COUNTY COUNCIL OF HARFORD COUNTY, MARYLAND

RESOLUTION NO. 5-13

Special Legislative Session Day 13-5 (February 19, 2013)
Introduced by Council President Boniface
at the request of the County Executive

RESOLUTION

A RESOLUTION of the County Council of Harford County, Maryland (the "County Council"), having reference to the issuance of Forty Million Dollars ($40,000,000) aggregate principal amount of serial maturity bonds known as Harford County, Maryland Consolidated Public Improvement Bonds, Series 2013A (the "Series 2013A CPI Bonds"), fixing the interest rates payable on the Series 2013A CPI Bonds so authorized and awarding the Series 2013A CPI Bonds to the successful bidder(s) therefor upon the basis of bids received this day in accordance with the advertisement and official Notice of Sale giving notice of the sale pursuant to Resolution No. 1-13 adopted on February 5, 2013; determining that the Series 2013A CPI Bonds which mature on or after February 1, 2024 shall be subject to redemption prior to maturity; prescribing the form of the Series 2013A CPI Bonds and the method of execution and authentication thereof; and affirming that certain revenues are pledged to the payment of a portion of the Series 2013A CPI Bonds; and affirming that the full faith and credit and unlimited taxing power of Harford County, Maryland are pledged to the payment of the principal, premium (if any) and interest on the Series 2013A CPI Bonds.

WHEREAS, the Series 2013A CPI Bonds are to be issued pursuant to and in full conformity with the provisions of Bill No. 06-20, enacted by the County Council on September 5, 2006, effective November 10, 2006; Bill No. 07-16, as amended, enacted by the County Council on July 10, 2007, effective September 17, 2007; Bill No. 07-17, enacted by the County Council on July 10, 2007, effective September 17, 2007; Bill No. 08-35, as amended, enacted by the County Council on June 17, 2008, effective August 25, 2008; Bill No. 08-36, enacted by the County Council on June 10, 2008, effective August 18, 2008; Bill Nos. 09-26, as amended, and 09-27, enacted by the County Council on November 10, 2009, effective January 12, 2010; Bill No. 10-18 enacted by the County Council on June 15, 2010, effective August 16, 2010; and Bills No. 11-25, 11-27, and 11-28, enacted by the County Council on July 12, 2011, effective September 19, 2011; Bill Nos. 12-36, as amended, and 12-39, enacted by the County Council on November 20, 2012, effective January 26, 2013 (collectively, the "Authorization Bills"); and

WHEREAS, pursuant to Resolution No. 1-13 (the "Terms of Sale Resolution") adopted by the County Council on February 5, 2013, effective immediately, an issue of bonds known as Harford County, Maryland Consolidated Public Improvement Bonds, Series 2013A (the "Series 2013 CPI Bonds"), was authorized to be issued and sold at public sale after due advertisement giving notice of sale ("Notice of Sale"), and the terms of sale were determined in accordance with the terms and conditions of the Authorization Bills; and

WHEREAS, it was provided in the Authorization Bills that the issue of Series 2013A CPI Bonds described above should be sold by bids on sealed written proposals and/or electronic bids to the Treasurer, Harford County, Maryland; and

WHEREAS, it was provided in the Notice of Sale that the issue of Series 2013A CPI Bonds described above should be sold on Tuesday, February 19, 2013 at 10:30 A.M. (E.S.T.); and

WHEREAS, the public sale was held on February 19, 2013, in accordance with the terms of the Notice of Sale described above at which time electronic bids were received for the purchase of the Series 2013A CPI Bonds and were publicly opened in the presence of the Treasurer of Harford County, Maryland and Public Advisory Consultants, financial advisor to Harford County, Maryland; and

WHEREAS, the Series 2013A CPI Bonds were offered for sale pursuant to the Notice of Sale described above and pursuant to the Preliminary Official Statement issued by the County dated February 12, 2013; and

WHEREAS, the Financial Advisor to the County has advised the County, as indicated in Exhibit A attached hereto, and the County Executive of the County has recommended to the County Council based upon the advice of the Financial Advisor that the Series 2013A CPI Bonds bids have been received and reviewed and that the lowest interest cost to the County for the Series 2013A CPI Bonds in accordance with the Notice of Sale as revised and approved by the County Treasurer, has been determined; and

WHEREAS, after study and computation it has been determined that the overall lowest interest cost to Harford County, Maryland determined in accordance with the true interest cost method represented by the various bids for the Series 2013A CPI Bonds are as follows:

BIDDER	TRUE INTEREST COST
J.P. Morgan Securities LLC	2.515324
Robert W. Baird & Co., Inc..	2.525773
Janney Montgomery Scott LLC	2.526796
Piper Jaffray	2.529915
Citigroup Global Markets Inc.	2.532210
Bank of America Merrill Lynch	2.554975
Wells Fargo Bank, National Association	2.586401
Jefferies & Company, Inc.	2.773495

WHEREAS, the Financial Advisor has advised the County Treasurer that the net low interest cost to the County of the Series 2013A CPI Bonds will be $11,439,726.74

WHEREAS, Public Advisory Consultants and the County Treasurer have advised that the bid made by J.P. Morgan Securities LLC is the lowest interest rate of the bids received for the issue of Series 2013A CPI Bonds hereinabove referred to; and

WHEREAS, the County Council of Harford County, Maryland has been advised by bond counsel that the best bid, as heretofore recited, was made in accordance with the terms of the Notice of Sale for the Series 2013A CPI Bonds as reviewed and approved by the County Treasurer; and

WHEREAS, the County Council of Harford County, Maryland is now ready to accept the bid for said issue of Series 2013A CPI Bonds as submitted by J.P. Morgan Securities LLC at the price named in their bid, the Series 2013A CPI Bonds of the respective serial maturities to bear interest in

accordance with the terms of said bid, and also to fix the interest rates payable on the Series 2013A CPI Bonds in accordance with the terms of said bid; and

NOW, THEREFORE, BE IT RESOLVED by the County Council of Harford County, Maryland:

Section 1. That, based upon Executive Order No. 13-1 of the County Executive of the County and the recommendation of the County Treasurer, the opening of bids for the Series 2013A CPI Bonds at 10:30 a.m. is hereby approved.

Section 2. That the Notice of Sale with changes approved by the County Treasurer of the $40,000,000 Series 2013A CPI Bonds, in form attached hereto as Exhibit B, is approved.

Section 3. That the bid of J.P. Morgan Securities LLC, for the Forty Million Dollar ($40,000,000) aggregate principal amount of the Series 2013A CPI Bonds be and the same is hereby accepted, at a true interest cost of $11,439,726.74 and a premium of $4,010,708.12.

