finance shall deem necessary or appropriate.

Section 7. (a) The Public Improvement Bonds shall mature on February 15 in installments as serial or term bonds, commencing on February 15, 2016 and shall bear interest at the rates set forth in the bids selected by the Director of Finance in accordance with Section 12 of this Order. The final maturity for the Public Improvement Bonds shall not be later than February 15, 2035.

(b) The Metropolitan District Bonds shall mature on February 15 in installments as serial or term bonds, commencing on February 15, 2016 and shall bear interest at the rates set forth in the bids selected by the Director of Finance in accordance with Section 12 of this Order. The final maturity for the Metropolitan District Bonds shall not be later than February 15, 2045.

Section 8. Bonds maturing on and after February 15, 2024 are subject to redemption prior to their respective maturities, at the option of the County, on or at any time after February 15, 2023, in whole or in part, at a redemption price of 100 percent of the principal amount thereof, together with interest accrued to the redemption date.

Section 9. The Bonds shall be sold at a public sale on April 8, 2015, in accordance with the Official Notices of Sale relating to the Bonds substantially in the forms set forth in Appendix D attached to the Preliminary Official Statement, with such changes, modifications and amendments as the Director of Finance determines is necessary and appropriate to effect the sale of the Bonds and such Preliminary Official Statement is hereby ratified and approved. The distribution of the Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement"), is hereby ratified and the execution and delivery of a final official statement (the "Official Statement") regarding the issuance and sale of the Bonds is hereby authorized. The Chief Administrative Officer and the Director of Finance are hereby authorized and directed to prepare, execute, issue and distribute the Official Statement in connection with the sale of the Bonds.

Section 10. The Director of Finance of the County is hereby authorized to award the Bonds to a purchaser whose proposal is determined by the Director of Finance, to be legally acceptable as to both form and substance, to be the most favorable proposal received for the purchase of such Bonds upon recommendation of the financial advisor of the County, and to be in accordance with the Bond Ordinances, the Refunding Ordinances and this Order.

Section 11. Prior to the delivery of the Public Improvement Bonds and the Metropolitan District Bonds, as applicable, the County shall have received a report from a firm of independent certified public accountants, nationally recognized in the field of refunding of tax exempt obligations, verifying that the maturing principal amounts of the obligations held in the fund created under the Escrow Deposit Agreement and interest earned thereon, together with any other amounts deposited in such fund, will be sufficient to pay all interest accruing on the Refunded Bonds prior to their respective dates of redemption and all principal and redemption prices of the Refunded Bonds.

Section 12. The aggregate principal amount of the Bonds authorized pursuant to this Order may be adjusted within the parameters set forth in the Official Notices of Sale relating to the Bonds as approved by the Director of Finance.

Section 13. The publication of summary notices of sale of the Bonds at least twice in one or more daily or weekly newspapers having general circulation in Howard County, Maryland, the first such publication which was at least ten (10) days prior to the date of sale, is hereby ratified and approved.

Section 14. In connection with the Bonds, the County shall enter into a continuing disclosure agreement pursuant to which the County shall provide certain information and notices to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format as prescribed by the MSRB. Such continuing disclosure agreement shall be substantially in the form attached as Appendix B to the Preliminary Official Statement. The Director of Finance of the County is hereby authorized to execute and deliver such continuing disclosure agreement in connection with the issuance of the Bonds.

Section 15. The County shall comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), applicable to the Bonds, including, without limitation, compliance with any provisions of the Code regarding the timing of the expenditure of the proceeds of such Bonds, the use of such proceeds, the restriction of investment yields, the filing of information with the IRS and the rebate of certain earnings resulting from the investment of the proceeds of the Bonds. The County shall make such use of the proceeds of such Bonds, regulate the investment of the proceeds thereof and take such other and further actions as may be required to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Section 16. There may be deducted from the gross proceeds received from the sale of the Bonds the cost of advertising, printing and legal fees 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 Bonds 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 17. The Chief Administrative Officer of the County is hereby authorized and directed to take such actions required or permitted to be taken by the County Executive pursuant to the Bond Ordinances and Refunding Ordinances in connection with the sale and issuance of the Bonds.


[Remainder of this page left blank intentionally]


This Order shall take effect this ____ day of April, 2015.

[SEAL]

HOWARD COUNTY, MARYLAND

ATTEST:


Lonnie R. Robbins
Chief Administrative Officer
Howard County, Maryland

By: 
Allan H. Kittleman
County Executive
Howard County, Maryland

[Signature page to Executive Order]

Exhibit A

FORM OF CONSOLIDATED PUBLIC
IMPROVEMENT PROJECT AND REFUNDING BONDS, 2015 SERIES A

UNITED STATES OF AMERICA

STATE OF MARYLAND

No. R-1

\$ _____

HOWARD COUNTY, MARYLAND

CONSOLIDATED PUBLIC IMPROVEMENT PROJECT AND REFUNDING BOND
2015 SERIES A

<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Maturity Date</u>	<u>CUSIP</u>
_____%		February 15, ____	

Registered Owner: CEDE & CO.

Principal Amount:

HOWARD COUNTY, MARYLAND, a body politic and corporate, organized and existing under the Constitution and laws of the State of Maryland (the "County"), for value received, hereby promises to pay to the Registered Owner of this bond as set forth above, or registered assigns, the Principal Amount shown hereon on the Maturity Date shown hereon (or earlier as provided herein) and to pay interest on such Principal Amount from and including the interest payment date next preceding the date of registration and authentication of this bond, unless this bond is registered and authenticated as of an interest payment date, in which case it shall bear interest from such interest payment date, or unless this bond is registered and authenticated prior to _____, in which event this bond shall bear interest from the Date of Issue shown hereon, or unless, as shown by the records of the Bond Registrar (hereinafter defined), interest on this bond shall be in default, in which event this bond shall bear interest from the date on which interest was last paid on this bond, at the Interest Rate per annum shown hereon, payable on _____ and semiannually thereafter on each February 15 and August 15 until maturity or earlier redemption.

Both the principal of and interest on this bond are payable in lawful money of the United States of America, at the time of payment. Payment of the principal of and premium, if any, on this bond shall be made upon presentation and surrender hereof at the principal office of the Director of Finance of the County, or his successor as bond registrar (the "Bond Registrar"). Payment of interest on this bond shall be made by the Bond Registrar on each interest payment date to the person appearing on the registration books of the County maintained by the Bond Registrar as the registered owner hereof, by check or draft mailed to such registered owner at his or her address as it appears on such registration books.

This bond is one of an issue of bonds of the County in the aggregate principal amount of \$ _____, all dated as of the Date of Issue shown hereon, and known as "Consolidated Public Improvement Project and Refunding Bonds, 2015 Series A (the "Bonds").

