



**TOWN OF CHEVERLY  
RESOLUTION R-6-22**

**A RESOLUTION OF THE COUNCIL (THE “COUNCIL”) OF THE TOWN OF CHEVERLY AUTHORIZING THE MAYOR AND TOWN COUNCIL OF CHEVERLY (THE “TOWN”) TO ISSUE AND SELL A SERIES OF ITS GENERAL OBLIGATION BONDS IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$9,000,000 PURSUANT TO THE AUTHORITY DESCRIBED HEREIN, SUCH SERIES TO BE DESIGNATED “THE MAYOR AND TOWN COUNCIL OF CHEVERLY PUBLIC IMPROVEMENT BONDS OF 2022” (THE “BONDS”), THE PROCEEDS OF THE SALE THEREOF TO BE USED AND APPLIED FOR THE PUBLIC PURPOSE OF FINANCING OR REIMBURSING COSTS OF A PROJECT GENERALLY REFERRED TO BY THE TOWN AS THE “NEW ELEY BUILDING” AND RELATED COSTS, INCLUDING COSTS OF ISSUANCE, AS FURTHER DESCRIBED HEREIN; PRESCRIBING THE FORM AND TENOR OF THE BONDS AND THE TERMS AND CONDITIONS FOR THE ISSUANCE AND SALE THEREOF BY THE SOLICITATION OF COMPETITIVE BIDS AT PUBLIC SALE, INCLUDING THE SUBSTANTIALLY FINAL FORM OF THE NOTICE OF SALE AND OTHER DETAILS INCIDENT TO THE ISSUANCE, SALE AND DELIVERY OF THE BONDS; AUTHORIZING THE MAYOR TO DETERMINE CERTAIN MATTERS PROVIDED FOR HEREIN IN CONNECTION WITH THE SALE OF THE BONDS; AUTHORIZING AND APPROVING THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY AND A FINAL OFFICIAL STATEMENT RELATING TO THE BONDS, AND ANY SUPPLEMENTS OR AMENDMENTS THERETO; DESIGNATING A BOND REGISTRAR AND PAYING AGENT FOR THE BONDS AND PROVIDING FOR AN AGREEMENT WITH SUCH ENTITY; AUTHORIZING THE PREPARATION, EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE UNDERTAKING PURSUANT TO SEC RULE 15c2-12 AND COVENANTING TO PROVIDE CONTINUING DISCLOSURE RELATING TO THE BONDS; PROVIDING FOR THE APPROPRIATION, DISBURSEMENT AND INVESTMENT OF THE PROCEEDS OF THE BONDS; PROVIDING FOR THE IMPOSITION OF ANY TAXES NECESSARY FOR THE PAYMENT OF DEBT SERVICE ON THE BONDS; PLEDGING THE FULL FAITH AND CREDIT AND UNLIMITED TAXING POWER OF THE TOWN TO THE PAYMENT OF SUCH DEBT SERVICE; PROVIDING THAT DEBT SERVICE ON THE BONDS ALSO MAY BE PAID FROM ANY OTHER LAWFULLY AVAILABLE SOURCES OF REVENUE; MAKING OR PROVIDING FOR CERTAIN COVENANTS, DETERMINATIONS AND DESIGNATIONS RELATING TO THE TAX-EXEMPT STATUS OF THE BONDS; PROVIDING THAT THE PROVISIONS OF THIS RESOLUTION SHALL BE LIBERALLY CONSTRUED; AND GENERALLY RELATING TO THE ISSUANCE, SALE, DELIVERY AND PAYMENT OF AND FOR THE BONDS AUTHORIZED HEREBY.**

## RECITALS

WHEREAS, The Mayor and Town Council of Cheverly, a municipal corporation of the State of Maryland and a municipality within the meaning of the Enabling Act identified below (the “Town”), is authorized and empowered by Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland, as replaced, supplemented or amended (the “Enabling Act”), and Section C-24 of the Charter of the Town, as replaced, supplemented or amended (the “Charter”), to borrow money for any proper public purpose and to evidence such borrowing by the issuance and sale of its general obligation bonds; and

WHEREAS, pursuant to Ordinance O-05-22, passed by the Council of the Town (the “Council”) on August 11, 2022 and effective on September 11, 2022 (“Ordinance O-05-22”), the Town authorized the issuance and sale from time to time, upon its full faith and credit, of one or more series of its general obligation bonds in an original aggregate principal amount not to exceed Nine Million Two Hundred Thirty-Nine Dollars (\$9,000,239) (the “Authorized Bonds”); and

WHEREAS, Ordinance O-05-22 provides that the Town has determined to undertake a public purpose project generally identified as the new Eley Building or by similar terms, which project includes the design, construction and outfitting of an approximately 21,716 square foot two-story building to be used by the Department of Public Works, as Council chambers and as meeting space, together with site redevelopment, including site utilities, stormwater management, an access road, parking and coordination of the improvements with the adjacent playing fields, walking track and batting cages (collectively, the “Project”); and

WHEREAS, Ordinance O-05-22 provides that the original aggregate principal amount of the Authorized Bonds may be applied to finance, reimburse or refinance all or a portion of any one or more “costs” of the Project, including, as applicable, costs of the following activities and expenses: land and right-of-way acquisition and development; acquisition of other property rights; site and utility improvements, including, without limitation, grading, landscaping, paving and repaving, sidewalk, curb, gutter, storm water, water and sewer improvements, street lights, amenities, and related or similar activities and expenses; demolition, razing and removal; acquisition, construction, expansion, reconstruction, replacement, renovation, rehabilitation, upgrading, improvement, installation, furnishing and equipping activities and expenses, and related or similar activities and expenses; planning, design, engineering, testing, study, architectural, feasibility, surveying, document development, bidding, permitting, inspection, construction management, financial, administrative and legal expenses, and related or similar activities and expenses; contingencies; costs of issuance (which may include costs of bond insurance or other credit or liquidity enhancement); interest during construction and for a reasonable period thereafter (whether or not expressly so stated); and any such costs that may represent the Town’s share or contribution to the financing, reimbursement or refinancing of the Project (collectively, “Costs of the Project”); and

WHEREAS, the Town desires to issue a series of general obligation bonds in order to finance or reimburse Costs of the Project, including costs of issuance, as further described herein; and

WHEREAS, Ordinance O-05-22 contemplates, and the financial advisor to the Town has confirmed its prior recommendation, that the series of general obligation bonds provided for herein

be sold by the solicitation of competitive bids at public sale because such method of sale is likely to result in the lowest interest costs to the Town in comparison with a negotiated underwriting or a direct purchase transaction; and

WHEREAS, the Council has determined to sell the series of the Authorized Bonds provided for herein upon the terms and conditions set forth in Ordinance O-05-22 and this Resolution, the proceeds of which general obligation bonds are to be used and applied as herein set forth.

SECTION 1. NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE MAYOR AND TOWN COUNCIL OF CHEVERLY, MARYLAND that:

(a) The Recitals hereto constitute an integral part of this Resolution and are incorporated herein by reference. Capitalized terms used in the Recitals and defined therein that are not otherwise defined in the remaining Sections of this Resolution shall have the meanings given to such terms in the Recitals.