Section 4. That the Series 2013A CPI Bonds described above are hereby awarded to J.P. Morgan Securities LLC, at the price named in their bid, and the Series 2013A CPI Bonds, when prepared in definitive form, shall be duly executed as required by law and delivered to The Depository Trust Company, New York, New York ("DTC") and registered in the name of Cede & Co., as nominee of DTC in accordance with the terms and conditions of said sale, such delivery to be made upon receipt of the total purchase price for the issue of Series 2013A CPI Bonds including premium (if any), plus accrued interest (if any), less the good faith deposit received from said purchasers to secure their bid which has been accepted, said purchase price for the Series 2013A CPI Bonds to be paid to the Treasurer of Harford County, Maryland.

1 Section 5. That the aggregate principal amount of Series 2013A CPI Bonds as provided in
2 the Notice of Sale is hereby determined to be Forty Million Dollars ($40,000,000) and the final
3 principal amount of each maturity, as provided in the Notice of Sale, is determined to be:

Year of Maturity	Principal Amount
2014	$1,870,000.00
2015	$1,850,000.00
2016	$1,860,000.00
2017	$1,875,000.00
2018	$1,890,000.00
2019	$1,905,000.00
2020	$1,925,000.00
2021	$1,940,000.00
2022	$1,960,000.00
2023	$1,975,000.00
2024	$1,995,000.00
2025	$2,015,000.00
2026	$2,035,000.00
2027	$2,060,000.00
2028	$2,080,000.00
2029	$2,105,000.00
2030	$2,125,000.00
2031	$2,150,000.00
2032	$2,180,000.00
2033	$2,205,000.00

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5 Section 6. That the Series 2013A CPI Bonds shall bear interest at the following rates:

Maturity Date	Rate	Maturity Date	Rate
2014	3.00	2024	3.00
2015	4.00	2025	3.00
2016	5.00	2026	3.00
2017	5.00	2027	3.00
2018	5.00	2028	3.00
2019	5.00	2029	3.50
2020	5.00	2030	3.50
2021	5.00	2031	3.50
2022	5.00	2032	3.50
2023	3.00	2033	3.50

Section 7. That the interest rates, as set forth in Section 6 hereof, are hereby fixed and adopted as and for the interest rates payable on the Series 2013A CPI Bonds.

Section 8. That the proper officers of Harford County, Maryland, are hereby authorized to return the certified or other checks or good faith deposit or financial surety bonds received with the bids or proposals for the Series 2013A CPI Bonds not hereby accepted.

Section 9. As provided in Executive Order No. 13-1 issued by the County Executive of Harford County, Maryland on February 12, 2013, the Series 2013A CPI Bonds which mature before February 1, 2024 are not subject to redemption prior to maturity and the Series 2013A CPI Bonds which mature on or after February 1, 2024 are subject to redemption at any time, at par, beginning February 1, 2023.

Section 10. That the Series 2013A CPI Bonds shall be executed in the name of Harford County, Maryland by the original or facsimile signature of the County Executive attested by the original or facsimile signature of the Director of Administration of Harford County, Maryland and an original or facsimile of the corporate seal of Harford County, Maryland shall be imprinted on each of the Series 2013A CPI Bonds pursuant to Sections 2-301 through 2-306, inclusive, of the State Finance and Procurement Article of the Annotated Code of Maryland (2007 Replacement Volume, 2012 Supplement) and authenticated by an authorized officer of the Bond Registrar and the Series 2013A CPI Bonds shall be in substantially the form attached hereto as Exhibit C with such changes as may be approved by the Treasurer, which form, together with all covenants therein contained, is adopted as and for the form of obligation to be incurred by Harford County, Maryland.

1 Section 11. That the County Executive is authorized to enter into a Continuing Disclosure
2 Agreement substantially in the form attached hereto as Exhibit D for the benefit of the owners and
3 beneficial owners of the Series 2013A CPI Bonds and to assist participating underwriters in
4 complying with Securities and Exchange Commission Rule 15c2-12(b)(5).
5 Section 12. That the County Executive is authorized to execute a Paying Agent and Registrar
6 Agreement with Manufacturers and Traders Trust Company, as Paying Agent and Registrar for the
7 Series 2013A CPI Bonds.
8 Section 13. That pursuant to Section 12-113(a) of the Tax-Property Article of the Annotated
9 Code of Maryland (2007 Replacement Volume, 2012 Supplement) $4.40 per $1,000 of the actual
10 consideration paid or amount secured and collected by Harford County, Maryland on written
11 instruments conveying real property or creating a security interest in real or personal property and
12 pursuant to Bill No. 93-3, adopted by the County Council of Harford County, Maryland on April 6,
13 1993, a transfer tax of one-half percent (1/2%) of the actual consideration paid on written
14 instruments conveying real property located within Harford County, Maryland shall be used to pay
15 the debt service in each fiscal year on the portion of the Series 2013A CPI Bonds allocated to school
16 bonds, and after the debt service for the current fiscal year has been met, credited for the purpose of
17 financing new school construction, major improvements and capital improvements to existing school
18 facilities, and/or portable classrooms (collectively "School Bonds and School Projects") pursuant to
19 the Authorization Bill; however, to the extent the recordation tax and transfer tax are insufficient to
20 pay the principal of, premium (if any) and interest on the portion of the bonds allocated to School
21 Bonds and School Projects, the full faith and credit and unlimited taxing power of Harford County,

Maryland are pledged to the levy and collection of taxes to provide funds for the payment of the principal of, premium (if any) and interest on the portion of the bonds allocated to the portion of the Series 2013A CPI Bonds allocated to School Bonds and School Projects.

Section 14. Pursuant to Resolution No. 21-82, adopted by the County Council on May 21, 1982, $1.10 per $1,000 of the actual consideration paid of the recordation tax collected by Harford County, Maryland on written instruments conveying real property or creating a security interest in real or personal property shall be used to pay the debt service in each fiscal year on the portion of the Bonds allocated to water and sewer projects; however, to the extent the recordation tax is insufficient to pay the principal of premium, if any, and interest on the portion of the Series 2013A CPI Bonds allocated to water and sewer projects, other revenues of the water and sewer system of Harford County, Maryland shall be utilized for such purposes; and provided further that the full faith and credit and unlimited taxing power of Harford County, Maryland are pledged to the levy and collection of taxes to provide funds for the payment of the principal of premium, if any, and interest on the portion of the Series 2013A CPI Bonds allocated to water and sewer projects.

Section 15. In all events, the full faith and credit and unlimited taxing power of Harford County, Maryland are pledged to pay the principal, interest and premium on the Series 2013A CPI Bonds.

Section 16. That this Resolution shall take effect immediately upon adoption by the County Council of Harford County, Maryland.

