

[FORM OF NOTICE OF SALE]

ANNE ARUNDEL COUNTY, MARYLAND

NOTICE OF SALE OF  
\$  
GENERAL OBLIGATION BONDS

Consisting of  
, \_\_\_\_\_SERIES, 20  
, \_\_\_\_\_SERIES, 20

DATED \_\_\_\_\_, 20\_\_

ELECTRONIC BIDS, [via BiDCOMP/PARITY Competitive Bidding System (BiDCOMP/Parity)] only will be received until \_\_\_\_\_ [A.M./P.M.], LOCAL BALTIMORE, MARYLAND, TIME ON \_\_\_\_\_, \_\_\_\_\_, 20\_\_, by the County Executive of Anne Arundel County, Maryland [or the Chief Administrative Officer] [or such other officer] of Anne Arundel County, Maryland, if authorized by the County Executive to receive such bids] (either such officer being the "Designated Officer"), in \_\_\_\_\_, Maryland, for the purchase of the above-described general obligation bonds of the County, aggregating \_\_\_\_\_ (the "Bonds"), all dated \_\_\_\_\_, 20\_\_, and bearing interest payable \_\_\_\_\_, and semiannually thereafter on each \_\_\_\_\_ and \_\_\_\_\_ until maturity or prior redemption as hereinafter set forth.

The Bonds will mature, subject to prior redemption as hereinafter set forth, on \_\_\_\_\_ in the following years and in the following aggregate amounts, subject to aggregation of two or more consecutive serial maturities as a term bond, as provided below:

<u>Years of</u> <u>Maturity</u>	<u>Annual</u> <u>Amounts</u> <u>Maturing</u>	<u>Years of</u> <u>Maturity</u>	<u>Annual</u> <u>Amounts</u> <u>Maturing</u>	<u>Years of</u> <u>Maturity</u>	<u>Annual</u> <u>Amounts</u> <u>Maturing</u>
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The Bonds will be fully registered in form in the denomination of Five Thousand Dollars (\$5,000) each or any integral multiple thereof. Principal of the Bonds will be paid to the registered owner at the principal corporate trust office of \_\_\_\_\_ (the "Bond Registrar"), upon presentment and surrender of the Bonds. Interest will be paid to the persons in whose names the Bonds are registered on the registration books maintained by the Bond

Registrar as of the close of business on the Regular Record Date, which is \_\_\_\_\_, by check mailed to each such person's address as it appears on such bond registration books.

*General Information*

The Bonds are authorized by Section 10-203 of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2016 Supplement), the Charter of Anne Arundel County, Maryland, and Bill No. \_\_\_\_, passed by the County Council of Anne Arundel County, Maryland, on \_\_\_\_\_, approved by the County Executive on \_\_\_\_\_, and effective \_\_\_\_\_, as amended.

The proceeds of the several Series of bonds for which proposals are solicited herein will be expended on the following public purposes: [Insert Public Purposes]

The full faith and credit and taxing power of Anne Arundel County, Maryland, are pledged to the payment of the Bonds and of the interest to accrue thereon. Such taxing power is subject, however, to the limitation set forth on Section 710(d) of the County Charter which provides, in part, that “[f]rom and after July 1, 1993, revenues derived from taxes on properties existing on County property tax rolls at the commencement of the County fiscal year shall not increase, compared with the previous year, more than the Consumer Price Index percentage of change, or 4.5 percent, whichever is the lesser.”

[The principal of and interest on the above-described Series of bonds are payable from annual appropriations of the proceeds of ad valorem taxes which the County is empowered to levy on real and personal property and certain intangible personal property subject to assessment for unlimited County taxation, subject to the limitations set forth in Section 710(d) of the County Charter.]

[The principal of and interest on the above-described Series of bonds are payable primarily from the net revenues of the above-described projects or the utilities of which they are a part, for the use and benefit of which the County has covenanted to fix and collect rates, charges and assessments sufficient to pay costs of operation, maintenance and debt service. In the event of a deficiency in such net revenues, the County is obligated to make up the same by an appropriation of the proceeds of ad valorem taxes which it is empowered to levy on real and personal property and certain intangible personal property subject to assessment for unlimited County taxation, subject to the limitations set forth in Section 710(d) of the County Charter.]