(b) References in this Resolution to any official by title shall be deemed to refer (i) to any official authorized under the Charter, the code of ordinances of the Town (the "Town Code") or other applicable law or authority to act in such titled official's stead during the absence or disability of such titled official, (ii) to any person who has been elected, appointed or designated to fill such position in an acting or interim capacity under the Charter, the Town Code or other applicable law or authority, (iii) to any person who serves in a "deputy," "associate" or "assistant" capacity as such an official, provided that the applicable responsibilities, rights or duties referred to herein have been delegated to such deputy, associate or assistant in accordance with the Charter, the Town Code or other applicable law or authority, and/or (iv) to the extent an identified official commonly uses another title not provided for in the Charter or the Town Code, the official, however known, who is charged under the Charter, the Town Code or other applicable law or authority with the applicable responsibilities, rights or duties referred to herein.

(c) References in this Resolution to the "Council" shall be deemed to refer to the six (6) Councilmembers provided for in the Charter plus, to the extent applicable under the Charter, the Mayor of the Town (the "Mayor") when the Mayor has the authority to vote in accordance with Section C-11.B of the Charter.

(d) References in this Resolution to the "principal amount" of any of the Bonds (as defined herein) shall be construed to mean the par amount of such Bonds, and references in this Resolution to "proceeds" shall be construed to mean par amount and any allocable original issue premium and/or investment earnings, to the extent applicable.

(e) To the extent this Resolution does not specifically identify how any responsibility, right, power or duty delegated to the Mayor by the terms hereof shall be evidenced, any such exercise may be evidenced conclusively by the execution and delivery by the Mayor of an order with respect thereto.

SECTION 2. AND BE IT FURTHER RESOLVED that:

(a) Pursuant to the authority of the Enabling Act, Section C-24 of the Charter, and Ordinance O-05-22, and subject to the further provisions of this Resolution, the Town hereby determines to borrow money and incur indebtedness for the public purpose of financing or reimbursing all or a portion of any one or more components of Costs of the Project, including costs of issuance.

(b) It is the intention of the Council that, without having to amend Ordinance O-05-22 or this Resolution unless an amendment is necessary to expand the definition of “Costs of the Project,” the principal amount of the Bonds may be spent on any applicable Costs of the Project, including, without limitation, costs related to changes in the scope of and/or name of the Project effected through applicable budgetary procedures or applicable law. The term “Costs of the Project” as used in this Resolution has the same meaning as the term “Costs of the Projects” as defined in Section 3(b) of Ordinance O-05-22, and the term “Project” as used in this Resolution has the same meaning as the term “Project” as defined in the Recitals to Ordinance O-05-22.

(c) The Council, by enactment of an ordinance to amend Ordinance O-05-22 and adoption of a resolution to amend this Resolution, may reallocate any portion of the original aggregate principal amount of the Bonds to be spent on Costs of the Project (as such definition and the definition of the Project may be amended by amendatory ordinance and resolution) to one or more additional projects identified in such amending ordinance and amending resolution and, in such event, references in this Resolution to the “Project” shall be deemed to collectively refer to all such projects, including the original Project authorized hereby, as applicable. After any such reallocation is made by supplemental ordinance and supplemental resolution, the Council may reallocate the principal amount of the Bonds to be spent on Costs of the Project among any of the authorized projects in compliance with applicable budgetary procedures or applicable law including, to the extent applicable, by resolution.

**SECTION 3.** AND BE IT FURTHER RESOLVED that:

(a) To evidence the borrowing and indebtedness authorized in Section 2(a) of this Resolution, the Town, acting pursuant to the authority of the Enabling Act, Section C-24 of the Charter, and Ordinance O-05-22, hereby determines to issue and sell, upon its full faith and credit, a series of its general obligation bonds and to designate such series as the “The Mayor and Town Council of Cheverly Public Improvement Bonds of 2022” (the “Bonds”).

(b) Any particular bond of the series of the Bonds is referred to herein as a “Bond.”

(c) Other available moneys may be applied to the purposes of the Project as contemplated by or determined in accordance with the provisions of this Resolution.

(d) The proceeds of the Bonds are hereby appropriated and allocated for the purposes of the Project, as the components of such Project may be finally determined in accordance with the provisions of this Resolution.

**SECTION 4.** AND BE IT FURTHER RESOLVED that:

(a) The Bonds shall be issued in denominations of \$5,000 and integral multiples thereof. Because of the authorized denominations of the Bonds, the original aggregate principal amount of the Bonds may not exceed Nine Million Dollars (\$9,000,000). Subject to the provisions of Section 9 hereof, the Bonds shall be dated the date of delivery and shall be issued initially in book-entry only form as fully registered bonds, without coupons attached, by issuing a single bond for each maturity registered in the name of Cede & Co., as partnership nominee for The Depository Trust Company or its successor (“DTC”); provided that, if DTC so requests, or a system of book-entry only registration is discontinued, replacement bonds shall be issued in denominations of \$5,000 and integral multiples thereof and shall be consecutively numbered in such manner as shall be determined by the Bond Registrar and Paying Agent (as defined in Section 11 of this Resolution).

(b) Subject to the further provisions of this Section 4 and the provisions of Section 9 hereof, the Bonds shall mature (i) in annual serial maturities and/or (ii) as term bonds payable by mandatory sinking fund installments, all as designated by the successful bidder for the Bonds in accordance with the Official Notice of Sale (as defined in Section 9 hereof), on November 1, as follows:

**Preliminary Maturity Schedule for Bonds\***

| <u>Date</u> | <u>Serial Maturity or<br/>Sinking Fund Installment</u> | <u>Date</u> | <u>Serial Maturity or<br/>Sinking Fund Installment</u> |
|-------------|--|-------------|--|
| 2023        | \$135,000  | 2038        | \$280,000  |
| 2024        | 145,000  | 2039        | 295,000  |
| 2025        | 150,000  | 2040        | 305,000  |
| 2026        | 160,000  | 2041        | 320,000  |
| 2027        | 165,000  | 2042        | 335,000  |
| 2028        | 175,000  | 2043        | 350,000  |
| 2029        | 185,000  | 2044        | 365,000  |
| 2030        | 195,000  | 2045        | 380,000  |
| 2031        | 205,000  | 2046        | 400,000  |
| 2032        | 215,000  | 2047        | 420,000  |
| 2033        | 225,000  | 2048        | 440,000  |
| 2034        | 235,000  | 2049        | 460,000  |
| 2035        | 250,000  | 2050        | 480,000  |
| 2036        | 260,000  | 2051        | 505,000  |
| 2037        | 270,000  | 2052        | 525,000  |

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\* The maturity dates, principal amounts and determination of serial bonds and/or term bonds with mandatory sinking fund installment payments provided for in the foregoing table are subject to adjustment as provided herein, including, without limitation, to provide for term bonds.