ATTEST:

Pamela Meister
Council Administrator
County Council of
Harford County, Maryland

Billy Boniface, President
County Council of Harford County, Maryland

ADOPTED: February 19, 2013

EXHIBIT A

Financial Advisor Report

10:40:52 a.m. EDST | Upcoming Calendar | Overview | Compare | Summary

Bid Results

Harford County
$40,000,000 General Obligation Consolidated Public Improvement Bonds, Series 2013A

The following bids were submitted using ***PARITY®*** and displayed ranked by lowest TIC.
Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
☐	J.P. Morgan Securities LLC	2.515324
☐	Robert W. Baird & Co., Inc.	2.525773
☐	Janney Montgomery Scott LLC	2.526796
☐	Piper Jaffray	2.529915
☐	Citigroup Global Markets Inc.	2.532210
☐	Bank of America Merrill Lynch	2.554975
☐	Wells Fargo Bank, National Association	2.586401
☐	Jefferies & Company, Inc.	2.773495

*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

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EXHIBIT B

NOTICE OF SALE
$116,930,000.00*
HARFORD COUNTY (MARYLAND)
GENERAL OBLIGATION BONDS
CONSISTING OF
$40,000,000* CONSOLIDATED PUBLIC IMPROVEMENT BONDS,
SERIES 2013A
$76,930,000.00* REFUNDING BONDS, SERIES 2013B
(Book-Entry Only)

NOTICE IS HEREBY GIVEN that electronic bids for each series of bonds will be received by the Treasurer, Harford County, Maryland (the "County") until 10:30 a.m. (EST) Baltimore, Maryland time on February 19, 2013 for the purchase of all (but not less than all) of the County's Consolidated Public Improvement Bonds, Series 2013A, aggregating $40,000,000* (the "Consolidated Public Improvement Bonds") and until 11:00 a.m. (EST) for the purchase of all (but not less than all) of the County's $76,930,000.00* Refunding Bonds, Series 2013B (the "Refunding Bonds") (collectively, the Consolidated Public Improvement Bonds and the Refunding Bonds are herein sometimes referred to as the "Bonds"). The bids will be received up to the time (unless postponed as described herein) and in the manner described below:

Bidding Procedures

Submit electronically via PARITY® in accordance with its Rules of Participation and this Notice of Sale until 10:30 a.m. for the Consolidated Public Improvement Bonds and 11:00 a.m. for the Refunding Bonds, but no bid will be received after the time for receiving bids specified above. Provisions in this Notice of Sale conflicting with those PARITY® Rules of Participation shall control. In the event of a malfunction in the electronic bidding process, the bid time and/or date may be postponed at the option of the County. For further information about PARITY®, potential bidders may contact:

Public Advisory Consultants
25 Crossroads Drive
Suite 402
Owings Mills, Maryland 21117
Attention: Lester Guthorn/Susan Ostazeski
Telephone: 410-581-4820

Who is acting as financial advisor to the County, or

PARITY®
1359 Broadway
New York, New York 10018
Telephone: 212-849-5021

Any prospective bidder must submit its electronic bid through the facilities of PARITY®, in accordance with the Rules of Participation and any other requirements of PARITY®. Prospective bidders must be contract customers of PARITY® in order to submit an electronic bid.

An electronic bid made through the facilities of PARITY® shall be deemed an offer, in response to this Notice of Sale, and shall be binding upon the bidder. The County shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY®, the use of such facilities being the sole risk of the prospective bidder.

*Preliminary, subject to adjustment as provided herein.

Neither the County nor PARITY® shall have any duty or obligation to provide or assure access to PARITY® to any prospective bidder. The County is using PARITY® as a communication mechanism, and not as the County's agent to conduct the electronic bidding for the Bonds. The County is not bound by any advice and determination of PARITY® to the effect that any particular bid complies with the terms of this Notice of Sale. All costs and expenses incurred by prospective bidders in connection with their submission of bids via PARITY® are the sole responsibility of the bidders; and the County is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in submitting, modifying, or withdrawing a bid for the Bonds, such bidder should telephone PARITY® (212-806-8304) and notify the County's Bond Counsel, Royston, Mueller, McLean & Reid, LLP, Attention: Stephen C. Winter, by facsimile at 410-823-1708.

Separate electronic bids must be submitted for the purchase of each series of the Bonds via PARITY®. Bids will be communicated electronically to the County at 10:30 a.m. for the Consolidated Public Improvement Bonds and 11:00 a.m. for the Refunding Bonds (EST) on February 19, 2013. Prior to that time, a prospective bidder may (1) submit the proposed terms of its bid, (2) modify the proposed terms of its bid, in which event the proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid for the Bonds, or (3) withdraw its proposed bid for either series of the Bonds. Once the bids are communicated electronically via PARITY® to the County, each bid will constitute an irrevocable offer to purchase each series of the Bonds bid for on the terms therein provided. For the purposes of the electronic bid, the time maintained by PARITY® shall constitute the official time.

Authorization

The Consolidated Public Improvement Bonds, Series 2013A will be issued by the County pursuant to Bill Nos. 06-20, 07-16, as amended, 07-17, 08-35, as amended, 08-36, 09-26, 09-27, 10-18, 11-27, 11-28 and 12-36 enacted by the Council of the County on various dates in 2006, 2007, 2008, 2010, 2011 and 2012, Executive Orders of the County Executive, a Resolution to be adopted on February 5, 2013 and a Resolution to be adopted by the County Council on the date of sale, and the Refunding Bonds, Series 2013B will be issued by the County pursuant to Bill Nos. 07-18 and 12-53, enacted by the County Council of the County in 2008 and 2012, respectively, Executive Orders of the County Executive and a Resolution to be adopted on February 5, 2013 and on the date of sale (collectively, the "Authorizing Legislation"). The proceeds of the Consolidated Public Improvement Bonds Series 2013A will be used primarily to finance the costs of the acquisition, renovation or new construction and equipping of certain capital projects described in the Authorizing Legislation and the Refunding Bonds Series 2013B will be used primarily to refund bonds issued by the County in 2005 and 2007.

List of Members of Account

The facilities of PARITY® currently do not allow the bidders to list the names of the members of the account on whose behalf the bid is made. Bidders who are submitting an electronic bid are requested to provide by facsimile the names of the members of the account on whose behalf the bid is made to the County, c/o Royston, Mueller, McLean & Reid, LLP, 410-823-1708, Attention: Stephen C. Winter.

Right to Modify or Amend Notice of Sale; Right to Postpone Sale

The County reserves the right to modify or amend this Notice of Sale, including changing the scheduled maturities or increasing or reducing the aggregate principal amount of Bonds and the principal amount of any maturity offered for sale, prior to the bid date. If any modifications occur, supplemental information with respect to the Bonds will be communicated via TM3 News Service (www.tm3.com) not later than 9:30 a.m., Baltimore, Maryland time, on the day of sale, and bidders shall bid upon the Bonds based upon the terms thereof set forth in this Notice of Sale, as so modified by such supplemental information.