[The sources of revenue for the payment of the principal of and interest on the above-described bonds are as follows. Bonds of the \_\_\_\_\_ Series, 20\_\_, \_\_\_\_\_ Series, 20\_\_, and \_\_\_\_\_ Series, 20\_\_, are payable from annual appropriations of the proceeds of ad valorem taxes which the County is empowered to levy on real and personal property and certain intangible personal property subject to assessment for unlimited County taxation, subject to the limitations set forth in Section 710(d) of the County Charter. Bonds of the \_\_\_\_\_ Series, 20\_\_, \_\_\_\_\_ Series, 20\_\_, and \_\_\_\_\_ Series 20\_\_, are likewise payable from such appropriations in the event of any deficiency in the primary sources

of payment. For bonds of the \_\_\_\_\_ Series, 20\_\_, \_\_\_\_\_ Series, 20\_\_, and \_\_\_\_\_ Series, 20\_\_, such primary sources of payment are the net revenues of the projects for which such bonds are to be issued, or the utilities of which they are a part, for the use and benefit of which the County has covenanted to fix and collect rates, charges and assessments sufficient to pay the costs of operation, maintenance and debt service.][ For bonds of the \_\_\_\_\_ Series, 20\_\_\_\_, such primary sources of payment pledged to the Watershed Protection and Restoration Special Revenue Fund established under Section 4-11-119 of Article 4, Finance, Taxation, and Budget of the Anne Arundel County Code.]

*[Optional Redemption]*

The bonds of each Series, respectively, maturing on \_\_\_\_\_, 20\_\_, and thereafter are subject to redemption prior to their respective maturities, at the option of the County, as a whole or in part at any time in any order of their maturities, on or after \_\_\_\_\_, 20\_\_, at [a redemption price equal to the principal amount thereof, plus accrued interest thereon to the date fixed for redemption] [the following redemption prices expressed as percentages of the principal amount of bonds to be redeemed plus accrued interest thereon to the date fixed for redemption:

Period During Which Redeemed <u>(both dates inclusive)</u>	Redemption <u>Price</u>
_____, ____, to _____, ____	_____%
_____, ____, to _____, ____.	_____
On or after _____, ____	_____ 1

*[Mandatory Sinking Fund Redemption]*

If two or more consecutive serial maturities are designated as a term bond, as provided below in “Bid Specifications”, such term bond shall be subject to mandatory redemption in each year on the principal payment date and in the entire amount of each serial maturity designated for inclusion in such term bond.]

*Bidding Procedures*

Each proposal must be submitted electronically via [BiDCOMP/Parity Competitive Bidding System]. Bids will be communicated electronically to the County at \_\_\_\_\_, local Baltimore, Maryland time, on \_\_\_\_\_. Prior to that time, a prospective bidder may input and save proposed terms of its bid in BiDCOMP/Parity. Once the final bid has been saved in BiDCOMP/Parity, the bidder may select the final bid button in BiDCOMP/Parity to submit the bid to BiDCOMP/Parity. Once the bids are communicated electronically via BiDCOMP/Parity to the County, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided. For purposes of the bidding process, the time as maintained on BiDCOMP/Parity shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost to the County, as described

under “Award of Bonds” below, represented by the rate or rates of interest and the bid price specified in their respective bids.

#### *Good Faith Deposit*

A good faith deposit in the amount of \$\_\_\_\_\_ (the “Deposit”) is required in connection with the sale and bid for the Bonds. The Deposit shall be provided for by a [federal funds wire transfer] to be submitted to the County by the successful bidder not later than [TIME, DATE] (local Baltimore, Maryland time) on the date of sale (the “Wire Transfer Deadline”) as set forth below. The Deposit of the successful bidder will be collected and the proceeds thereof retained by the County to be applied in partial payment for the Bonds and no interest will be allowed or paid upon the amount thereof, but in the event the successful bidder shall fail to comply with the terms of the respective bid, the proceeds thereof will be retained as and for full liquidated damages.