The Bonds are being issued pursuant to the authority of Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2014 Supplement), Section 19-207 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2014 Supplement), Section 19-101 of the Local Government Article of Annotated Code of Maryland (2013 Replacement Volume and 2014 Supplement), the Howard County Charter, certain bond enabling ordinances of the County Council of the County, and in accordance with Council Bill No. 42-2013 passed by the County Council of Howard County, Maryland (the "County Council") on October 7, 2013 and approved by the County Executive of Howard County, Maryland (the "County Executive") and effective on October 9, 2013, Council Bill No. 1-2015 passed by the County Council on February 2, 2015 and approved by the County Executive and effective on February 4, 2015, Council Bill No. 53-2010 passed by the County Council on October 28, 2010 and approved by the County Executive and effective on November 1, 2010, and Council Bill No. 7-2015 to be passed by the County Council on April 6, 2015 (collectively, the "Bond Ordinances"), and Executive Order No. _____, issued by the County Executive of the County on _____ (the "Order").

The Bonds shall be issued as fully registered bonds without coupons in denominations of \$5,000 or any integral multiple thereof and shall mature in [consecutive annual installments or sinking fund installments] as provided in the Bond Ordinances and the Order.

This bond shall be registered on the books of the County to be kept for that purpose by the Bond Registrar at its principal office. This bond shall be transferable only upon such books at such office by the registered owner or by its duly authorized officer or attorney, but this Bond will not be transferred unless DTC determines to discontinue providing its services as a securities depository or directs that the Bonds be reregistered in a different name, or unless DTC is removed as the depository for the Bonds. This bond, upon surrender hereof at the principal office of the Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner hereof or his duly authorized attorney, may, at the option of the registered owner hereof, be exchanged for an equal aggregate principal amount of Bonds of authorized denominations and of the same form and tenor as this bond. For every such exchange or transfer of Bonds, the County or the Bond Registrar shall make a charge for any tax or other governmental charge required to be paid with respect to such exchange or transfer. Such charge shall be paid by the registered owner requesting such exchange or transfer as a condition precedent to the exercise of such privilege. The Bond Registrar shall not be obligated to make any such exchange or transfer of Bonds during the 15 days next preceding an interest payment date on the Bonds, or in case of any proposed redemption of Bonds, during the 15 days next preceding the date of the publication of notice of such redemption. The Bond Registrar shall not be required to make any transfer or exchange of any Bonds called for redemption.

The County and the Bond Registrar may deem and treat the person in whose name this bond is registered as the absolute owner hereof for all purposes; and neither the County nor the Bond Registrar shall be affected by any notice to the contrary.

Bonds maturing on or before February 15, 2023 are not redeemable prior to their stated maturities. Bonds maturing on and after February 15, 2024 are subject to redemption prior to their respective maturities, at the option of the County, on or at any time after February 15, 2023, in whole or in part, at a redemption price of 100 percent of the principal amount thereof, together with interest accrued to the redemption date.

[The bonds of this issue maturing on February 15 _____ are subject to mandatory sinking fund redemption, at a price equal to the principal amount thereof plus accrued interest thereon, on February 15 of each of the following years and in the following amounts:

<u>Year</u>	<u>Sinking Fund Installments</u>
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(maturity)

If the County redeems or otherwise discharges the bonds of this issue maturing on _____ or _____, such redeemed or discharged bonds shall be credited to the applicable sinking fund installment amounts in a manner determined by the County.]

If less than all of the outstanding Bonds shall be called for optional redemption, the County shall choose the maturities of the Bonds to be redeemed and the principal amount of each such maturity to be redeemed, in its sole discretion. If less than all of the Bonds of any one maturity shall be called for redemption, then the particular Bonds of such maturity, or portions of such Bonds, to be redeemed shall be chosen by DTC in accordance with its normal and customary procedures (so long as the Bonds are in book-entry form), or by the Bond Registrar, by lot (if the book-entry system has been discontinued). The Bonds shall be redeemed only in integral multiples of \$5,000.

Notice of any redemption of the Bonds, either in whole or in part, shall be given by the County not less than 20 days prior to the date fixed for redemption (the "Redemption Date") by first-class mail to the registered owners of the Bonds to be redeemed (in whole or in part) and otherwise as provided in the Bond Ordinances, unless such notice shall be waived in writing by the registered owners of the Bonds so called for redemption, and such redemption shall be made in all respects in the manner and upon the terms and conditions provided in the Bond Ordinances. Notwithstanding the foregoing, so long as all of the Bonds are registered in the name of Cede & Co., as nominee for DTC, such notice shall be given by a secure means (e.g. legible facsimile transmission, registered or certified mail or overnight express delivery) in a timely manner designed to assure that such notice is in DTC'S possession no later than the close of business on such twentieth day. On the Redemption Date, notice having been mailed or

waived, and moneys for the payment of the redemption price of the Bonds (or portions thereof) plus accrued interest being held by the Bond Registrar, the Bonds (or such portions thereof) so called for redemption shall become due and payable at the redemption price provided for redemption of such Bonds or such portion thereof on the Redemption Date, interest on such Bonds or such portion thereof so called for redemption shall cease to accrue on the Redemption Date, and the registered owners of any such Bonds or of any portion thereof so called for redemption shall have no rights in respect thereto except to receive payment from such moneys held by the Bond Registrar of the redemption price thereof, plus accrued interest thereon to the Redemption Date. If a portion of any bond shall be called for redemption, a new bond in principal amount equal to the unredeemed portion thereof will be issued to the registered owner upon the surrender thereof or, so long as Cede & Co. is the registered owner of all of the Bonds, DTC may make an appropriate notation on this Bond indicating the date and amounts of such reduction in principal and notify the County in writing of such action. For all purposes, the principal amount of this bond outstanding at any time shall be equal to the lesser of (A) the Principal Amount shown on the face hereof and (B) such Principal Amount reduced by the principal amount of any partial redemption of this bond following which DTC has elected not to surrender this bond in accordance with the preceding paragraph. The failure of DTC 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.

No covenant or agreement contained in this bond shall be deemed to be a covenant or agreement of any officer, agent or employee of the County in his or her individual capacity, and neither the members of the County Council nor any official executing this bond shall be liable personally on this bond or be subject to any personal liability or accountability by reason of the issuance of this bond.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened and to be performed precedent to and in the issuance of this bond, does exist, has been done, has happened, and has been performed in full and strict compliance with the Constitution and laws of the State of Maryland, and acts and ordinances of the County and that the issue of Bonds of which this is one, together with all other indebtedness of the County, is within every debt and other limit prescribed by the Constitution and laws of the State of Maryland and the Howard County Charter.

In any case where any date of payment of principal of or interest on this bond, or the date fixed for any redemption of this bond, is not a Business Day (hereinafter defined), then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of payment or the date fixed for redemption. A "Business Day" is any day other than a day on which banks located in the State of Maryland are required or authorized by law or executive order to close for business or on which the New York Stock Exchange is closed.

The full faith and credit of the County are hereby irrevocably pledged to the payment of the principal of this bond and of the interest to accrue hereon.

This bond shall not be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Bond Registrar, or its successor as Bond Registrar, of the Certificate of Authentication inscribed hereon.

[Remainder of page left blank intentionally]

IN WITNESS WHEREOF, HOWARD COUNTY, MARYLAND, has caused this bond to be signed by its County Executive by his facsimile signature and has also caused its corporate seal to be hereunto affixed and attested by the facsimile signature of its Chief Administrative Officer, all as of the ___ day of _____, 2015.