In addition, 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 and any revised date of expected delivery will be announced via TM3

News Service not later than 48 hours prior to such alternative sale date. On any such alternative sale date, bidders may submit sealed bids for the purchase of the Bonds in conformity with the provisions of this Notice of Sale, except for the changed date and time of sale and any revised date of delivery.

Bid Parameters

No bid of less than 100% of par, no oral bid and no bid for less than all of each series of the Bonds described in this Notice of Sale, will be considered. Bidders may submit bids on either the Consolidated Public Improvement Bonds Series 2013A, the Refunding Bonds Series 2013B or both series of Bonds. Each series of the Bonds will be awarded separately. The Bonds are expected to be awarded no later than 3:00 p.m. Baltimore, Maryland time on February 19, 2013. All proposals shall remain firm until the time of award. (For the Consolidated Public Improvement Bonds, Series 2013A, only, for the maturities February 1, 2024 through February 1, 2033, inclusive, no interest rate may be bid that is lower than the interest rate for the immediately preceding maturity.)

The Bonds and payment of the principal and interest thereon, will be the unconditional general obligations of the County and will constitute an irrevocable pledge of the full faith and credit and unlimited taxing power of the County.

Price and Interest Rate Bid

Each bidder shall submit one bid, not less than 100% of par on all "all-or-none" basis for each series of Bonds for which a bid is submitted. Bidders may submit bids on either or both series of Bonds. Each bid must specify the rate or rates of interest to be paid on the Bonds, in multiples of one-eighth (1/8) or one-twentieth (1/20) of one percent (1%). Bidders may specify more than one rate of interest to be borne by the Consolidated Public Improvement Bonds Series 2013A and the Refunding Bonds Series 2013B but all Bonds for each series maturing on the same date must bear interest at the same rate; the difference between the maximum and minimum interest rates specified may not exceed three percent (3%). A zero rate cannot be named for any maturity.

Procedures for Award and Principal Amount Changes

The aggregate principal amount and the principal amount of each maturity of the Bonds are subject to adjustments by the County, both before and after the receipt of bids for their purchase. The aggregate principal amount of the Consolidated Public Improvement Bonds may be decreased, but may not be increased, to an amount in excess of $40,000,000. The aggregate principal amount of the Refunding Bonds may be decreased or increased to a principal amount not in excess of $89,000,000. Changes to be made prior to the sale will be through TM3 News Service not later than 9:30 a.m. Baltimore, Maryland time on the date of sale (or as soon thereafter as is reasonably practical) and will be used to compare bids and select a winning bidder. Changes to be made after the sale and the maturity amounts for the Bonds will be communicated to the successful bidder by 5:00 p.m. local time on the date of the sale, will be made only as necessary to effect the refunding, and will not reduce or increase the aggregate principal amount of the Bonds by more than 10% from the amount bid upon. In addition, the final maturity schedule for the Bonds will be communicated to the successful bidder by 5:00 p.m. local time on the date of the sale. The dollar amount bid for principal and any amount bid for premium by the successful bidder will be adjusted proportionately to reflect any reduction or increase in the aggregate principal amount of the Bonds, but the interest rates specified by the successful bidder for all maturities will not change. The successful bidder may not withdraw its bid as a result of any changes made within these limits.

ALL BIDS SHALL REMAIN FIRM UNTILTHE BONDS ARE AWARDED ON THE DATE OF SALE. An award of each series of the Bonds pursuant to this Notice of Sale, if made, will be made for each issue by the resolution of the County Council of the County, at or before 3:00 p.m. Baltimore, Maryland time on the date of sale.

Good Faith Deposit.

A good faith deposit (the "Deposit") is required in connection with the sale and bid for each series of the Bonds.

The Deposit may be provided in the form of (i) a federal funds wire transfer in the amount of $750,000 for the Consolidated Public Improvement Bonds Series 2013A and $1,000,000 for the Refunding Bonds Series 2013B to be submitted to the County by the successful bidder not later than 3:00 p.m. (EST) (the "Deposit Deadline") on the date of sale or (ii) a financial surety bond (a "Surety Bond") from an insurance company acceptable to the

County and licensed to issue such a bond in the State of Maryland in the amount of the Deposit, each option as described in more detail below. The Deposit of the successful bidder will be retained by the County to be applied in partial payment for the Consolidated Public Improvement Bonds Series 2013A and the Refunding Bonds Series 2013B as the case may be, 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.

If a federal funds wire transfer is used, the County shall distribute wiring instructions for the Deposit to the successful bidder(s) upon verification of the bids submitted by the bidders and prior to the Deposit Deadline. If the Deposit is not received by the Deposit Deadline, the award of the sale of each series 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 each series of the Bonds to a different purchaser upon such terms and conditions as the County shall deem appropriate.

If a Surety Bond is used, it must be submitted to the County prior to 5:00 p.m. (EST) on the day prior to the date for receipt of bids, and must be in form and substance acceptable to the County, including (without limitation) identifying the bidder whose Deposit is guaranteed by such Surety Bond. If either or both series of the Bonds are awarded to a bidder utilizing a Surety Bond, then such successful bidder is required to submit its Deposit to the County not later than 12:00 p.m. (EST) on the next business day following the award in accordance with wire instructions delivered by the County to such bidder. If such Deposit is not received by that time, the Surety Bond may be drawn by the County to satisfy the Deposit requirement.

Award of Bonds and Public Offering

The County will not consider and will reject any bid for the purchase of less than all of the Bonds of each series, and bidders may submit bids on either or both series of Bonds. THE RIGHT IS RESERVED TO THE TREASURER TO REJECT ANY AND ALL BIDS FOR EACH OR BOTH SERIES OF BONDS. The award, if made, will be made as promptly as possible after the bids are opened to the bidder or bidders offering the lowest interest rate to the County. The lowest interest rate shall be determined in accordance with the true interest cost (TIC) method doubling the semiannual interest rate (compounded semiannually) necessary to discount the debt service payments from the payment dates to the date of the Bonds and to the price bid, excluding interest accrued to the date of delivery; provided, however, that if two or more bidders have made bids, each of which represents the lowest true interest cost to the County, the Bonds of such series shall be awarded to the bidder offering the highest premium and if the highest premium is offered by two or more such bidders or if no premium is bid by any such bidders, then the Bonds of such series may be awarded, with their consent, in a ratable portion among such bidders, or the County, in its discretion, may award all the Bonds of such series to one bidder. The judgment of the County shall be final and binding upon all bidders with respect to the form and adequacy of any bid received and as to its conformity to the terms of this Notice of Sale. THE SUCCESSFUL BIDDER MUST REASONABLY EXPECT TO SELL TO THE PUBLIC 10% OR MORE IN PAR AMOUNT OF EACH SERIES OF THE BONDS FROM EACH MATURITY AT THE INITIAL REOFFERING PRICES AND SHALL PROVIDE THE RELATED CERTIFICATION DESCRIBED UNDER "BIDDER CERTIFICATE" BELOW.