The County will distribute wiring instructions for the Deposit to the successful bidder upon verification of the bids submitted by the bidders and prior to the Wire Transfer Deadline. If the Deposit is not received by the Wire Transfer Deadline, the award of the sale of the Bonds to the successful bidder may be cancelled by the County in its discretion without any financial liability of the County to the successful bidder or any limitation whatsoever on the County’s right to sell the Bonds to a different purchaser upon such terms and conditions as the County shall deem appropriate.

#### *Bid Specifications*

Bidders shall state in their proposals the rate or rates of interest to be paid on all the Bonds, on which rate or rates their proposals are based and submitted. The rates so named must be in multiples of 1/8 or 1/20 of 1% [, shall not exceed \_\_\_\_\_% per annum,] and the highest rate named may not exceed the lowest by more than \_\_\_\_\_%. Bidders may specify more than one rate of interest to be borne by the bonds but may not specify more than one rate for the bonds of any single maturity of all Series[, nor may the rate named for the bonds of any one maturity be less than the rate named for the bonds of any earlier maturity]. [Bidders may designate in their proposal two or more consecutive annual principal payments as a term bond, in either series of bonds, which matures on the maturity date of the last annual principal payment of the sequence. Any term bond so designated shall be subject to mandatory sinking fund redemption in each year on the principal payment date and in the entire principal amount for each annual principal payment designated for inclusion in such term bond. There is no limitation on the number of term bonds in either series of bonds.]

#### *Procedures for Principal Amount Changes and Other Changes to Official Notice of Sale*

The preliminary aggregate principal amount of the Bonds and the preliminary principal amount of each annual payment on the Bonds as set forth in this Official Notice of Sale (the “Preliminary Aggregate Principal Amount” and the “Preliminary Annual Principal Amount”, respectively; collectively the “Preliminary Amounts”) may be revised before the receipt and opening of the bids for their purchase. **ANY SUCH REVISIONS** (the “Revised Aggregate

Principal Amount” and the “Revised Annual Principal Amount”, respectively; collectively, the “Revised Amounts”) WILL BE PUBLISHED ON **THOMPSON MUNICIPAL MARKET MONITOR** (“TM3”) ([www.tm3.com](http://www.tm3.com)) NOT LATER THAN 9:30 A.M. (LOCAL BALTIMORE, MARYLAND TIME) ON THE ANNOUNCED DATE FOR RECEIPT OF BIDS. In the event that no such revisions are made, the Preliminary Amounts will constitute the Revised Amounts. Bidders shall submit bids based on the Revised Amounts and the Revised Amounts will be used to compare bids and select a winning bidder.

#### *Award of Bonds*

[The County expects and intends that the bid for the Bonds will satisfy the federal tax requirements for a qualified competitive sale of bonds, including, among other things, receipt of bids for the Bonds from at least three underwriters, who have established industry reputations for underwriting new issuances of municipal bonds (a “Qualified Competitive Bid”). The County will advise the bidders as promptly as possible after the bids are opened whether the bid constitutes a Qualified Competitive Bid, or, in the alternative a bid that fails to satisfy such requirements (a “Nonqualified Competitive Bid”).]

[As promptly as reasonably practicable after the bids are received, if the bid for the Bonds is a Qualified Competitive Bid, and is accepted by the County, the County will notify the bidder to whom the bonds will be awarded. If the bid for the Bonds is a Nonqualified Competitive Bid, the award of the Bonds, if made, will be made promptly as possible after the bids are opened to the bidder offering the lowest interest rate to the County among the bidder or bidders that have confirmed to the County, not later than [TIME, DATE], that the bidder or bidders will proceed with the bid for the Bonds following the procedures for a Nonqualified Competitive Sale described below, which are provided to establish the initial sale prices or initial offering prices, as applicable, of the Bonds. **It is noted that such procedures for a Nonqualified Competitive Bid may require the winning bidder and, if applicable, other underwriters of the Bonds, to hold the initial offering prices for certain maturities of the Bonds for up to 5 business days after the sale date, as further specified in form of required certification described below.**]