(c) The \$8,830,000 original aggregate principal amount of the Bonds provided for in the amortization schedule set forth in subsection (b) above is based on an assessment of market conditions in early October 2022. The Council hereby determines that it is in the best interest of the Town to authorize and empower the Mayor, on behalf of the Town, with the advice of the Town Administrator of the Town (the “Town Administrator”), the financial advisor to the Town

and bond counsel to the Town, to adjust the amortization schedule set forth in subsection (b) above from time to time prior to the sale of the Bonds in order to increase or decrease the original aggregate principal amount of the Bonds (subject to the limitation that the original aggregate principal amount of the Bonds may not exceed \$9,000,000), and to correspondingly adjust one or more of the principal amounts of the serial maturities and/or mandatory sinking fund installments provided for in the amortization schedule set forth in subsection (b) above upward or downward, and to the extent necessary, to eliminate one or more serial maturities or mandatory sinking fund installments of the Bonds provided for in the amortization schedule set forth in subsection (b) above, in order to (i) account for anticipated original issue premium that may be applied to Costs of the Project so as to avoid an over-issuance problem, to address legal or tax considerations, to account for the availability of other moneys for application to Costs of the Project, to reflect a determination of the Town not to finance any particular component of the Costs of the Project or a determination of the Town to reduce the amount of proceeds of the Bonds to be applied to Costs of the Project, or to account for any other legal considerations, (ii) correct typographical or calculation errors, (iii) reflect then-current market conditions and/or (iv) address financial considerations impacting the Town. Any such adjustments contemplated by this subsection (c) (i) shall be reflected in the published Notice of Sale provided for in Section 9 hereof (and defined therein) if such adjustments are made prior to publication of such published Notice of Sale, (ii) shall be reflected in the Notice of Sale included as an appendix to the Preliminary Official Statement (as defined in Section 10 hereof) if such adjustments are made prior to release of the Preliminary Official Statement, or (iii) shall be communicated in accordance with the provisions of the published Notice of Sale and the form of the Notice of Sale included as an appendix to the Preliminary Official Statement if such adjustments are made after release of the Preliminary Official Statement.

(d) It is the stated intention of the Council that, to the extent available for such purpose, any net original issue premium provided for in the successful bidder's bid for the Bonds be applied to reducing the par amount of the Bonds needed for payment of the Costs of the Project (after giving effect to the payment of underwriter's discount from any such net original issue premium).

(e) The Bonds shall bear interest at the rate or rates named by the successful bidder therefor in accordance with the terms of the Official Notice of Sale and as approved by the Mayor's execution and delivery of an order or orders upon award of the Bonds. Subject to the further provisions of this Section 4 and Section 9 hereof, interest on the Bonds shall be payable on May 1, 2023 and semi-annually thereafter on each November 1 and May 1 until maturity or prior redemption. Interest payments due on the Bonds shall be made to the registered owners thereof who are the registered owners of record as of the 15th day of the calendar month immediately preceding the month in which such interest payment date occurs. The Bonds shall bear interest from the most recent date to which interest has been paid or, if no interest has been paid, from their dated date (which shall be their date of issuance). Interest shall be computed on the basis of a 360-day year consisting of 12 30-day months.

(f) The principal or redemption price (if any) of the Bonds shall be payable at the office designated by the Bond Registrar and Paying Agent. Interest on the Bonds shall be payable by check or draft of the Bond Registrar and Paying Agent mailed to the owners thereof; provided that, so long the Bonds are registered in book-entry form under a book-entry only system maintained by DTC, any

successor thereto or any replacement securities depository (DTC or any replacement securities depository, the “Securities Depository”), payments of the principal or redemption price (if any) of and interest on the Bonds shall be made as required by the rules and regulations of such Securities Depository.

(g) Notwithstanding the foregoing provisions of this Section 4, the Mayor, with the advice of the Town Administrator, the financial advisor to the Town and bond counsel to the Town, as applicable, may determine that interest payment dates the Bonds will be other than May 1 and November 1, and principal payment dates will be other than November 1, in order to accommodate cash flow, budgetary or other considerations. Any such adjustments to the interest and principal payment dates for the Bonds (i) shall be reflected in the published Notice of Sale provided for in Section 9 hereof if such adjustments are made prior to publication of such published Notice of Sale, (ii) shall be reflected in the Notice of Sale included as an appendix to the Preliminary Official Statement if such adjustments are made prior to release of the Preliminary Official Statement, or (iii) shall be communicated in accordance with the provisions of the published Notice of Sale and the form of the Notice of Sale included as an appendix to the Preliminary Official Statement if such adjustments are made after release of the Preliminary Official Statement

(h) Appropriate provisions relating to any determinations made by the Mayor in accordance with the provisions of this Section 4 may be reflected in the order or orders of award executed and delivered by the Mayor in connection with the sale of the Bonds, in the Official Statement provided for in Section 10(b) of this Resolution, in the final form of the Bonds executed and delivered in connection with Sections 6 and 8 hereof, in a separate order of the Mayor, in the Section 148 Certificate provided for in Section 16 hereof and, to the extent any such determinations are made prior to the release of the Preliminary Official Statement, in the Preliminary Official Statement or any supplement thereto, as applicable.

SECTION 5. AND BE IT FURTHER RESOLVED that:

(a) Subject to the further provisions of Section 9 of this Resolution, the Bonds that mature on and after November 1, 2033 are subject to redemption prior to maturity at the option of the Town, in whole or in part, on any date on and after November 1, 2032, in any order of maturity directed by the Town, at a redemption price of the par amount of the Bonds to be redeemed, together with interest accrued on the par amount being redeemed to the date fixed for redemption, without premium or penalty. Notwithstanding the foregoing provisions of this subsection (a), in the event the interest and principal payment dates of the Bonds are adjusted in accordance with Section 4(g) of this Resolution, the optional redemption features of the Bonds shall be adjusted accordingly by the Mayor; and provided further that the Mayor, with the advice of the Town Administrator and the financial advisor to the Town, is also authorized to adjust the date as of which the Bonds shall first be subject to redemption at the option of the Town in a manner that does not adversely affect the interests of the Town (taking into account market conditions). Any such adjustments contemplated by this subsection (a) (i) shall be reflected in the published Notice of Sale provided for in Section 9 hereof if such adjustments are made prior to publication of such published Notice of Sale, (ii) shall be reflected in the Notice of Sale included as an appendix to the Preliminary Official Statement if such adjustments are made prior to release of the Preliminary Official Statement, or (iii) shall be communicated in accordance with the provisions of the published Notice of Sale and

the form of the Notice of Sale included as an appendix to the Preliminary Official Statement if such adjustments are made after release of the Preliminary Official Statement.

(b) If the successful bidder for the Bonds designates any two or more sequential annual maturities of the Bonds as mandatory sinking fund installment payments for a term bond (a “Term Bond”) in accordance with the Official Notice of Sale, such Term Bond shall be subject to mandatory sinking fund redemption prior to maturity or payment at the stated maturity date, as the case may be, at a redemption price, or price at maturity, equal to 100% of the principal amount thereof on the dates specified by the successful bidder and in the principal amounts set forth opposite such dates in the final amortization schedule for the Bonds that is determined in accordance with Section 4 or Section 9 hereof, as applicable, and the Official Notice of Sale, plus accrued interest on such principal amount to the date fixed for redemption or the stated maturity date, as applicable.