Legal Opinion

The issuance of the Bonds will be subject to delivery of the approving opinions of Royston, Mueller, McLean & Reid, LLP, Towson, Maryland, bond counsel, and Miles & Stockbridge P.C., Baltimore, Maryland, special tax counsel, which opinions shall be substantially in the form set forth as an exhibit to the Preliminary Official Statement referred to

below.

Official Statement

Not later than seven (7) business days after the award of each series of the Bonds to the successful bidder on the day of sale, the County will deliver to the successful bidder 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 successful bidder 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 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 for each series of the Bonds will also be furnished, without cost, with up to 100 copies of the Official Statement and any amendments or supplements thereto.

The Preliminary Official Statement of the County concerning the Bonds (the "Preliminary Official Statement") is in a form "deemed final" by the County for purposes of SEC Rule 15c2-12(b)(1) (the "Rule") but is subject to revision, amendment and completion in the final Official Statement.

The County will undertake to provide the successful bidder with further additional information to be included in such Official Statement, when in the opinion of the County or of Bond Counsel, such additional information constitutes a material change to such Official Statement. The County will take such steps as are necessary to arrange for amending and supplementing the Official Statement in connection with the disclosure of such additional information; provided, however, that the County shall have no obligation to provide such additional information after the date which is twenty-five (25) days after the "end of the underwriting period", as such term is defined in the Rule.

The County agrees, in order to assist bidders in complying with SEC Rule 15c2-12(b)(5), pursuant to a continuing disclosure certificate (the "Continuing Disclosure Certificate") signed by the County Executive, Treasurer and Director of Administration of the County, to provide annual reports and notices of certain events. The undertakings of the County in the Continuing Disclosure Certificate shall be set forth in the Preliminary Official Statement and Official Statement and any amendment or supplement thereto.

Bidder Certificate

THE SUCCESSFUL BIDDER FOR EACH SERIES OF THE BONDS SHALL MAKE A BONA FIDE PUBLIC OFFERING OF THE BONDS AT THEIR RESPECTIVE INITIAL REOFFERING PRICES AND SHALL PROVIDE THE RELATED CERTIFICATION DESCRIBED BELOW. THE SUCCESSFUL BIDDER FOR THE BONDS MUST REASONABLY EXPECT TO SELL TO THE PUBLIC 10% OR MORE IN PAR AMOUNT OF THE BONDS FROM EACH MATURITY THEREOF AT THE INITIAL REOFFERING PRICES.

After the award of the Bonds, the County will prepare copies of the final Official Statement and will include therein such additional information concerning the reoffering of the bonds as the successful bidder may reasonably request. The successful bidder will be responsible to the County in all aspects for the accuracy and completeness of information provided by such successful bidder with respect to such offering.

SIMULTANEOUSLY WITH OR BEFORE DELIVERY OF THE BONDS, THE SUCCESSFUL BIDDER SHALL FURNISH TO THE COUNTY A CERTIFICATE ACCEPTABLE TO BOND COUNSEL TO THE EFFECT THAT (I) THE SUCCESSFUL BIDDER HAS MADE A BONA FIDE PUBLIC OFFERING OF THE BONDS AT THE INITIAL REOFFERING PRICES, (II) AS OF THE DATE OF THE SALE OF THE BONDS, THE SUCCESSFUL

BIDDER REASONABLY EXPECTED TO SELL A SUBSTANTIAL AMOUNT OF THE BONDS TO THE PUBLIC (EXCLUDING BOND HOUSES, BROKERS AND OTHER INTERMEDIARIES) AT THEIR RESPECTIVE INITIAL REOFFERING PRICES, AND (III) A SUBSTANTIAL AMOUNT OF THE BONDS WAS SOLD TO THE PUBLIC (EXCLUDING BOND HOUSES, BROKERS AND OTHER INTERMEDIARIES) AT THEIR RESPECTIVE INITIAL REOFFERING PRICES OR SUCH OTHER FACTS REGARDING THE ACTUAL SALE OF THE BONDS AS BOND COUNSEL AND SPECIAL TAX COUNSEL SHALL REQUEST, AS DESCRIBED BELOW. Bond Counsel advises that (i) such certificate must be made on the best knowledge, information and belief of the successful bidder, (ii) the sale to the public of 10% or more in par amount of the Bonds of each maturity at the initial reoffering prices would be sufficient to certify as to the sale of a substantial amount of the Bonds, and (iii) reliance on other facts as a basis for such certification would require evaluation by Bond Counsel and Special Tax Counsel to assure compliance with the statutory requirement to avoid the establishment of an artificial price for the bonds.

Book-Entry Only Form

The Bonds will be issued in book-entry-only form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") and immobilized in custody. Principal and interest on the Bonds will be payable to DTC or its nominee as registered owners of the Bonds. Information concerning DTC and its book-entry system is included in the Preliminary Official Statement and bidders should rely solely on that material.

Interest Payment Dates

The Consolidated Public Improvement Bonds Series 2013A will be dated the date of delivery and will bear interest from the date of delivery, payable on August 1, 2013 and semiannually thereafter on each February 1 and August 1 until maturity or redemption.

The Refunding Bonds Series 2013B will be dated the date of delivery and will bear interest from the date of delivery, payable on August 1, 2013 and semiannually thereafter on each February 1 and August 1 until maturity or redemption.