[SEAL]

HOWARD COUNTY, MARYLAND

ATTEST:

Allan H. Kittleman
County Executive

Lonnie R. Robbins
Chief Administrative Officer

Stanley J. Milesky
Director of Finance

CERTIFICATE OF AUTHENTICATION

This bond is one of the registered bonds of the Howard County, Maryland Consolidated Public Improvement Project and Refunding Bonds, 2015 Series A.

Date of Authentication:

Stanley J. Milesky
Director of Finance,
acting as Bond Registrar

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(please insert name and address of the assignee)

(Tax Identification or Social Security No. _____) the within bond, and hereby

irrevocably constitutes and appoints _____

_____ attorney to transfer the within bond on the books.

kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of STAMP, SEMP or MSP registered signature guaranty medallion program.

NOTICE: The signature on this Assignment must correspond with the name of the owner as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatever.

FORM OF METROPOLITAN DISTRICT PROJECT
AND REFUNDING BONDS,
2015 A

UNITED STATES OF AMERICA

STATE OF MARYLAND

No. R-1

\$ _____

HOWARD COUNTY, MARYLAND

METROPOLITAN DISTRICT PROJECT AND REFUNDING BOND
2015 SERIES A

<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Maturity Date</u>	<u>CUSIP</u>
_____%		February 15, ____	

Registered Owner: CEDE & CO.

Principal Amount:

HOWARD COUNTY, MARYLAND, a body politic and corporate, organized and existing under the Constitution and laws of the State of Maryland (the "County"), for value received, hereby promises to pay to the Registered Owner of this bond as set forth above, or registered assigns, the Principal Amount shown hereon on the Maturity Date shown hereon (or earlier as provided herein) and to pay interest on such Principal Amount from and including the interest payment date next preceding the date of registration and authentication of this bond, unless this bond is registered and authenticated as of an interest payment date, in which case it shall bear interest from such interest payment date, or unless this bond is registered and authenticated prior to _____ which event this bond shall bear interest from the Date of Issue shown hereon, or unless, as shown by the records of the Bond Registrar (hereinafter defined), interest on this bond shall be in default, in which event this bond shall bear interest from the date on which interest was last paid on this bond, at the Interest Rate per annum shown hereon, payable on _____ and semiannually thereafter on each February 15 and August 15 until maturity or earlier redemption.

Both the principal of and interest on this bond are payable in lawful money of the United States of America, at the time of payment. Payment of the principal of and premium, if any, on this bond shall be made upon presentation and surrender hereof at the principal office of the Director of Finance of the County, or his successor as bond registrar (the "Bond Registrar"). Payment of interest on this bond shall be made by the Bond Registrar on each interest payment date to the person appearing on the registration books of the County maintained by the Bond Registrar as the registered owner hereof, by check or draft mailed to such registered owner at his or her address as it appears on such registration books.

This bond is one of an issue of bonds of the County in the aggregate principal amount of \$ _____, all dated as of the Date of Issue shown hereon, and known as "Metropolitan District Project and Refunding Bonds, 2015 Series A" (the "Bonds").

The Metropolitan District Bonds are being issued pursuant to the authority of the Section 10-203 of Local Government of Article Annotated Code of Maryland (2013 Replacement Volume and 2014 Supplement), Section 19-207 of the Local Government Article of Annotated Coder of Maryland (2013 Replacement Volume and 2014 Supplement) the Howard County Charter, Chapter 991 of the Acts of the General Assembly of Maryland of 1943, as amended, Chapter 609 of the Acts of the General Assembly of Maryland of 1945, as amended, Chapter 369 of the Acts of the General Assembly of Maryland of 1963, as amended and Chapter 356 of the Acts of the General Assembly of Maryland of 1965, as amended, certain bond enabling ordinances of the County Council of the County, and in accordance with Council Bill No. 42-2013 passed by the County Council of Howard County, Maryland (the "County Council") on October 7, 2013 and approved by the County Executive of Howard County, Maryland (the "County Executive") and effective on October 9, 2013, Council Bill No. 1-2015 passed by the County Council on February 2, 2015 and approved by the County Executive and effective on February 4, 2015, Council Bill No. 53-2010 passed by the County Council on October 28, 2010 and approved by the County Executive and effective on November 1, 2010, and Council Bill No. 7-2015 to be passed by the County Council on April 6, 2015 (collectively, the "Bond Ordinances") (the "Bond Ordinances") and Executive Order No. _____, issued by the County Executive on _____ (the "Order").

The Bonds shall be issued as fully registered bonds without coupons in denominations of \$5,000 or any integral multiple thereof and shall mature in [consecutive annual installments or sinking fund installments] as provided in the Bond Ordinances and the Order.

This Bond shall be registered on the books of the County to be kept for that purpose by the Bond Registrar at its principal office. This bond shall be transferable only upon such books at such office by the registered owner or by its duly authorized officer or attorney, but this Bond will not be transferred unless DTC determines to discontinue providing its services as a securities depository or directs that the Bonds be reregistered in a different name, or unless DTC is removed as the depository for the Bonds. This bond, upon surrender hereof at the principal office of the Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner hereof or his duly authorized attorney, may, at the option of the registered owner hereof, be exchanged for an equal aggregate principal amount of Bonds of authorized denominations and of the same form and tenor as this bond. For every such exchange or transfer of Bonds, the County or the Bond Registrar shall make a charge for any tax or other governmental charge required to be paid with respect to such exchange or transfer. Such charge shall be paid by the registered owner requesting such exchange or transfer as a condition precedent to the exercise of such privilege. The Bond Registrar shall not be obligated to make any such exchange or transfer of Bonds during the 15 days next preceding an interest payment date on the Bonds or in case of any proposed redemption of Bonds, during the 15 days next preceding the date of the publication of notice of such redemption. The Bond Registrar shall not be required to make any transfer or exchange of any Bonds called for redemption.

The County and the Bond Registrar may deem and treat the person in whose name this bond is registered as the absolute owner hereof for all purposes; and neither the County nor the Bond Registrar shall be affected by any notice to the contrary.

Bonds maturing on or before February 15, 2023 are not redeemable prior to their stated maturities. Bonds maturing on and after February 15, 2024 are subject to redemption prior to their respective maturities, at the option of the County, on or at any time after February 15, 2023, in whole or in part, at a redemption price of 100 percent of the principal amount thereof, together with interest accrued to the redemption date.

[The bonds of this issue maturing on February 15 _____ are subject to mandatory sinking fund redemption, at a price equal to the principal amount thereof plus accrued interest thereon, on February 15 of each of the following years and in the following amounts:

<u>Year</u>	<u>Sinking Fund Installments</u>
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(maturity)

If the County redeems or otherwise discharges the bonds of this issue maturing on _____ or _____, such redeemed or discharged bonds shall be credited to the applicable sinking fund installment amounts in a manner determined by the County.]