(c) If fewer than all of the Bonds of any one maturity shall be called for redemption (i) at the option of the Town or (ii) by mandatory sinking fund redemption with respect to a Term Bond designated by the successful bidder for the Bonds, if any, the particular Bonds or portions thereof to be redeemed from such maturity shall be selected by lot by the Bond Registrar and Paying Agent; provided that, so long as the Bonds are registered in the name of a Securities Depository or its nominee, such selection shall be made by such Securities Depository in accordance with its rules and regulations.

(d) When less than all of a Bond in a denomination in excess of \$5,000 is redeemed by optional or, to the extent applicable, mandatory sinking fund redemption, then, upon surrender thereof, there shall be issued without charge to the registered owner thereof, for the unredeemed balance of the principal amount of such Bond, at the option of such owner, Bonds of the same maturity in any of the authorized denominations specified by the registered owner. The aggregate face amount of Bonds so issued shall be equal to the unredeemed balance of the principal amount of the Bond surrendered, and the Bonds issued shall bear interest at the same rate and shall mature on the same date as the unredeemed balance of the Bond surrendered.

(e) When any Bonds are to be redeemed by optional redemption or, to the extent applicable, mandatory sinking fund redemption, the Town shall cause a redemption notice to be mailed to the registered owners of the Bonds to be redeemed in whole or in part by first class mail, postage prepaid, at least thirty (30) days prior to the date fixed for redemption to the addresses of such registered owners appearing on the registration books kept by the Bond Registrar and Paying Agent; provided, however, that the failure to mail a redemption notice or any defect in a notice so mailed, or in the mailing thereof, shall not affect the validity of the redemption proceedings. The redemption notice shall identify the series of the Bonds and shall state (i) whether the Bonds are to be redeemed in whole or in part and, if in part, the maturities, numbers, principal amounts, interest rates and CUSIP numbers of the Bonds to be redeemed, (ii) that interest on the Bonds (or portions thereof) to be redeemed shall cease to accrue on the date fixed for redemption, (iii) the date fixed for redemption, (iv) the address of the office of the Bond Registrar and Paying Agent with a contact person and phone number, (v) any conditions to such redemption, and (vi) that the Bonds to be redeemed in whole or in part shall be presented for redemption and payment on the date fixed for redemption at the designated office of the Bond Registrar and Paying Agent. Notwithstanding anything to the contrary contained in this subsection (e), so long as the Bonds to

be redeemed in whole or in part are registered in book-entry only form with a Securities Depository, any redemption notice relating to such Bonds or portions thereof shall be given in the manner and at the time required by the rules and regulations of such Securities Depository.

(f) From and after the date fixed for redemption, if funds sufficient for the payment of the redemption price and accrued interest are available on such date, the Bonds or portions thereof designated for redemption shall cease to bear interest from and after such date. Upon presentation and surrender for redemption, the Bonds or portions thereof to be redeemed shall be paid by the Bond Registrar and Paying Agent at the redemption price, plus accrued interest on the principal amount being redeemed to the date fixed for redemption. If they are not paid upon presentation, the Bonds or portions thereof designated for redemption shall continue to bear interest at the rate or rates stated therein until paid.

SECTION 6. AND BE IT FURTHER RESOLVED that the Bonds shall be executed in the name of the Town and on its behalf by the Mayor, by manual or facsimile signature or by any other means authorized by applicable law. To the extent the Town has approved and obtained a corporate seal of the Town, such corporate seal shall be affixed to the Bonds (manually or by facsimile or by any other means authorized by applicable law) and attested to by the signature of the Town Clerk of the Town (the "Town Clerk"), by manual or facsimile signature or by any other means authorized by applicable law. If the Town has not approved and obtained a corporate seal, the Town Clerk shall attest to the Mayor's signature on the Bonds. The Bonds shall be issued subject to registration as to principal and interest in the name of the owners thereof on the books kept for registration and registration of transfer of the Bonds at the designated office of the Bond Registrar and Paying Agent. The Bonds shall be authenticated by the manual signature of an authorized officer of the Bond Registrar and Paying Agent (or by any other means authorized by applicable law). The Bonds shall not be valid for any purpose or constitute an obligation of the Town unless so authenticated. In the event any official of the Town whose signature appears on the Bonds shall cease to be such official prior to the delivery of the Bonds, or, in the event any such official whose signature appears on the Bonds shall have become such after the date of issue thereof, the Bonds shall nevertheless be valid and binding obligations of the Town in accordance with their terms. The provisions of this Section 6 are subject to the further provisions of this Resolution.

SECTION 7. AND BE IT FURTHER RESOLVED that:

(a) Any Bond shall be transferable only upon the registration books kept for the Bonds at the designated office of the Bond Registrar and Paying Agent by the registered owner in person, or by his duly authorized attorney in writing, upon surrender thereof, together with a written instrument of transfer in the form attached thereto and satisfactory to the Bond Registrar and Paying Agent and duly executed by the registered owner thereof in person, or by his attorney duly authorized in writing, but no Bond will be transferred unless the Security Depository then in place determines to discontinue providing its services as a securities depository or directs that the Bonds be re-registered in a different name or denomination, or unless the Securities Depository then in place is removed by the Town.

(b) A Bond may be transferred or exchanged at the designated office of the Bond Registrar and Paying Agent. Upon any such transfer or exchange, the Town shall issue, and the Bond Registrar and Paying Agent shall authenticate and deliver, a new registered Bond or Bonds in authorized

denomination or denominations equal to the aggregate principal amount of the Bond transferred or exchanged, with the same maturity date, and bearing interest at the same rate.

(c) The Bond Registrar and Paying Agent shall not be required to transfer or exchange any Bond after the mailing or giving of notice of call of such Bond for redemption in whole or in part.

(d) If any Bond shall become mutilated or be destroyed, lost or stolen, the Town in its discretion may execute, and upon its request the Bond Registrar and Paying Agent shall authenticate and deliver, a new Bond or Bonds in exchange for the mutilated Bond or in lieu of and substitution for the Bond so destroyed, lost or stolen. In every case of exchange or substitution, the applicant shall furnish to the Town and to the Bond Registrar and Paying Agent such security or indemnity as may be required by them to save each of them harmless from all risks, however remote, and the applicant shall also furnish to the Town and to the Bond Registrar and Paying Agent evidence to their satisfaction of the mutilation, destruction, loss or theft of the applicant's Bond. If any Bond which has matured or is about to mature shall become mutilated or be destroyed, lost or stolen, instead of issuing a Bond in exchange or substitution therefor, the Town may pay or authorize the payment of such Bond (without surrender thereof except in the case of a mutilated Bond) if the applicant for such payment shall furnish to the Town and to the Bond Registrar and Paying Agent such security or indemnity as they may require to save them harmless, and evidence to the satisfaction of the Town and the Bond Registrar and Paying Agent of the mutilation, destruction, loss or theft of such Bond.