Preliminary Principal Amounts

Unless the maturity schedule below is revised as described under "Procedures for Award and Principal Amount Changes" above, the Consolidated Public Improvement Bonds Series 2013A will mature on February 1 in each of the years 2014 through 2033, inclusive, as follows (the "Maturity Schedule"):

February 1 Year of Maturity	Preliminary Principal Amount	February 1 Year of Maturity	Preliminary Principal Amount
2014	$1,870,000.00	2024	$1,995,000.00
2015	$1,850,000.00	2025	$2,015,000.00
2016	$1,860,000.00	2026	$2,035,000.00
2017	$1,875,000.00	2027	$2,060,000.00
2018	$1,890,000.00	2028	$2,080,000.00
2019	$1,905,000.00	2029	$2,105,000.00
2020	$1,925,000.00	2030	$2,125,000.00
2021	$1,940,000.00	2031	$2,150,000.00
2022	$1,960,000.00	2032	$2,180,000.00
2023	$1,975,000.00	2033	$2,205,000.00

Unless the maturity schedule below is revised as described under "Procedures for Award and Principal Amount Changes" above, the Refunding Bonds Series 2013B will mature on February 1 in each of the years 2014 through 2028,

inclusive, as follows (the "Maturity Schedule"):

February 1 Year of Maturity	Preliminary Principal Amount	February 1 Year of Maturity	Preliminary Principal Amount
2014	$395,000.00	2022	$9,170,000.00
2015	$415,000.00	2023	$8,270,000.00
2016	$435,000.00	2024	$7,040,000.00
2017	$2,600,000.00	2025	$6,660,000.00
2018	$2,620,000.00	2026	$5,300,000.00
2019	$9,715,000.00	2027	$3,430,000.00
2020	$9,640,000.00	2028	$2,085,000.00
2021	$9,155,000.00		

Redemption

The Consolidated Public Improvement Bonds, Series 2013A which mature before February 1, 2024 are not subject to redemption prior to maturity. The Consolidated Public Improvement Bonds Series 2013A that mature on and after February 1, 2024, are subject to redemption at the option of the County in whole or in part at any time beginning February 1, 2023, without premium or penalty at par (100% of the principal amount to be redeemed) plus accrued interest to the date of redemption.

The Refunding Bonds Series 2013B which mature before February 1, 2024 are not subject to redemption prior to maturity. The Refunding Bonds, Series 2013B which mature on or after February 1, 2024 shall be subject to redemption as a whole or in part at any time, and in any order of maturity, at the option of the County, on February 1, 2023 or any date thereafter, upon notice of call for redemption , mailed to the DTC, or if the book entry system has been discontinued, by written notice to the registered owners of the bond to be redeemed by letter mailed first class, postage prepaid to the addresses of such registered owner, at par (100% of the principal amount to be redeemed) together with interest accrued to the date fixed for redemption. Based upon the advice of the County's financial advisor, the County Executive may authorize changes in the Notice of Sale and the form of Refunding Bond to provide for different schedules of redemption or for no redemption.

Delivery

Delivery of each series of the Bonds by the Treasurer of the County is expected to occur in New York, New York through the facilities of DTC on or about March 5, 2013. The successful bidder shall pay for each series of the Bonds on the date of delivery in Baltimore, Maryland in **IMMEDIATELY AVAILABLE FEDERAL FUNDS** by 11:00 a.m. Baltimore, Maryland time, on the closing date. Any expenses of providing immediately available funds shall be borne by the successful bidder. Certain closing documents will be available for delivery in Baltimore, Maryland on or about March 5, 2013. Payment on the delivery date shall be made in an amount equal to the price bid for each series the Bonds less the amount of the Good Faith Deposit.

CUSIP Numbers

It is anticipated that CUSIP numbers will be printed on the bonds, but the County will assume no obligation for the assignment or printing of such numbers on the Bonds or for the correctness of such numbers, and neither the failure to print such numbers on the Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder of the Bonds to accept delivery or make payment for the Bonds.

Closing Documents

The 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 against the County affecting the validity of the bonds and a Tax Certificate and Compliance Agreement signed by the Treasurer of the County.

It shall be a condition to the obligation of the successful bidder to accept delivery of and pay for the Bonds that, simultaneously with or before delivery and payment for the bonds, such successful bidder shall be furnished a certificate or certificates of the County Executive, Treasurer and Director of Administration 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.

In the event that all or any part of the Bonds are initially reoffered with bond insurance secured by the successful bidder, the successful bidder shall be required to notify immediately the Director of Finance of the County at the time of sale of such event and shall provide the Treasurer of Finance of the County with any information he (she) reasonably requests regarding such bond insurance, including the amounts paid for such insurance and interest rates that the bonds would have borne should the bid have occurred without bond insurance. The County will, at the request and expense of the successful bidder, include customary language in the Official Statement and the form of bond regarding the insurance policy upon receipt of such opinions or certificates as the County reasonably may request regarding the accuracy of any information to be included in the Official Statement and the binding nature of the obligations contained in the insurance policy with respect to the Bonds. The County shall have no obligation to provide the successful bidder or the bond insurance company with any other documents or opinions relating to the Bonds.

The Preliminary Official Statement, a full financial statement concerning the County, the required form of proposal, and other data in reference thereto as may be desired will be supplied to prospective bidders upon request made to Kathryn L. Hewitt, Treasurer, Harford County, 220 S. Main Street, Bel Air, Maryland 21014, Telephone: (410) 638-3314 or from the County's Financial Advisor, Public Advisory Consultants, 25 Crossroads Drive, Suite 402, Owings Mills, Maryland 21117, Attention: Lester Guthorn, Telephone: (410) 581-4820.

Date: February 5, 2013

HARFORD COUNY (MARYLAND)

By: _____

David R. Craig
County Executive

EXHIBIT C

UNITED STATES OF AMERICA

STATE OF MARYLAND

HARFORD COUNTY, MARYLAND

CONSOLIDATED PUBLIC IMPROVEMENT BONDS, SERIES 2013A

Registered Owner: Cede & Co.
(Dated _____, 2013)

No. R-1 CUSIP NO. _____

HARFORD COUNTY, MARYLAND, a body politic and corporate, organized and existing under the Constitution and laws of the State of Maryland (the "County"), hereby acknowledges itself indebted and, for value received, promises to pay to the registered owner or registered assignees of this bond, the principal sum of ___ Million Dollars ($_____) on February 1, 2014, upon presentation and surrender of this bond and to pay interest thereon, from the date of this bond at the rate of ____ percent (__.0%) per annum until payment of said principal sum, such interest to the maturity hereof being payable on August 1, 2013 (____ months, ____ days), and semiannually thereafter on the 1st day of February and August in each year by check or draft of the Paying Agent (hereinafter described) mailed to the registered owners of record on the registration books of the Bond Registrar (hereinafter defined) on the 10th day of the month preceding the interest payment date, as interest becomes due and payable.

Both the principal of and interest on this bond will be paid in lawful money of the United States of America, at the time of payment, at the principal office of Manufacturers and Traders Trust Company ("Paying Agent").

This bond shall be registered in the name of the owner on the registration books kept for that purpose at the principal office of Manufacturers and Traders Trust Company ("Bond Registrar"), after which no transfer hereof shall be valid unless made on the said registration books by the registered owner hereof in person or by his duly authorized attorney, but this Bond will not be transferred unless The Depository Trust Company ("DTC") determines to discontinue providing its services as a securities depository or directs that the Bonds be re-registered in a different name, or unless DTC is removed as the depository for the Bonds. The County, Bond Registrar and Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof for all purposes. 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 (her) 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 fifteen (15) days next preceding an interest payment date on the bonds, or in case of any proposed redemption of bonds, during the fifteen (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.