If less than all of the outstanding Bonds shall be called for optional redemption, the County shall choose the maturities of the Bonds to be redeemed and the principal amount of each such maturity to be redeemed, in its sole discretion. If less than all of the Bonds of any one maturity shall be called for redemption, then the particular Bonds of such maturity, or portions of such Bonds, to be redeemed shall be chosen by DTC in accordance with its normal and customary procedures (so long as the Bonds are in book-entry form), or by the Bond Registrar, by lot (if the book-entry system has been discontinued). The Bonds shall be redeemed only in integral multiples of \$5,000.

Notice of any redemption of the Bonds, either in whole or in part, shall be given by the County not less than 20 days prior to the date fixed for redemption (the "Redemption Date") by first-class mail to the registered owners of the Bonds to be redeemed (in whole or in part) and otherwise as provided in the Bond Ordinances, unless such notice shall be waived in writing by the registered owners of the Bonds so called for redemption, and such redemption shall be made in all respects in the manner and upon the terms and conditions provided in the Bond Ordinances. Notwithstanding the foregoing, so long as all of the Bonds are registered in the name of Cede & Co., as nominee for DTC, such notice shall be given by a secure means (e.g. legible facsimile transmission, registered or certified mail or overnight express delivery) in a timely manner designed to assure that such notice is in DTC'S possession no later than the close of business on such twentieth day. On the Redemption Date, notice having been mailed or waived, and moneys for the payment of the redemption price of the Bonds (or portions thereof) plus accrued interest being held by the Bond Registrar, the Bonds (or such portions thereof) so called for redemption shall become due and payable at the redemption price provided for redemption of such Bonds or such portion thereof on the Redemption Date, interest on such

Bonds or such portion thereof so called for redemption shall cease to accrue on the Redemption Date, and the registered owners of any such Bonds or of any portion thereof so called for redemption shall have no rights in respect thereto except to receive payment from such moneys held by the Bond Registrar of the redemption price thereof, plus accrued interest thereon to the Redemption Date. If a portion of any bond shall be called for redemption, a new bond in principal amount equal to the unredeemed portion thereof will be issued to the registered owner upon the surrender thereof or, so long as Cede & Co. is the registered owner of all of the Bonds, DTC may make an appropriate notation on this Bond indicating the date and amounts of such reduction in principal and notify the County in writing of such action. For all purposes, the principal amount of this bond outstanding at any time shall be equal to the lesser of (A) the Principal Amount shown on the face hereof and (B) such Principal Amount reduced by the principal amount of any partial redemption of this bond following which DTC has elected not to surrender this bond in accordance with the preceding paragraph. The failure of DTC 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.

No covenant or agreement contained in this bond shall be deemed to be a covenant or agreement of any officer, agent or employee of the County in his or her individual capacity, and neither the members of the County Council nor any official executing this bond shall be liable personally on this bond or be subject to any personal liability or accountability by reason of the issuance of this bond.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened and to be performed precedent to and in the issuance of this bond, does exist, has been done, has happened, and has been performed in full and strict compliance with the Constitution and laws of the State of Maryland and all acts and ordinances of the County and that the issue of Bonds of which this is one, together with all other indebtedness of the County, is within every debt and other limit prescribed by the Constitution and laws of the State of Maryland and the Howard County Charter.

In any case where any date of payment of principal of or interest on this bond, or the date fixed for any redemption on this bond, is not a Business Day (hereinafter defined), then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of payment or the date fixed for redemption. A "Business Day" is any day other than a day on which banks located in the State of Maryland are required or authorized by law or executive order to close for business or on which the New York Stock Exchange is closed.

The full faith and credit of the County are hereby irrevocably pledged to the payment of the principal of this bond and of the interest to accrue hereon.

This bond shall not be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Bond Registrar, or its successor as Bond Registrar, of the Certificate of Authentication inscribed hereon.

[Remainder of page left blank intentionally]

IN WITNESS WHEREOF, HOWARD COUNTY, MARYLAND, has caused this bond to be signed by its County Executive by his facsimile signature and has also caused its corporate seal to be hereunto affixed and attested by the manual signature of its Chief Administrative Officer, all as of the ____ day of _____, 2015.

[SEAL]

HOWARD COUNTY, MARYLAND

Allan H. Kittleman
County Executive

Stanley J. Milesky
Director of Finance

ATTEST:

Lonnie R. Robbins
Chief Administrative Officer

CERTIFICATE OF AUTHENTICATION

This bond is one of the registered bonds of the Howard County, Maryland Metropolitan District Project and Refunding Bonds, 2015 Series A.

Date of Authentication: _____

Stanley J. Milesky
Director of Finance,
acting as Bond Registrar

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (please insert name and address of the assignee) _____ (Tax Identification or Social Security No. _____) the within bond, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature guaranteed: _____

NOTICE: Signature(s) must be guaranteed by a member firm of STAMP, SEMP or MSP signature guaranty medallion program.

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatever.

REFUNDED BONDS

Summary of Bonds Refunded

Howard County, Maryland

General Obligation Bonds

Consolidated Public Improvement Project and Refunding Bonds, 2015 Series A

Metropolitan District Project and Refunding Bonds, 2015 Series A

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Metropolitan District Project Bonds, 2006 Series A, 2006A_MD:					
SERIAL	2/15/2024	4.150%	110,000.00	4/22/2015	100.000
	2/15/2025	4.200%	115,000.00	4/22/2015	100.000
	2/15/2026	4.250%	120,000.00	4/22/2015	100.000
	2/15/2027	4.250%	120,000.00	4/22/2015	100.000
	2/15/2028	4.300%	130,000.00	4/22/2015	100.000
	2/15/2029	4.350%	135,000.00	4/22/2015	100.000
	2/15/2030	4.375%	140,000.00	4/22/2015	100.000
TERM2035	2/15/2031	4.400%	145,000.00	4/22/2015	100.000
	2/15/2032	4.400%	150,000.00	4/22/2015	100.000
	2/15/2033	4.400%	160,000.00	4/22/2015	100.000
	2/15/2034	4.400%	165,000.00	4/22/2015	100.000
	2/15/2035	4.400%	170,000.00	4/22/2015	100.000
			1,660,000.00		
Consolidated Public Improvement Bonds, 2007 Series A, 2007A:					
SERIAL	2/15/2024	5.000%	6,100,000.00	2/15/2017	100.000
	2/15/2025	5.000%	6,300,000.00	2/15/2017	100.000
	2/15/2026	5.000%	6,500,000.00	2/15/2017	100.000
	2/15/2027	5.000%	6,800,000.00	2/15/2017	100.000
			25,700,000.00		
Metropolitan District Project Bonds, 2007 Series A, 2007A_MD:					
SERIAL	2/15/2018	4.125%	265,000.00	2/15/2017	100.000
	2/15/2021	4.125%	295,000.00	2/15/2017	100.000
	2/15/2022	4.125%	310,000.00	2/15/2017	100.000
	2/15/2023	4.125%	320,000.00	2/15/2017	100.000
	2/15/2024	4.125%	330,000.00	2/15/2017	100.000
			1,520,000.00		

Consolidated Public Improvement Bonds, 2008 Series A, 2008_CPI:

SERIAL	2/15/2022	4.250%	5,925,000.00	2/15/2016	100.000
	2/15/2023	4.250%	6,165,000.00	2/15/2016	100.000
	2/15/2024	4.375%	6,410,000.00	2/15/2016	100.000
	2/15/2025	4.375%	6,665,000.00	2/15/2016	100.000
	2/15/2026	4.400%	6,935,000.00	2/15/2016	100.000
	2/15/2027	4.250%	7,210,000.00	2/15/2016	100.000
	2/15/2028	4.250%	7,500,000.00	2/15/2016	100.000
			46,810,000.00		

Metropolitan District Project Bonds, 2008 Series A, 2008_MD:

SERIAL	2/15/2017	3.250%	100,000.00	2/15/2016	100.000
	2/15/2018	3.500%	100,000.00	2/15/2016	100.000
	2/15/2019	3.500%	105,000.00	2/15/2016	100.000
	2/15/2020	3.625%	110,000.00	2/15/2016	100.000
	2/15/2021	3.750%	115,000.00	2/15/2016	100.000
	2/15/2022	4.000%	120,000.00	2/15/2016	100.000
	2/15/2023	4.000%	125,000.00	2/15/2016	100.000
			1,030,000.00		

Consolidated Public Improvement Bonds, 2009 Series A, 2009_CPI:

SERIAL	4/15/2020	5.000%	3,430,000.00	4/15/2019	100.000
	4/15/2021	5.000%	3,600,000.00	4/15/2019	100.000
	4/15/2022	5.000%	3,780,000.00	4/15/2019	100.000
	4/15/2023	5.000%	3,970,000.00	4/15/2019	100.000
			14,780,000.00		

Metropolitan District Project Bonds, 2009 Series A, 2009_MD:

SERIAL	4/15/2020	4.000%	1,305,000.00	4/15/2019	100.000
	4/15/2021	4.000%	1,355,000.00	4/15/2019	100.000
	4/15/2022	4.000%	1,410,000.00	4/15/2019	100.000
	4/15/2023	4.000%	1,470,000.00	4/15/2019	100.000
			5,540,000.00		

Consolidated Public Improvement Bonds, 2011 Series A, 2011ACPI:

SERIAL	2/15/2020	4.000%	5,145,000.00	2/15/2019	100.000
	2/15/2021	4.000%	5,350,000.00	2/15/2019	100.000
	2/15/2022	4.000%	5,565,000.00	2/15/2019	100.000

	2/15/2023	4.000%	5,790,000.00	2/15/2019	100.000
			21,850,000.00		

Metropolitan District Project Bonds, 2011 Series A, 2011AMD:

SERIAL	2/15/2020	4.000%	1,185,000.00	2/15/2019	100.000
	2/15/2021	4.000%	1,235,000.00	2/15/2019	100.000
	2/15/2022	4.000%	1,280,000.00	2/15/2019	100.000
	2/15/2023	4.000%	1,335,000.00	2/15/2019	100.000
			5,035,000.00		

Consolidated Public Improvement Bonds, 2011 Series B, 2011BCPI:

SERIAL	8/15/2022	5.000%	3,595,000.00	8/15/2021	100.000
	8/15/2023	5.000%	3,775,000.00	8/15/2021	100.000
			7,370,000.00		
			131,295,000.00		

Exhibit D

FORM OF ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT

Dated as of _____, 2015
by and between

HOWARD COUNTY, MARYLAND

AND

U.S. BANK NATIONAL ASSOCIATION
Escrow Deposit Agent

HOWARD COUNTY, MARYLAND
GENERAL OBLIGATION BONDS
Consisting of

\$ _____
CONSOLIDATED PUBLIC IMPROVEMENT PROJECT AND REFUNDING BONDS,
2015 SERIES A

AND

\$ _____
METROPOLITAN DISTRICT PROJECT AND REFUNDING BONDS,
2015 SERIES A

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ESCROW DEPOSIT AGREEMENT

This **ESCROW DEPOSIT AGREEMENT**, dated as of _____, 2015, between Howard County, Maryland, a body politic and corporate and a political subdivision of the State of Maryland (the "County"), and U.S. Bank National Association, as escrow deposit agent (the "Escrow Deposit Agent") under this Escrow Deposit Agreement.

RECITALS

The County, pursuant to 10-203 of Local Government of Article Annotated Code of Maryland (2013 Replacement Volume) ("Section 10-203"), Section 19-207 of the Local Government Article of Annotated Code of Maryland (2013 Replacement Volume and 2014 Supplement) (the "Refunding Act"), Article VI of the Howard County Charter (the "Charter"), Council Bill No. _____ enacted by the County Council of the County on _____ and effective on _____ (the "Ordinance") and Executive Order No. _____ issued by the County Executive on _____, 2015 (the "Order" together with Section 10-203, the Refunding Act, the Charter, the Ordinance, and the Order, collectively, the "Authorizing Law") is issuing, selling and delivering \$ _____ aggregate principal amount of general obligation bonds designated "Howard County, Maryland, General Obligation Bonds, Consolidated Public Improvement Project and Refunding Bonds, 2015 Series A (the "Public Improvement Bonds") and "Howard County, Maryland, General Obligation Bonds, Metropolitan District Project and Refunding Bonds, 2015 Series A" (the "Metropolitan District Bonds" and together with the Public Improvement Bonds, the "Bonds").

The Bonds are being issued for the purpose of providing funds to refund certain maturities of the County's general obligation bonds as more specifically set forth on Schedule A attached hereto (collectively, the "Refunded Bonds").

The County, pursuant to the Authorizing Law, has determined to provide for the payment of the Refunded Bonds by depositing with the Escrow Deposit Agent immediately available funds sufficient to purchase noncallable, non-prepayable direct obligations of, or noncallable non-prepayable obligations the timely payment of the principal of and the interest on which are unconditionally guaranteed by, the United States of America which mature at stated fixed prices as to principal and interest at such times so that sufficient moneys will be available from such maturing principal and interest, together with any funds held uninvested as cash or reinvested as provided herein, to pay interest on the Refunded Bonds due on or after their respective redemption dates and at the redemption price as specified in Schedule A attached hereto and incorporated herein.

NOW, THEREFORE, the County and the Escrow Deposit Agent, intending to be legally bound hereby and in consideration of the mutual covenants hereinafter contained, do hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions.

All terms defined in the Recitals to this Escrow Deposit Agreement shall have the meanings set forth therein. In addition, the following terms used in this Escrow Deposit Agreement shall have the meanings hereinafter provided for such terms, unless a different meaning clearly appears from the context:

“**Bonds**” has the meaning set forth in the Recitals.

“**Bond Counsel**” means an attorney at law or firm of attorneys at law selected by the County regularly rendering opinions of general acceptance in the municipal bond market.

“**Business Day**” means a day other than a Saturday, Sunday or day on which banking institutions under the laws of the state governing the Escrow Deposit Agent are authorized or obligated by law or required by executive order to remain closed.

“**County**” means Howard County, Maryland, a body politic and corporate and a political subdivision of the State of Maryland.

“**Escrow Deposit Agreement**” means this Escrow Deposit Agreement dated as of _____, 2015, pertaining to the Bonds, executed by and between the County and the Escrow Deposit Agent.

“**Escrow Deposit Account**” means the fund which is created and established under this Escrow Deposit Agreement.