(e) Any new Bond issued in transfer or exchange may be executed and, to the extent applicable, sealed as provided in Section 6 hereof with respect to the original execution and delivery of the Bonds, or as otherwise required or authorized by then-applicable law, and appropriate changes may be made to the form of the Bond issued in transfer or exchange to account for the dated date of the Bond issued in transfer or exchange and the then-outstanding principal amount of the Bonds and/or such maturity of the Bonds. In each case, the Bond Registrar and Paying Agent may require payment by the registered owner requesting such transfer or exchange of any tax, fee or other governmental charge, shipping charges or insurance that may be required to be paid with respect to such transfer or exchange, but otherwise no charge shall be made to the registered owner for such transfer or exchange.

SECTION 8. AND BE IT FURTHER RESOLVED that except as provided hereinafter or in a resolution or resolutions of the Council adopted prior to the issuance of the Bonds, the Bonds shall be issued in substantially the form attached hereto as Exhibit A and incorporated by reference herein. Appropriate variations, deletions and insertions may be made by the Mayor to reflect determinations made in accordance with the provisions of this Resolution, to provide names, dates, numbers, interest rates and amounts, to comply with recommendations of legal counsel, as required by any rating agency as a condition precedent to, or as otherwise related to, obtaining a rating on the Bonds from such rating agency, or as required by any provider of municipal bond insurance for all or any portion of the Bonds selected by the successful bidder for the Bonds in accordance with the Official Notice of Sale, or to make other modifications not specifically provided for herein that do not materially alter the substance of the Bonds. All of the covenants contained in the form attached hereto as Exhibit A, as such form shall be finally completed and executed in accordance with Section 6 and this Section 8, are hereby adopted by the Town as and for the form of obligations to be incurred by the Town, and the covenants and conditions contained therein are hereby made binding upon the

Town, including the promise to pay therein contained. The execution and delivery of the Bonds by the Mayor in accordance with this Resolution shall be conclusive evidence of the approval by the Mayor of the form of the Bonds and any variations, insertions, omissions, notations, legends or endorsements authorized by this Resolution.

SECTION 9. AND BE IT FURTHER RESOLVED that:

(a) Pursuant to Ordinance O-05-22, the Council has determined, based on the advice of the financial advisor to the Town and with the concurrence of the Town Administrator, to sell the Bonds by the solicitation of competitive bids at public sale after publication of the notice of sale in the manner prescribed by public general law due to the expected issue size and the expectation that such a public sale will result in the lowest true interest cost for the Bonds as opposed to a sale through a negotiated underwriting or a direct purchase transaction. Electronic bids only shall be submitted through the applicable system or systems of BiDCOMP/Parity®/www.i-dealprospectus.com system (referred to herein, as applicable, as “Parity”). The Bonds shall be offered for sale, subject to the further provisions of this Resolution, at public sale by competitive bidding on Thursday, November 3, 2022, with the deadline electronic bids for the Bonds to be submitted to be 10:30 A.M. prevailing Eastern time, or on such other date and/or at such other time as may be determined by the Mayor, who is hereby authorized and empowered to fix such other date and/or time for the sale of the Bonds as she shall determine is necessary or appropriate after consulting with the Town Administrator, the financial advisor to the Town and bond counsel to the Town, including, without limitation, to account for shifts in market conditions and/or to accommodate other scheduling considerations. Any such other date of sale and/or time of sale for the Bonds as determined by the Mayor (i) shall be reflected in the published Notice of Sale provided for in Section 9 hereof if such adjustments are made prior to publication of such published Notice of Sale, (ii) shall be reflected in the Notice of Sale included as an appendix to the Preliminary Official Statement if such adjustments are made prior to release of the Preliminary Official Statement, or (iii) shall be communicated in accordance with the provisions of the published Notice of Sale and the form of the Notice of Sale included as an appendix to the Preliminary Official Statement if such adjustments are made after release of the Preliminary Official Statement.

(b) Subject to the further provisions of this Section 9, and as provided for by Ordinance O-05-22, the Town shall sell the Bonds for cash at not less than par to the bidder therefor whose bid is determined to be the best responsible bid received in compliance with the terms and conditions of the Official Notice of Sale, unless the Mayor determines to reject all bids for the Bonds. The successful bidder for the Bonds will be required to provide a good faith deposit of 1% of the par amount of the Bonds (such 1% amount to be based on the par amount of the Bonds provided for in the Notice of Sale included as an appendix to the Preliminary Official Statement, as the same may be further modified as provided herein).

(c) Public notice of the sale of the Bonds (the “Notice of Sale”) shall be published in a newspaper of general circulation in the Town by two insertions thereof over a period beginning not less than ten (10) days preceding the date initially fixed for sale in accordance with subsection (a) above. The published Notice of Sale shall be in substantially the form attached hereto as Exhibit B and incorporated by reference herein. Appropriate variations, modifications and insertions may be made by the Mayor, on behalf of the Town, with the advice of the bond counsel

to the Town and/or the financial advisor to the Town, prior to the publication of the Notice of Sale, to provide dates, numbers and amounts, to reflect determinations made in accordance with the provisions of this Resolution, to change the parameters for the designation of Term Bonds, to change bid specification parameters for the Bonds, to change the date of sale and/or the time by when bids must be submitted for the Bonds, to modify the manner of adjusting the amortization schedule pre- or post-sale for the Bonds, to modify the amount or method of delivery of the good faith deposit for the Bonds, to modify the method of establishing the issue price of the Bonds in accordance with Section 1.148-1 of the Treasury Regulations (as defined in Section 16 hereof), to change the date for delivery of the Bonds, to comply with recommendations of legal counsel or the financial advisor to the Town, or to undertake other modifications to carry into effect the purposes of this Resolution. The terms and conditions stated in the Notice of Sale as published, as the same may be further modified as provided in subsection (d) below, are made a part hereof and are hereby adopted and approved as the terms and conditions under which and the manner in which the Bonds shall be sold, issued and delivered at public sale. The Notice of Sale shall also be included as an appendix to the Preliminary Official Statement. The Notice of Sale included as an appendix to the Preliminary Official Statement may be modified from the form of the published Notice of Sale as provided in subsection (d) below.

(d) The Mayor, with the advice of the Town Administrator, the financial advisor to the Town and bond counsel to the Town, is hereby further authorized and empowered to make any determinations or to take any actions provided for in this Resolution or the Notice of Sale subsequent to the release of the Preliminary Official Statement, including (without limitation) making further modifications to the Notice of Sale of the nature contemplated by subsection (c) above or to expand the section of the Notice of Sale regarding establishing the issue price of the Bonds following publication of the Notice of Sale. Any such additional modifications will be reflected in the form of the Notice of Sale included as an appendix to the Preliminary Official Statement if such modifications are made before the release of the Preliminary Official Statement and/or by disseminating or otherwise making such modifications available after release of the Preliminary Official Statement and prior to the sale through or on TM3 News Service or Parity; in addition, the Mayor may, but shall not be required, to execute and deliver an order or orders providing for such modifications.