If and when such award is made, and such bidder, upon such notice, shall advise the County of the [initial sale prices or the initial offering prices] to the public of each maturity of the bonds [of each Series]. Such [initial sale prices or the initial offering prices], as applicable, among other things, will be used by the County to calculate the final aggregate principal amount of the bonds and the final principal amount of each annual payment on the bonds (the “Final Aggregate Principal Amount” and the “Final Annual Principal Amount”, respectively; collectively, the “Final Amounts”). In determining the Final Amounts, the County expects that the Revised Amounts will be changed as necessary to effect the greatest economic advantage, or to accommodate other objectives of the County, but the County will not reduce or increase the Revised Aggregate Principal Amount by more than 10% from the amount bid upon. **THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE REVISED AMOUNTS WITHIN THESE LIMITS.** The dollar amount bid by

the successful bidder will be adjusted to reflect any adjustments in the aggregate principal amount of the bonds. Such adjusted bid price will reflect changes in the dollar amount of the underwriter's discount and original issue discount/premium, if any, but will not change the underwriter's discount per One Thousand Dollars (\$1,000) of par amount of bonds from the underwriter's discount that would have been received based on the purchase price in the winning bid and the initial public offering prices. The interest rates specified by the successful bidder for each maturity of each series in its bid for the bonds will not change. ALL BIDS SHALL REMAIN FIRM FOR FIVE (5) HOURS AFTER THE TIME SPECIFIED FOR THE OPENING OF THE BIDS. An award of the Bonds, if made, will be made by the Designated Officer within such five (5) hour period of time. The Final Amounts will be communicated to the successful bidder as soon as possible, but not later than [TIME] the day after awarding the Bonds.

The Bonds will be awarded to the bidder naming the lowest interest cost for all the Bonds in any legally acceptable proposal and offering to pay not less than [\_\_ % of] par and accrued interest. The lowest interest cost will be determined with respect to each proposal by [here insert the formula for determining the best bid]. Where the proposals of two or more bidders result in the same lowest interest cost, the Bonds may be apportioned between such bidders, but if this shall not be acceptable to the County, the County Executive [, or the Chief Administrative Officer [or such other officer] if authorized by the County Executive to receive bids,] shall have the right to award all of such bonds to one bidder. THE RIGHT IS RESERVED TO THE COUNTY EXECUTIVE [, OR THE CHIEF ADMINISTRATIVE OFFICER [or such other officer] IF AUTHORIZED BY THE COUNTY EXECUTIVE TO RECEIVE BIDS,] TO REJECT ANY OR ALL PROPOSALS. The judgment of the County Executive [, or the Chief Administrative Officer] [or such other officer] if authorized by the County Executive to receive bids,] shall be final and binding upon all bidders with respect to the form and adequacy of any proposal received and as to its conformity to the terms of this Notice of Sale.

[If the County advises the bidders that the bid for the Bonds constitutes a Qualified Competitive Bid, the winning bidder shall be required to provide to the County information to establish the initial expected offering prices for each maturity of the bonds [of each Series] for federal income tax purposes by completing a certificate acceptable to Bond Counsel in substantially the form set forth in Appendix [\_\_] to the Preliminary Official Statement, with appropriate completions, amendments and attachments.]

[If the County advises the bidders that the bid for the bonds [of each Series] constitutes a Nonqualified Competitive Bid, the winning bidder shall be required to provide to the County information and assurances to establish the initial sale prices or the initial offering prices, as applicable, for each maturity of the bonds [of each Series] for federal income tax purposes by completing a certification acceptable to Bond Counsel in substantially the form set forth in Appendix [\_\_\_] to the Preliminary Official Statement, with appropriate completions, omissions and attachments.]

*Legal Opinions*

The bonds of each Series described above will be issued and sold subject to approval as to legality by \_\_\_\_\_, of \_\_\_\_\_, \_\_\_\_\_ Bond Counsel, whose approving opinions will be delivered, upon request, to the purchaser or purchasers of the Bonds, without charge; [the text of the applicable opinion will also be printed on each bond]. Such opinions shall be substantially in the forms included in Appendix [ ] to the Preliminary Official Statement referred to below.