“**Escrowed Government Obligations**” means Government Obligations on deposit from time to time to the credit of the created and established by this Escrow Deposit Agreement.

“**Government Obligations**” means noncallable, non-prepayable direct obligations of, or noncallable and non-prepayable obligations the full and timely payment of the principal of and the interest on which are unconditionally guaranteed by, the United States of America, including noncallable stripped coupons of the above investments if the underlying obligation of the strip is noncallable at the option of the issuer prior to the time it is required to pay debt service hereunder. Such obligations may not include obligations of mutual funds or unit investment trusts that invest in like instruments.

ARTICLE II

ESCROW FOR REFUNDED BONDS

Section 2.01. Receipt of Order.

The Escrow Deposit Agent hereby acknowledges receipt of certified copies of the Ordinance and the Order.

Section 2.02. Establishment of Escrow Deposit Account.

(a) There is hereby created and established with the Escrow Deposit Agent a special and irrevocable escrow deposit account designated "Escrow Deposit Account" (the "Escrow Deposit Account") to be held in trust by the Escrow Deposit Agent separate and apart from other funds of the County and of the Escrow Deposit Agent.

(b) Simultaneously with the receipt of the proceeds of the sale of the Bonds, the County shall deliver or cause to be delivered to the Escrow Deposit Agent for deposit in the Escrow Deposit Account immediately available funds in the amount of \$ _____, constituting a portion of the proceeds of the Bonds, which amounts shall be applied solely as provided in this Escrow Deposit Agreement. The County represents that, based on the certification ("Verification Agent") dated _____, 2015 relating to the Bonds, a copy of which is attached hereto as Schedule B, such funds will be sufficient to purchase on _____, 2015, Government Obligations to be held to the credit of the Escrow Deposit Account that will mature in principal amounts at such times and bear interest at a rate or rates so that sufficient moneys will be available from such maturing principal and interest, together with any cash balance left uninvested or reinvested as provided for herein, to pay, from amounts in the Escrow Deposit Account, interest on the Refunded Bonds when due and to redeem the Refunded Bonds becoming due and payable on the earliest practicable dates of redemption as indicated on Schedule A attached hereto.

(c) The County further represents that such funds are derived from the net proceeds of the sale of the Bonds.

Section 2.03. Deposit Irrevocable.

The deposit of funds in the Escrow Deposit Account shall constitute an irrevocable deposit of such funds for the equal and ratable benefit of the holders of the Refunded Bonds. The principal of the Escrowed Government Obligations purchased from funds deposited in the Escrow Deposit Account, interest earned thereon and any proceeds from the sale thereof, together with any cash left uninvested in the Escrow Deposit Account, shall be held in escrow and shall be applied, as hereinafter set forth, solely to the payment of the principal and redemption price of and interest on the Refunded Bonds or as described in Section 2.10.

Section 2.04. Investment.

(a) The Escrow Deposit Agent hereby acknowledges the creation and establishment of the Escrow Deposit Account and acknowledges receipt of the sum described in Section 2.02(b) hereof. The Escrow Deposit Agent shall apply \$_____ of such funds on deposit in the Escrow Deposit Account to the purchase of the Government Obligations described in Schedule B attached hereto, which purchased Government Obligations shall constitute Escrowed Government Obligations for purposes of this Escrow Deposit Agreement. The balance of such funds in the amount of \$_____ shall be held by the Escrow Deposit Agent in cash.

(b) The Escrow Deposit Agent shall hold the Escrowed Government Obligations described in subparagraph (a) of this Section 2.04 hereof and apply amounts received from the maturing principal and interest thereof in any manner prescribed by Bond Counsel, in order to comply with the requirements of Section 2.04(e) hereof, subject to the requirement that the Escrow Deposit Agent shall make payments from the Escrow Deposit Account required to be made on account of the Refunded Bonds pursuant to Section 2.05 hereof.

(c) Notwithstanding Section 2.04(b) hereof, the Escrow Deposit Agent may dispose of any or all of the Government Obligations described in Schedule B attached hereto and invest the net proceeds derived from the sale thereof in Government Obligations to be deposited in the Escrow Deposit Account, subject to the requirement that the Escrow Deposit Agent shall have received an opinion of a nationally recognized firm of certified public accountants or other experts nationally recognized in the field of verifying mathematical computations regarding the advance refunding of tax exempt obligations verifying compliance with the plan of refunding to the effect that the maturing principal of and interest on Government Obligations on deposit in the Escrow Deposit Account after such sale and purchase of Government Obligations shall be sufficient without reinvestment to enable the Escrow Deposit Agent to make payments from the Escrow Deposit Account required to be made on account of the respective Refunded Bonds pursuant to Section 2.05, and subject to the further requirement that the Escrow Deposit Agent shall have received an opinion of nationally recognized Bond Counsel to the effect that, subsequent to any such disposition and purchase of Government Obligations as aforesaid, the Government Obligations on deposit in the Escrow Deposit Account comply with the requirements set forth in Section 2.04(e) hereof.

(d) Except as otherwise expressly provided in this Section 2.04 or Section 2.05 hereof, the Escrow Deposit Agent shall have no power or duty to invest any moneys held hereunder or to make substitutions of Escrowed Government Obligations held hereunder.

(e) The County and the Escrow Deposit Agent hereby covenant that no part of the moneys or funds at any time in the Escrow Deposit Account shall be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause the Bonds or the Refunded Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") and the applicable regulations thereunder.

(f) Except as otherwise provided in this Section, any cash on deposit in the Escrow Deposit Account constituting proceeds of the maturing principal of or interest on Escrowed Government Obligations shall be held in cash and not invested. Interim balances of matured principal and interest in excess of \$100 derived from Escrowed Government Obligations shall be invested by the Escrow Deposit Agent in accordance with the instructions set forth in Schedule B.

(g) If the Escrow Deposit Agent is unable to reinvest any funds as specified on Schedule B attached hereto due to the suspension of sales of U.S. Treasury Securities - State and Local Government Series, the Escrow Deposit Agent will notify the County of such suspension, and the County will provide to the Escrow Deposit Agent written directions to invest applicable amounts in specified obligations with a maturity date of no longer than 90 days from the date of investment as permitted under Revenue Procedure 95-47 (the "Alternate Investment"), together with (i) a revised certificate of the Verification Agent regarding the sufficiency of escrowed funds to pay remaining amounts due on the Refunded Bonds, taking into account the Alternate Investment and assuming that any amounts in excess of the purchase price of the Alternate Investment will be rebated to the U.S. Treasury Department (the "Alternate Investment Rebate Amount"), and (ii) an opinion of Bond Counsel satisfactory to the Escrow Deposit Agent to the effect that such transaction is in compliance with applicable law and will not adversely affect the exclusion from gross income for purposes of federal income taxation of interest paid on the Refunded Bonds or the Bonds. At least 30 days before any such payment of the Alternate Investment Rebate Amount is due, the County shall provide to the Escrow Deposit Agent a completed and executed Form 8038-T (or other applicable form) and instructions as to the required payment by the Escrow Deposit Agent to the U.S. Treasury Department of the Alternate Investment Rebate Amount, which payment shall be made within 180 days of the date of purchase of the Alternate Investment pursuant to Revenue Procedure 95-47. References in this paragraph to Revenue Procedure 95-47 and dates within which certain actions must be taken pursuant thereto shall be construed to refer to applicable procedures and time periods specified in any superseding revenue procedures or other applicable advice promulgated by the U.S. Treasury Department. The Escrow Deposit Agent shall not be liable for any payments or penalties determined by the U.S. Treasury Department or other applicable agency if reinvestment instructions are not received when uninvested funds are available, provided that the Escrow Deposit Agent has satisfied its obligations set forth in this paragraph.