(e) No re-publication of the Notice of Sale shall be required if any modifications to the Notice of Sale contemplated or permitted by this Section 9 are made and communicated or made available in accordance with the provisions of this Section 9.

(f) To the extent of any conflict between the published form of the Notice of Sale for the Bonds and the form of Notice of Sale set forth as an appendix to the Preliminary Official Statement, the form of Notice of Sale set forth as an appendix to the Preliminary Official Statement, as such Notice of Sale set forth as an appendix to the Preliminary Official Statement may be further modified in accordance with the provisions of this Section 9, shall control and shall constitute the official Notice of Sale for the Bonds (the "Official Notice of Sale"). The terms and conditions stated in the Official Notice of Sale are made a part hereof and are hereby adopted and approved as the terms and conditions under which and the manner in which the Bonds shall be sold at public sale.

(g) After accessing the electronic bids for the Bonds, the Mayor is hereby authorized and empowered to reject all bids for the Bonds if the Mayor determines with the advice of the financial advisor to the Town, the Town Administrator and/or bond counsel to the Town that such action is in the Town's best interest. Assuming bids for the Bonds are not so rejected, the Mayor shall conduct the sale and shall sell the Bonds in the name of the Town and on its behalf for cash at no less than par (and within any premium limitations provided for in the Official Notice of Sale) to the bidder whose bid is determined to be the best responsible bid received for the Bonds in compliance with the terms and conditions of the Official Notice of Sale. With the advice of the Town Administrator, the financial advisor to the Town and bond counsel to the Town, the Mayor is hereby authorized and empowered to adjust the original aggregate principal amount of the Bonds and/or to adjust the amortization schedule therefor following receipt of bids in accordance with the provisions of the Official Notice of Sale if the Mayor determines with the advice of the financial advisor to the Town that such action is in the Town's best interest. The final original aggregate principal amount of, and final amortization schedule for, the Bonds, shall be evidenced conclusively by the Mayor's execution and delivery of an order or orders of award of the Bonds reflecting such determinations. The award of, or rejection of all bids for, the Bonds may also be reflected on Parity. Any award of the Bonds shall be made after receipt of the good faith deposit therefor in accordance with the provisions of the Official Notice of Sale.

(h) Notwithstanding anything to the contrary contained in this Resolution, in the event all bids for the Bonds are rejected at a sale actually conducted and a new alternative sale date is established for the Bonds, the Mayor, on behalf of the Town, is hereby authorized and empowered to change the dated date of the Bonds, the principal and interest payment dates for the Bonds, the amortization schedule for the Bonds, the optional redemption features of the Bonds (subject to the provisions of Section 5 hereof), if applicable, and the date of delivery of the Bonds accordingly, such changes to be disseminated or otherwise made available through or on TM3 News Service or Parity as provided in this Section 9 and to be evidenced conclusively by the Mayor's execution and delivery of an order or orders pursuant to the provisions of and within any limitations specified in this Resolution and the Official Notice of Sale.

(i) References in this Resolution to the successful bidder for the Bonds are deemed to be to multiple successful bidders in the event the Bonds are allocated among bidders in accordance with the Official Notice of Sale.

(j) The Town Administrator, with the advice of the financial advisor to the Town, is hereby authorized and empowered to determine on behalf of the Town whether (i) the Town will obtain a rating or ratings on the Bonds from Moody's Investors Service, Inc. and/or Standard & Poor's Global Ratings (by whatever legal names known), and/or (ii) whether bidders for the Bonds will be allowed to obtain a municipal bond insurance policy (at their own expense) for all or any maturities of the Bonds. The substantially final form of the Notice of Sale attached to this Resolution as Exhibit B anticipates that bidders will be allowed to submit bids that are based on an expectation that one or more maturities of the Bonds will be insured by municipal bond insurance and that information regarding the Town will be submitted to the following municipal bond insurers: Assured Guaranty and Build America Mutual Assurance Company (by whatever legal names known). In the event the Town Administrator determines with the advice of the financial advisor to the Town that bidders may not bid using municipal bond insurance, the

applicable form or forms of the Official Notice of Sale shall be edited prior to publication or release of the Preliminary Official Statement or shall be modified by notice released on Parity or TM3 to reflect such determination.

SECTION 10. AND BE IT FURTHER RESOLVED that:

(a) The preparation and distribution of a Preliminary Official Statement of the Town relating to the Bonds in connection with the issuance and sale of the Bonds (the “Preliminary Official Statement”), in such form as may be approved by the Mayor and the Town Administrator, is hereby approved. The Mayor and the Town Administrator, on behalf of the Town, are hereby authorized and directed to approve the final form of the Preliminary Official Statement in accordance with this Section 10(a) and to make any appropriate variations, insertions or modifications to the Preliminary Official Statement not inconsistent with the provisions of the Enabling Act, Section C-24 of the Charter, Ordinance O-05-22 or this Resolution, or to comply with the recommendations of appropriate Town officials or employees, legal counsel or the financial advisor to the Town, or as required by any rating agency as a condition precedent to, or as otherwise related to, obtaining a rating on the Bonds from any such rating agency, such approval to be evidenced conclusively by the execution and delivery by the Mayor and the Town Administrator, on behalf of the Town, of a certificate deeming the Preliminary Official Statement to be final as of its date for purposes of Securities and Exchange Commission Rule 15c2-12, subject to revision, completion and amendment in a final official statement. The substantially final forms of the alternative issue price certificates for the Bonds contemplated in the substantially final form of the Notice of Sale attached hereto as Exhibit B are set forth in Exhibit C to this Resolution, and the Mayor and the Town Administrator are hereby authorized to approve in consultation with bond counsel to the Town and to include in the Preliminary Official Statement the final forms thereof, such approval to be evidenced conclusively by the final forms so included in the Preliminary Official Statement.

(b) The preparation and distribution of a final Official Statement relating to the Bonds (the “Official Statement”), substantially in the form of the Preliminary Official Statement, with such changes, corrections, additions and deletions not inconsistent with the provisions of the Enabling Act, Section C-24 of the Charter, Ordinance O-05-22 or this Resolution, to reflect matters determined in connection with the sale of the Bonds, or to comply with the recommendations of appropriate Town officials or employees, legal counsel or the financial advisor to the Town, or as required by any rating agency as a condition precedent to, or as otherwise related to, obtaining a rating on the Bonds from any such rating agency, or as required by any provider of municipal bond insurance for all or any portion of the Bonds selected by the successful bidder for the Bonds in accordance with the Official Notice of Sale, as the Mayor and the Town Administrator shall approve on behalf of the Town, is hereby authorized and approved. The Mayor and the Town Administrator are hereby authorized and directed to approve the final form of the Official Statement on behalf of the Town, such approval to be evidenced conclusively by the Mayor’s and the Town Administrator’s execution and delivery of the Official Statement. The Official Statement shall be posted electronically and/or printed as the financial advisor to the Town shall advise and as may be required by the successful bidder for the Bonds.