This bond is one of a duly authorized issue or series of bonds (the "Bonds") aggregating Forty Million Dollars ($40,000,000) in principal amount, which are of the denomination of Five Thousand Dollars ($5,000) or integral multiples thereof. The Bonds mature serially in installments on the 1st days of February in each of the years 2014 to 2033, inclusive, as follows:

February 1 Year of Maturity	Principal Amount	February 1 Year of Maturity	Principal Amount
2014	$1,870,000.00	2024	$1,995,000.00
2015	$1,850,000.00	2025	$2,015,000.00
2016	$1,860,000.00	2026	$2,035,000.00
2017	$1,875,000.00	2027	$2,060,000.00
2018	$1,890,000.00	2028	$2,080,000.00
2019	$1,905,000.00	2029	$2,105,000.00
2020	$1,925,000.00	2030	$2,125,000.00
2021	$1,940,000.00	2031	$2,150,000.00
2022	$1,960,000.00	2032	$2,180,000.00
2023	$1,975,000.00	2033	$2,205,000.00

The Bonds are numbered from one (1) consecutively upwards in the order of their maturities, are of like tenor except as to amount, maturity, number and interest rate, are issued pursuant to and in full conformity with the provisions of the Charter of Harford County, as amended, and by virtue of due proceedings had and taken by the County Council of Harford County, Maryland particularly, Bill No. 07-16, as Amended, enacted by the County Council of the County on July 10, 2007, effective September 17, 2007; Bill No. 07-17, enacted by the County Council of the County on July 10, 2007, effective September 17, 2007; Bill No. 08-35, as amended, enacted by the County Council on June 17, 2008, effective August 25, 2008; Bill No. 08-36, enacted by the County Council of the County on June 10, 2008, effective August 18, 2008; Bills No. 09-26 and

1 09-27 enacted by the County Council of the County on November 10, 2009, effective January 12,
2 2010; Bill No. 10-18 enacted by the County Council of the County on June 15, 2010, effective
3 August 16, 2010 and Bills 11-27 and 11-28 enacted by the County Council of the County on July
4 12, 2011, effective September 19, 2011; Bill No. 11-25, enacted by the County Council on July
5 12, 2011, effective September 19, 2011; Bill No. 12-36 enacted by the County Council of the
6 County on November 20, 2012, effective January 26, 2013; and Bill No. 12-39 enacted by the
7 County Council of the County on November 20, 2012, effective January 26, 2013 and
8 Resolutions adopted by the County Council on February 5, 2013 and February ____, 2013.
9 The full faith and credit and unlimited taxing power of the County are pledged to the
10 punctual payment of the principal of and interest on this bond according to its terms, and the
11 County covenants and agrees punctually to pay the principal of this bond and the interest thereon,
12 at the dates and in the manner mentioned herein.
13 The Bonds which mature before February 1, 2024 are not subject to redemption prior to
14 their maturities. The Bonds which mature on or after February 1, 2024 are subject to redemption
15 at any time, at par, beginning February 1, 2023.
16 No covenant or agreement contained in this bond shall be deemed to be a covenant or
17 agreement of any officer, agent or employee of the County in his or her individual capacity and
18 neither the members of the County Council of Harford County, Maryland nor any official
19 executing this bond shall be liable personally on this bond or be subject to any personal liability
20 or accountability by reason of the issuance of this bond.
21 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, the Charter and Code of Harford County and the Bills and Resolution above referred to, 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 said State and the Charter and Code of Harford County, and that due provision has been made for the levy and collection, if and when necessary, of an annual *ad valorem* tax or taxes upon all the legally assessable property within the corporate limits of the County, as prescribed by law, in rate and amount sufficient to provide for the payment, when due, of the interest on and the principal of this bond.

IN WITNESS WHEREOF the County, has caused this bond to be executed in its name by the manual or facsimile signature of the County Executive, which signature has been imprinted thereon, and has also caused of its corporate seal or a facsimile thereof to be imprinted or otherwise reproduced hereon, attested by the manual or facsimile signature of the Director of Administration, and the manual signature of an authorized officer of the Bond Registrar, all as of the ____ day of _____, 2013.

ATTEST:

HARFORD COUNTY, MARYLAND

_____
Mary Chance
Director of Administration

By: _____
David R. Craig
County Executive

(SEAL)

CERTIFICATE OF AUTHENTICATION

This bond is one of the registered bonds of Harford County, Maryland Consolidated Public Improvement Bonds, Series 2013A.

_____
Authorized Officer

(Form of Registration)

(No writing hereon except by an officer of _____, Baltimore, Maryland, Bond Registrar.)

Date of Registry	Name of Registered Holder	Registered By
_____	_____	_____
_____	_____	_____
_____	_____	_____

PAYMENT GRID

Date of Payment	Principal Amount Paid	Principal Amount Outstanding	Holder Signature

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 must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company	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.

EXHIBIT D

FORM OF CONTINUING DISCLOSURE AGREEMENT

$40,000,000.00*	**$76,930,000.00***
HARFORD COUNTY, MARYLAND	**HARFORD COUNTY, MARYLAND**
Consolidated Public Improvement Bonds, Series 2013A	**Refunding Bonds, Series 2013B**

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") is executed and delivered by Harford County, Maryland (the "County") in connection with the issuance of its $40,000,000.00* Consolidated Public Improvement Bonds, Series 2013A and its $76,930,000.00* Refunding Bonds, Series 2013B (collectively, the "Bonds"). The County, intending to be legally bound hereby, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the County for the benefit of the owners and beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with Securities and Exchange Commission Rule 15c-12(b)(5). The County's obligations hereunder shall be limited to those required by written undertaking pursuant to the Rule. The County may, from time to time, appoint or engage a dissemination agent ("Dissemination Agent") to assist in carrying out its obligations pursuant to this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 2. Definitions. In addition to the definitions set forth above, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"EMMA System" means the MSRB's Electronic Municipal Market Access System, or such other electronic system designated by the MSRB.

"Listed Events" shall mean any of the events listed in Section 4(a) of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board. To the extent the Rule is amended to refer to any additional or different repositories, references in this Disclosure Agreement to the MSRB shall be deemed to include such additional or different repositories to the extent required by the Rule.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

*Preliminary, subject to change

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Financial Information, Operating Data and Audited Information. (a) The County shall provide to the MSRB, through the EMMA System, annual financial information and operating data as set forth in Schedule A to this Disclosure Agreement, such information and data to be updated as of the end of the preceding fiscal year, except as indicated on Schedule A, and made available within 275 days after the end of each fiscal year, commencing with the fiscal year ending June 30, 2013.