Section 2.05 Use of Funds and Payment of the Refunded Bonds and Fees.

The Escrow Deposit Agent shall pay to DTC, on behalf of the County as the paying agent for the Refunded Bonds from cash on hand in the Escrow Deposit Account, a sum sufficient (i) to pay interest on the Refunded Bonds when due and (ii) to pay the redemption price of the Refunded Bonds as set forth in Schedule A attached hereto.

Section 2.06. Pledges and Liens.

The County hereby assigns and pledges to the Escrow Deposit Agent for the benefit of the holders of the Refunded Bonds and grants to the Escrow Deposit Agent for the benefit of such

holders of the Refunded Bonds a security interest in the Escrowed Government Obligations and funds on deposit in the Escrow Deposit Account and the interest income thereon. The Escrow Deposit Agent shall have an express first lien on, pledge of and security interest in all funds, Escrowed Government Obligations and income earned then on deposit in or credited to the Escrow Deposit Account until such funds, Escrowed Government Obligations and income are used and applied in accordance with this Escrow Deposit Agreement, all for the benefit of the holders of the Refunded Bonds.

Section 2.07. Redemption.

(a) The County represents that it has irrevocably elected to refund the Refunded Bonds, and to pay interest due on the Refunded Bonds and their respective redemption prices on their respective redemption dates, as provided on Schedule A hereto.

(b) The Escrow Deposit Agent shall cause the Notice of Redemption with respect to the Refunded Bonds substantially in the form of Exhibit A to be published not less than 30 days nor more than 45 days prior to the date fixed for redemption by first-class mail to the registered owners of such Refunded Bonds; provided, however, that so long as the Refunded Bonds are registered in the name of Cede & Co., as nominee for DTC, such notice shall be given by facsimile transmission or other electronic means, registered or certified mail or overnight express delivery in a timely manner designed to assure that such notice is received by DTC not later than 30 days prior to the date fixed for redemption of any such Refunded Bond. The Escrow Deposit Agent shall also provide such Notices of Redemption to the County for dissemination to the Municipal Securities Rulemaking Board ("MSRB") through the Electronic Municipal Market Access System ("EMMA") or such other electronic format as prescribed by the MSRB. Such Notices of Redemption shall be provided to the County two (2) Business Days prior to the date required for publication of such notices.

(c) The cost of the notices described in subparagraph 2.07(b) hereof shall be paid by the County pursuant to Section 2.12 hereof.

Section 2.08. Fees and Expenses of Escrow Deposit Agent.

Upon the execution and delivery of this Escrow Deposit Agreement, the County shall pay the Escrow Deposit Agent (a) a set-up fee in the amount of \$ _____, (b) an annual fee of \$ _____, chargeable in advance and payable in 201__ and on _____ thereafter to and including 201__, and (c) promptly after receipt of a bill therefor a charge of \$ _____ for each purchase, sale, maturity or substitution of investments and for each wire transfer. The County will provide for the payment of the reasonable out-of-pocket expenses incurred by the Escrow Deposit Agent in the performance of its duties under this Escrow Deposit Agreement, including, as provided in Section 2.12 hereof, the cost of publishing and mailing notices under Section 2.07 and 2.11 hereof. No fees and expenses of the Escrow Deposit Agent other than those described in this Section 2.08 are anticipated. However, if the Escrow Deposit Agent incurs any unusual or extraordinary expenses, or undertakes any unusual or extraordinary services, not anticipated at the time of the execution and delivery of this Escrow Deposit Agreement, the Escrow Deposit Agent may

request payment of its reasonable fees and expenses in connection therewith from the County. The Escrow Deposit Agent shall assert no lien whatsoever upon any of the moneys in the Escrow Deposit Account for the payment of its fees and expenses.

Section 2.09. Liability and Duties of Escrow Deposit Agent.

(a) The Escrow Deposit Agent and its respective successors, assigns, agents and servants, absent negligence or willful misconduct, shall not be held to any personal liability whatsoever, in tort, contract or otherwise, in connection with the execution and delivery of this Escrow Deposit Agreement, the establishment of the Escrow Deposit Account, the acceptance of the moneys deposited therein, the purchase of Escrowed Government Obligations, the retention of the Escrowed Government Obligations or the proceeds thereof, or any payment, transfer or other application of moneys or securities by the Escrow Deposit Agent in accordance with the provisions of this Escrow Deposit Agreement.

(b) This Escrow Deposit Agreement sets forth exclusively the duties of the Escrow Deposit Agent with respect to any and all matters pertinent hereto and no implied duties or obligations shall be read into this Escrow Deposit Agreement against the Escrow Deposit Agent. The Escrow Deposit Agent may act in reliance upon any instrument or signature believed by it to be genuine and may assume that any person purporting to give any writing, notice, advice or direction in connection with the provisions hereof has been duly authorized to do so.

Section 2.10. Term; Disposition of Surplus Funds.

This Escrow Deposit Agreement shall become effective upon its execution and delivery and shall terminate when all the Refunded Bonds and interest due thereon have been paid and discharged.

Upon the payment of the redemption price of and accrued interest on the Refunded Bonds from funds on deposit in the Escrow Deposit Account and after payment of any unpaid expenses of the Escrow Deposit Agent relating to the redemption of the Refunded Bonds, any moneys and Escrowed Government Obligations remaining in the Escrow Deposit Account shall be paid and delivered by the Escrow Deposit Agent to the County or to a depository designated by the County, to be applied at the County's discretion in a manner consistent with Section 2.04(e) hereof.

Section 2.11. Notice of Refunding.

Within ten (10) days, after the delivery of and payment for the Refunded Bonds, the Escrow Deposit Agent shall mail, or cause to be mailed or deliver, the Notice of Refunding, substantially in the form set forth in Exhibit B attached hereto, to (a) DTC, as the registered owner of the Refunded Bonds and (b) to Howard County, Maryland to be disseminated to the MSRB through EMMA or such other electronic format as prescribed by the MSRB.

Section 2.12. Costs of Notices.

The Escrow Deposit Agent shall submit to the County for payment by the County all receipts and invoices for costs and expenses related to publications and mailings described in Section 2.07 and Section 2.11 hereof.

Section 2.13. Replacement of Escrow Deposit Agent.