(c) The Mayor and the Town Administrator, with the advice of, to the extent applicable, other appropriate Town officials or employees, legal counsel or the financial advisor to the Town, are hereby authorized and directed to approve any supplements or amendments to the Preliminary Official Statement or the Official Statement deemed necessary or desirable after the printing or posting of the same (including, without limitation, to correct any material

misstatement or omission or to provide any information that was not available at the time such Preliminary Official Statement or Official Statement was released), such approval to be evidenced conclusively by the Mayor's and the Town Administrator's execution and delivery of any such supplement or amendment. Any such supplement or amendment to the Preliminary Official Statement or the Official Statement may be posted electronically and/or printed as the financial advisor to the Town shall advise or, with respect to the Official Statement, as the successful bidder for the Bonds may require, as applicable.

(d) Any signature of the Mayor or the Town Administrator contemplated by this Section 10 may be made in facsimile or indicated by other customary signature convention rather than by manual signature.

**SECTION 11.** AND BE IT FURTHER RESOLVED that:

(a) Manufacturers and Traders Trust Company, with offices in Baltimore, Maryland and Buffalo, New York, any affiliate thereof, or any successor thereto, by merger, consolidation, or otherwise, is hereby designated as Bond Registrar and Paying Agent (the "Bond Registrar and Paying Agent") for the Bonds. The Mayor is hereby authorized to approve, execute and deliver on behalf of the Town such written agreement with the Bond Registrar and Paying Agent as she shall deem to be necessary or appropriate with the advice of the Town Attorney to the Town and/or bond counsel to the Town. The Town may designate another entity as Bond Registrar and Paying Agent for the Bonds upon 30 days' prior written notice to the registered owners of the Bonds.

(b) Prior to each semi-annual interest payment date, the Town Administrator or other appropriate Town official or employee shall deposit with the Bond Registrar and Paying Agent, from the tax proceeds described in Section 15 below and/or from any other funds then legally available for such purpose, the amounts needed to pay the interest on and any principal of the Bonds coming due on each such interest payment date. All moneys so deposited with the Bond Registrar and Paying Agent shall be deemed and treated by the Bond Registrar and Paying Agent as trust funds for the use and benefit of the registered owners from time to time of the Bonds. Any such trust funds held by the Bond Registrar and Paying Agent for the payment of particular Bonds for periods of more than three years from their maturities or such other periods as may be required by applicable law, because of the failure of the registered owners of such Bonds to present them for payment or because checks issued by the Bond Registrar and Paying Agent in payment of interest shall not have been cashed and no registered owner of a Bond shall have established a right to payment of interest within such period, shall be returned by the Bond Registrar and Paying Agent to the Town or as otherwise provided by applicable law and, thereafter, the registered owners of any such Bonds shall have claims only against the Town for payment of the obligations held by them, and the Bond Registrar and Paying Agent shall be relieved of the trust hereby imposed.

**SECTION 12.** AND BE IT FURTHER RESOLVED that the Mayor and the Town Administrator shall approve, execute and deliver in the name and on behalf of the Town a continuing disclosure undertaking for the benefit of the owners and beneficial owners of the Bonds in order to assist the bidders for the Bonds in complying with Securities and Exchange Commission Rule 15c2-12(b)(5). The Town shall covenant in the continuing disclosure undertaking that the

Town will provide to the repository or repositories required by Securities and Exchange Commission Rule 15c2-12 the annual financial information and operating data and annual audited financial statements specified therein. The Town shall further covenant in the continuing disclosure undertaking to provide notice of the occurrence of certain specified events to the repository or repositories required by Securities and Exchange Commission Rule 15c2-12. The continuing disclosure undertaking may provide that the place or places of delivery of such information shall be subject to change in accordance with the rules and pronouncements of the Securities and Exchange Commission or other appropriate authority and shall otherwise meet the requirements of Rule 15c2-12.

SECTION 13. AND BE IT FURTHER RESOLVED that as soon as may be practicable after the sale hereinabove provided for has been held, the Bonds (unless all bids for the Bonds are rejected in accordance with Section 9 hereof) shall be suitably prepared in definitive form, executed and delivered to the successful bidder therefor upon receipt of the purchase price therefor, less the good faith deposit for the Bonds provided for in the Official Notice of Sale, and less the underwriter's discount retained by the successful bidder for the Bonds. It is anticipated that the date of issuance of the Bonds will be November 17, 2022; provided that, the Mayor, with the advice of the Town Administrator, the financial advisor to the Town and bond counsel to the Town, may determine to move the date of issuance of the Bonds to another date satisfactory to such persons. The Mayor, the Town Administrator, the Town Clerk and all other appropriate officials and employees of the Town are expressly authorized, empowered and directed to (i) take any and all action not otherwise expressly provided for herein that is appropriate or necessary to complete and close the sale, award and delivery of the Bonds to the successful bidder therefor, (ii) negotiate, approve, execute and deliver all documents, certificates and instruments necessary or appropriate in connection therewith that are not otherwise expressly provided for herein, including, without limitation, executing and delivering any agreements required by any rating agency rating the Bonds or by DTC with respect to the book-entry system of registration of the Bonds, and (iii) carry out the transactions contemplated by Ordinance O-05-22, this Resolution, and any documents, certificates or instruments executed and delivered in connection with the Bonds, all to the extent any such action is not already delegated to a specified official or officials pursuant to Ordinance O-05-22 or this Resolution and to the extent such action is within the scope of their respective authority. Any such action taken by the applicable officials or employees prior to adoption of this Resolution is hereby ratified, confirmed and approved by virtue of the adoption of this Resolution.

SECTION 14. AND BE IT FURTHER RESOLVED that:

(a) The net proceeds of the sale of the Bonds shall be paid to the Town Administrator or other authorized Town official or employee. The proceeds of the Bonds shall be deposited in the proper account or accounts of the Town, may be invested within the limits prescribed by Maryland and federal law, and shall be used and applied exclusively for the purposes described herein. Within any applicable limitations of the Internal Revenue Code of 1986, as amended (the "Code"), or Maryland law, any investment earnings on proceeds of the Bonds received by the Town may be applied to pay Costs of the Project (including costs of issuance of the Bonds), to pay debt service on the Bonds or for any other legal purpose. The Town, without notice to or the consent of the owners of the Bonds, may allocate and reallocate proceeds of the Bonds to qualifying expenditures allowed by applicable law. Nothing in this Resolution shall be construed to authorize the expenditure of any moneys constituting proceeds of the Bonds except for a proper public purpose.

(b) Notwithstanding the foregoing provisions of this Section 14, any portion of the proceeds of the Bonds to be applied to costs of issuance (other than with respect to underwriter's discount, which will be retained by the successful bidder for the Bonds), may be paid by the successful bidder for the Bonds directly to the person or entity entitled thereto at the written direction of the appropriate Town official(s).