(b) The County shall provide to the MSRB, through the EMMA System, annual audited financial statements of the County, such information to be made available within 275 days after the end of the County's fiscal year, commencing with the fiscal year ending June 30, 2013 unless the audited financial statements are not available on or before such date, in which event said financial statements will be provided promptly when and if available. In the event that audited financial statements are not available within 275 days after the end of the County's fiscal year (commencing with the fiscal year ending June 30, 2013), the County will provide unaudited financial statements within said time period.

(c) The presentation of the financial information referred to in paragraph (a) and in paragraph (b) shall be made in accordance with the same accounting principles as utilized in connection with the presentation of applicable comparable financial information included in the final official statement for the Bonds, provided that the County may modify the accounting principles utilized in the presentation of financial information by amending the Disclosure Agreement pursuant to the provisions of Section 6 hereof. Changes in generally accepted accounting principles, where applicable to information to be provided by the County, shall not require the County to amend this Disclosure Agreement.

(d) The County shall provide in a timely manner to the MSRB notice specifying any failure to provide the annual financial information or operating data it has undertaken to provide in accordance with this Section 3.

(e) If the County changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the County would otherwise be required to provide financial information and operating data pursuant to this Section 3.

(f) The financial information and operating data to be provided pursuant to this Section 3 may be set forth in full in one or more documents or may be incorporated by specific reference to documents available to the public on the MSRB's Internet Website or filed with the Securities and Exchange Commission.

(g) All information provided to the MSRB pursuant to subsections (a), (b) or (d) of this Section 3 shall be in an electronic format as prescribed by the MSRB.

Section 4. Reporting of Significant Events.

(a) This Section 4 shall govern the giving of notices of the occurrence of any of the following Listed Events with respect to the Bonds:

(i) principal and interest payment delinquencies;
(ii) non-payment related defaults;
(iii) unscheduled draws on debt service reserves reflecting financial difficulties;
(iv) unscheduled draws on credit enhancements reflecting financial difficulties;
(v) substitution of credit or liquidity providers, or their failure to perform;
(vi) adverse tax opinions or events, including the issuance by the Internal Revenue Service of proposed or final determinations of taxability, notice of proposed issue (IRS Forms 5701-TEB), or other material notices of determinations with respect to the tax status of the security or other material events affecting the tax-exempt status of the Bonds;
(vii) modifications to rights of Bond holders;
(viii) Bond calls;
(ix) defeasances;
(x) release, substitution, or sale of property securing repayment of the Bonds;
(xi) rating changes;
(xii) bankruptcy, insolvency, receivership or similar event of the County;
(xiii) consummation of a merger, consolidation or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entering into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
(xiv) appointment of a successor or additional trustee or the change of name of a trustee; and
(xv) tender offers.

(b) Whenever the County obtains knowledge of the occurrence of a Listed Event as to the items in Section 4(a)(ii), (vii), (viii), (x), (xiii) or (xiv), the County shall as soon as possible determine if such event would constitute material information for owners of Bonds. If the Listed Event as to the items in Section 4(a)(ii), (vii), (viii), (x), (xiii) or (xiv) constitutes material information for owners of Bonds, the County shall promptly file a timely notice of such occurrence with the MSRB;

(c) All information provided to the MSRB pursuant to this Section 4 shall be in an electronic format as prescribed by the MSRB through the EMMA System; and

(d) Although the County does not expect that certain of the above events will ever apply to the Bonds, the County covenants to provide notice of all enumerated events within ten business days of the occurrence of the event, should they occur.

Section 5. Termination of Reporting Obligations. The County's obligations under this Disclosure Agreement shall terminate upon the payment in full of all of the Bonds either at their maturity or by early redemption. In addition, the County may terminate its obligations under this Disclosure Agreement if and

when the County no longer remains an obligated person with respect to the Bonds within the meaning of the Rule.

Section 6. Amendment. This Disclosure Agreement may be amended by the County in its discretion provided that (i) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the County as the obligated person with respect to the Bonds, or type of business conducted; (ii) the Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (iii) the amendment does not materially impair the interests of holders of the Bonds, as determined by counsel selected by the County that is experienced in federal securities law matters, or by an approving vote of the holders of 25% of the outstanding aggregate principal amount of the Bonds. The reasons for any amendment and the impact of the change in the type of operating data or financial information being provided will be explained in information provided with the annual financial information containing the amended operating data or financial information.

Section 7. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any disclosure made pursuant to Section 3(a) or (b) hereof or notice of occurrence of a Listed Event in addition to that which is required by this Disclosure Agreement. If the County chooses to include any information in any disclosure made pursuant to Section 3(a) or (b) hereof or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future disclosure made pursuant to Section 3(a) or (b) hereof or notice of occurrence of a Listed Event.

Section 8. Law of Maryland. This Disclosure Agreement, and any claim made with respect to the performance by the County of its obligations hereunder, shall be governed by, subject to, and construed according to the laws of the State of Maryland or the federal law of the United States of America.

Section 9. Limitation of Forum. Any suit or other proceeding seeking redress with regard to any claimed failure by the County to perform its obligations under this Disclosure Agreement must be filed in the Circuit Court for Harford County, Maryland.

Section 10. Limitation on Remedies. The County shall be given notice at the address set forth below of any claimed failure by the County to perform its obligations under this Disclosure Agreement, and the County shall be given 15 days to remedy any such claimed failure. Any suit or other proceeding seeking further redress with regard to any such claimed failure by the County shall be limited to specific performance as the adequate and exclusive remedy available in connection with such action. Written notice to the County shall be given to the Treasurer, 220 South Main Street, Bel Air, Maryland 21014 or at such other alternate address as shall be specified by the County with disclosures made pursuant to Section 3(a) or (b) hereof or a notice of occurrence of a Listed Event.

Section 11. Relationship to Bonds. This Disclosure Agreement constitutes an undertaking by the County that is independent of the County's obligations with respect to the Bonds; any breach or default by the County under this Disclosure Agreement shall not constitute or give rise to a breach or default under the

Bonds.

Section 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the owners and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. MSRB Requirements. All documents provided to the MSRB pursuant to this Disclosure Agreement and the Rule shall be accompanied by identifying information as prescribed by the MSRB.

Section 14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Continuing Disclosure Agreement is being executed on behalf of the County as of this ___ day of _____, 2013.

(SEAL) HARFORD COUNTY, MARYLAND

ATTEST/WITNESS: By: _____
David R. Craig, County Executive

_____ By: _____
Mary F. Chance, Director of Administration

_____ By: _____
Kathryn L. Hewitt, Treasurer

Schedule A

(1) General Fund Summary of Revenues, Expenditures and Encumbrances and Changes in Fund Balance

(2) Assessed Values, Tax Rates, Tax Levies and Collections

(3) Bonded Debt

(4) Schedule of Revenues and Expenditures Compared to Budget