*Delivery of the Bonds*

When delivered, the Bonds shall be duly executed and authenticated and registered in such names and in such denominations as the successful bidder shall have requested in writing not less than \_\_\_business days prior to the closing; and the remaining aggregate principal amount of the bonds of each maturity of each Series for which no instructions have been received by such date will be issued as one bond of such maturity of such Series in the denomination of such remaining aggregate principal amount or as bonds in such denominations as shall be mutually agreed upon by the successful bidder and the County and registered in the name of the successful bidder.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Sale.

[As soon as practicable after the award of the Bonds to the successful bidder on the day of sale, the County, by its County Executive and Chief Administrative Officer, will authorize an Official Statement, which is expected to be substantially in the form of the Preliminary Official Statement referred to below. If so requested by the purchaser or purchasers at or before the close of business on the date of the sale, the County will include in the Official Statement such pricing and other information with respect to the terms of the reoffering of the bonds by the successful bidder (“Reoffering Information”), if any, as may be specified and furnished in writing by such bidder. If no Reoffering Information is specified and furnished by the successful bidder, the Official Statement will include the interest rates on the bonds resulting from the bid of the successful bidder and the other statements with respect to reoffering contained in the Preliminary Official Statement. The successful bidder shall be responsible to the County and its officials for the Reoffering Information, and for all decisions made by such bidder with respect to the use or omission of the Reoffering Information in any reoffering of the Bonds, including the presentation or exclusion of any Reoffering Information in any documents, including the Official Statement. The successful bidder will also be furnished, without cost, with up to \_\_\_ copies of the Official Statement (and any amendments or supplements thereto).]

Delivery of such bonds, without expense, will be made by the County Executive [, or the Chief Administrative Officer] [or other such officer] if authorized by the County Executive,] to the purchaser or purchasers on \_\_\_\_, 20\_\_, or as soon as practicable thereafter, at \_\_\_\_\_, and,

thereupon, such purchaser or purchasers will be required to accept delivery of the bonds purchased and pay, in \_\_\_\_\_ funds, the balance of the purchase price due. Such bonds will be accompanied by the customary closing documents, including a no-litigation certificate, effective as of the date of delivery, stating that there is no litigation pending affecting the validity if any of the bonds included in this issue. [It shall be a condition to the obligation of such purchaser or purchasers to accept delivery of and pay for the bonds that, simultaneously with or before delivery and payment for the bonds, such purchaser or purchasers shall be furnished a certificate or certificates of the County Executive, the Chief Administrative Officer and the Controller of the County to the effect that, to the best of their knowledge and belief, the Official Statement and any amendment or supplement thereto (except for the Reoffering Information, as to which no view will be expressed), as of the date of sale and as of the date of delivery of the bonds, does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and that between the date of sale and the date of delivery of the bonds there has been no material adverse change in the financial position or revenues of the County, except as reflected or contemplated in the Official Statement.]

*Postponement of Sale*

The County reserves the right to postpone the date established for the receipt of bids. In the event of a postponement, the new date and time of sale will be announced on [Thompson Municipal Market Monitor (“TM3”)]. Any new date and time of sale will be announced at least 24 hours prior to the time proposals are to be submitted. On any such alternative sale date, bidders may submit bids for the purchase of the Bonds in conformity with the provisions of this Official Notice of Sale, except for any changes to this Official Notice of Sale, the change of the date of sale and the changes described in the next sentence. If the date fixed for receipt of bids is postponed, the expected date of delivery of Bonds also may be postponed; if the sale is postponed to a later date, then the date of the Bonds, the dates of the semiannual interest payments and annual principal payments, and the optional redemption dates also may be changed. Such changes, if any, will be announced via TM3 at the time any alternative sale date is announced.

The Preliminary Official Statement, together with this Notice of Sale and the required form of proposal, may be obtained from the office of the Chief Administrative Officer, Anne Arundel County, Arundel Center, Annapolis, Maryland 21404 or from the County’s financial advisor, \_\_\_\_\_.

ANNE ARUNDEL COUNTY, MARYLAND

By: \_\_\_\_\_  
County Executive

[END OF FORM OF NOTICE OF SALE]