The Escrow Deposit Agent may resign by notice in writing given to the County and published once in a financial trade journal or daily newspaper of general circulation in the State of Maryland and Borough of Manhattan, New York, New York, not less than sixty (60) days before such resignation is to take effect. The cost of such publication shall be the responsibility of the Escrow Deposit Agent. Such resignation shall take effect only upon the appointment and qualification of and the acceptance of duties by a successor Escrow Deposit Agent, as described below. The Escrow Deposit Agent may be removed at any time for any breach of trust or failure to comply with the terms of this Escrow Deposit Agreement, by any court of competent jurisdiction upon the application of the County or the registered holders of not less than ten percent (10%) in aggregate principal amount of the outstanding Refunded Bonds.

Upon resignation or removal of the Escrow Deposit Agent, a successor Escrow Deposit Agent (which shall be a commercial bank, trust company or national banking association having a combined capital and surplus of at least \$50,000,000 and which shall be subject to supervision or examination by federal or state authority) shall be appointed by the County or, if the County shall fail to make such appointment within forty-five (45) days following removal or receipt of notice of resignation of the predecessor Escrow Deposit Agent, by any court of competent jurisdiction upon the petition of any registered holder of any of the outstanding Bonds. Such successor Escrow Deposit Agent shall agree in writing to assume all of the duties and obligations of the Escrow Deposit Agent under this Escrow Deposit Agreement and, upon such agreement, without any further act, deed or conveyance, shall immediately become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of its predecessor Escrow Deposit Agent.

Upon the resignation or removal of the initial Escrow Deposit Agent hereunder, _____ will refund to the County a pro rata portion of the fee paid to the Escrow Deposit Agent pursuant to Section 2.08 hereof, such pro rata portion representing the fee payable with respect to the remaining unexpired term of this Escrow Deposit Agreement.

Section 2.14. Amendments.

This Escrow Deposit Agreement shall not be amended without the consent of the parties hereto and all the holders of the Refunded Bonds then outstanding; provided, however, that the County and the Escrow Deposit Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Escrow Deposit Agreement (the "Amendments" or "Amendment") as shall not adversely affect the rights of such holders and as shall not be

inconsistent with the terms and provisions of this Escrow Deposit Agreement, for any one or more of the following purposes:

(i) to cure any ambiguity or formal defect or omission in this Escrow Deposit Agreement;

(ii) to grant to, or confer upon the Escrow Deposit Agent for the benefit of such holders any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Deposit Agent; and

(iii) to make any other amendment deemed necessary by the County and the Escrow Deposit Agent to sever any clause or provision in this Agreement deemed to be illegal or unenforceable.

The Escrow Deposit Agent shall not undertake or execute any Amendment unless it has received an opinion of nationally recognized Bond Counsel that (A) if such Amendment had been adopted on the date of issuance of the Bonds, such Amendment would not have caused the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and the regulations and rulings thereunder applicable to the Bonds on the date of the Amendment; (B) the Amendment will not cause any of the Refunded Bonds to be "arbitrage bonds;" and (C) the Amendment complies with this Section.

Prior to any amendment or revocation of this Agreement, the Escrow Deposit Agent shall give notice and provide draft legal documents to (i) Moody's Investors Service, Inc., Public Finance Rating Desk/Refunded Bonds, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, (ii) Standard & Poor's, 25 Broadway, New York, New York 10004, and (iii) Fitch Ratings, One State Street Plaza, New York, New York 10004. Failure to give the notices required in this paragraph, however, shall not constitute an event of default hereunder.

Section 2.15. Reports by Escrow Deposit Agent.

Within ten (10) days of each June 30 and December 31 during the term of this Escrow Deposit Agreement, beginning June 30, 2015, the Escrow Deposit Agent shall forward to the County a statement describing the Escrowed Government Obligations and cash held at the beginning of business on each such date in the Escrow Deposit Account, including the income earned therefrom and the maturities thereof, and any withdrawals of money from the Escrow Deposit Account since the last statement furnished pursuant to this Section.

ARTICLE III

MISCELLANEOUS

Section 3.01. Entire Agreement.

This Escrow Deposit Agreement constitutes the entire agreement, and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof and may be executed simultaneously in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 3.02. Section and Paragraph Headings.

The County and the Escrow Deposit Agent agree that the Section and paragraph headings have been prepared for convenience only and are not part of this Escrow Deposit Agreement and shall not be taken as an interpretation of any provision of this Escrow Deposit Agreement.

Section 3.03. Severability.

If any clause, provision or Section of this Escrow Deposit Agreement 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 Escrow Deposit Agreement 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 Escrow Deposit Agreement is held to be in violation of law, then such agreement or obligation shall be determined to be the agreement or obligation of the County or the Escrow Deposit Agent, as the case may be, only to the full extent permitted by law. Immediately after such occurrence, the Escrow Deposit Agent shall notify Moody's Investors Service, Inc., Standard & Poor's Corporation and Fitch Ratings at their addresses provided in Section 2.14 hereof.

Section 3.04. Maryland Law.

This Escrow Deposit Agreement is executed and delivered with the intent that the laws of the State of Maryland shall govern.

Section 3.05. Escrow Deposit Agreement Constitutes Security Agreement.

The County executes this Escrow Deposit Agreement as a debtor under the Maryland Uniform Commercial Code and the Escrow Deposit Agent executes this Escrow Deposit Agreement as a secured party under the Maryland Uniform Commercial Code, it being intended by the parties hereto that this Escrow Deposit Agreement shall constitute and be a security agreement under the laws of the State of Maryland.

Section 3.06. Representations.

The County hereby represents that (a) the County was duly created by and is in existence under the laws of the State of Maryland, and the County possesses the authority under the Order and the Refunding Act to enter into the transactions contemplated by this Escrow Deposit Agreement; (b) the County is not in default under any of the provisions of the laws of the State of Maryland which would affect its existence or its power referred to in the preceding clause (a); and (c) the County has taken due and proper action to authorize the execution and delivery of this Escrow Deposit Agreement.

The Escrow Deposit Agent hereby represents that it (a) has been duly organized, is validly existing, and is in good standing under the banking laws as a national association, (b) has the corporate power and authority to act as Escrow Deposit Agent under this Escrow Deposit Agreement, and (c) may validly and legally perform the duties and obligations of the Escrow Deposit Agent under this Escrow Deposit Agreement.

Section 3.07. Execution in Several Counterparts.

This Escrow Deposit 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 3.08. U.S. Patriot Act.

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 Escrow Deposit Agent may ask for documentation to verify its formation and existence as a legal entity. The Escrow Deposit Agent may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

[Remainder of page left intentionally blank]

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

HOWARD COUNTY, MARYLAND

(SEAL)

By: _____
Lonnie R. Robbins
Chief Administrative Officer

By: _____
Stanley J. Milesky
Director, Department of Finance

as Escrow Deposit Agent

By: _____
Banking Officer

[Signature page to Escrow Deposit Agreement]

EXHIBIT A
to Escrow Deposit Agreement

NOTICE OF REDEMPTION

EXHIBIT B
to Escrow Deposit Agreement

NOTICE OF REFUNDING

SCHEDULE A
to Escrow Deposit Agreement

REFUNDED BONDS

**SCHEDULE B
to Escrow Deposit Agreement**

VERIFICATION REPORT

PRELIMINARY OFFICIAL STATEMENT

[See Attached]