SECTION 15. AND BE IT FURTHER RESOLVED that for the purpose of paying the principal of and interest on the Bonds when due, the Town shall impose, for each and every fiscal year during which the Bonds may be outstanding, ad valorem taxes on all real and tangible personal property in the Town that is subject to assessment for unlimited municipal taxation at a rate or rates and in an amount sufficient to pay the principal of and interest on the Bonds in each such fiscal year. In the event the proceeds from the collection of the taxes so imposed may prove inadequate for such purposes in any fiscal year, additional taxes shall be imposed in the subsequent fiscal year to make up such deficiency. The full faith and credit and unlimited taxing power of the Town are hereby pledged to the payment of the principal of and interest on the Bonds as and when the same become due and are payable and to the imposition of the taxes hereinabove prescribed as and when such taxes may become necessary in order to provide sufficient funds to meet the debt service requirements of the Bonds. The Town hereby covenants with the registered owners of the Bonds to take any further action that may be lawfully appropriate from time to time during the period that the Bonds remain outstanding and unpaid to provide the funds necessary to pay promptly the principal thereof and interest due thereon. The foregoing provisions shall not be construed so as to prohibit the Town from paying the principal of and interest on the Bonds from the proceeds of the sale of any other obligations of the Town or from any other funds legally available for that purpose. Subject to any limitation provided for in the Code or other applicable law, the Town may apply to the payment of the principal of or interest on the Bonds any funds received by it from the State of Maryland or the United States of America, or any governmental agency or instrumentality, or from any other source, if such funds are granted or paid to the Town for the purpose of assisting the Town in accomplishing the type of project or projects which the Bonds are issued to finance or are otherwise available for such purpose, and to the extent of any such funds received or receivable in any fiscal year, the taxes hereby required to be levied may be reduced proportionately.

SECTION 16. AND BE IT FURTHER RESOLVED that:

(a) Pursuant to the authority of Section 19-232 of the Local Government Article of the Annotated Code of Maryland, one or both of the Mayor and the Town Administrator shall be the official or officials of the Town responsible for the issuance of the Bonds within the meaning of Section 1.148-2(b)(2) of the Treasury Regulations. Any one or both of the Mayor and the Town Administrator also shall be the official or officials of the Town responsible for the execution and delivery on the date of the issuance of the Bonds of a certificate of the Town (the "Section 148 Certificate") that complies with the requirements of Section 148 of the Code and the applicable income tax regulations (the "Treasury Regulations"), and such official(s) are hereby authorized and directed to approve, execute and deliver the Section 148 Certificate to counsel rendering an opinion on the validity and tax status of the Bonds on the date of the issuance of the Bonds.

(b) The Town shall set forth in the Section 148 Certificate its reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of the Bonds or of any monies, securities or other obligations to the credit of any account of the Town that may be deemed to be proceeds of the Bonds pursuant to Section 148 of the Code or the Treasury Regulations (collectively, the “Bond Proceeds”). The Town covenants with the registered owners of the Bonds that the facts, estimates and circumstances set forth in the Section 148 Certificate will be based on the Town’s reasonable expectations on the date of issuance of the Bonds and will be, to the best of the certifying official’s or officials’ knowledge, true and correct as of that date.

(c) The Town covenants with the registered owners of the Bonds that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the Bond Proceeds that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code and the Treasury Regulations, to the extent applicable, and that it will comply with those provisions of Section 148 of the Code and the Treasury Regulations as may be applicable to the Bonds on the date of issuance and which may subsequently lawfully be made applicable to the Bonds as long as the Bonds remain outstanding and unpaid.

(d) The Town specifically covenants that it will comply with the provisions of the Code and the Treasury Regulations applicable to the Bonds, including, without limitation, compliance with provisions regarding the timing of the expenditure of the proceeds of the Bonds, the use of such proceeds and the project or purposes financed with such proceeds, the restriction of investment yields, the filing of information with the Internal Revenue Service, and the rebate of certain earnings resulting from the investment of the proceeds of the Bonds or payments in lieu thereof. The Town further covenants that it shall make such use of the proceeds of the Bonds, regulate the investment of the proceeds thereof and take such other and further actions as may be required to maintain the exemption from federal income taxation of interest on the Bonds. All officials, officers, employees and agents of the Town are hereby authorized and directed to provide such certifications of facts and estimates regarding the amount and use of the proceeds of the Bonds as may be necessary or appropriate.

(e) The officials identified in this Section 16 may set forth in, or provide for in, the Section 148 Certificate and/or the IRS Form 8038-G to be filed in connection with the issuance of the Bonds, any issue elections, designations, determinations or allocations or representations or certifications deemed necessary or desirable following consultation with bond counsel to the Town. Only one of the Mayor or the Town Administrator needs to approve and sign the IRS Form 8038-G on behalf of the Town.

(f) In addition, to the extent the sizing of the Bonds will allow the Town to designate the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code (relating to the exception from the disallowance of the deduction for that portion of a financial institution’s interest expense that is allocable to tax-exempt interest), the Mayor is hereby authorized, on behalf of the Town, with the advice of the Town Administrator and bond counsel to the Town, to (1) provide for such designation, (2) specify such designation in (A) the published Notice of Sale if such determination is made prior to the publication thereof, or (B) the Notice of Sale included as an appendix to the Preliminary Official Statement and in other appropriation provisions of the Preliminary Official Statement if such determination is made prior to release of the Preliminary Official Statement, (3) communicate such designation in accordance with the provisions of the

Notice of Sale included as an appendix to the Preliminary Official Statement and to reflect such designation in appropriate provisions of the Official Statement if such determination is made after release of the Preliminary Official Statement, and (4) ensure that such designation is reflected in the Section 148 Certificate. In addition, the Mayor is hereby authorized, on behalf of the Town, with the advice of the Town Administrator and bond counsel to the Town, in the event notification of such designation has been so made, to communicate the inapplicability of any such designation as appropriate in accordance with the provisions of the preceding sentence if it is determined based on facts and circumstances prior to the sale of the Bonds that the Bonds may not be designated as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. It is anticipated based on the preliminary sizing of the Bonds and information provided by the Town to bond counsel to the Town that the Bonds will be designated as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code,

SECTION 17. AND BE IT FURTHER RESOLVED that:

(a) In the event of the absence or disability of the Mayor at the time the Bonds are to be executed, whether at the time of their original issuance or upon transfer or exchange, the Town Administrator may execute the Bonds at such time on behalf of the Town.

(b) In the event of the absence or disability of the Town Clerk at the time any corporate seal of the Town is to be impressed upon or affixed to the Bonds or the signature of the Mayor or the Town Administrator thereon is to be attested to, whether at the time of the original issuance of the Bonds or upon any transfer or exchange of the Bonds, the Town Administrator may so attest, provided that, the Town Administrator may not both sign the Bonds in place of the Mayor and attest to the seal or the signature of the Town Administrator on the Bonds.

(c) Notwithstanding any references in this Resolution to manual or facsimile signatures of Town officials, to the extent that applicable law, orders, regulations or other authority allow for signatures to be made by facsimile, digital, electronic or other means, whether due to the impact of the COVID-19 pandemic or for other applicable reasons, the provisions of such applicable law, orders, regulations or other authority allowing signatures to be made in a manner other than manually or by facsimile shall be deemed to supersede the provisions of this Resolution. In addition, signatures on this Resolution may be made by facsimile, digital, electronic or other means.

SECTION 18. AND BE IT FURTHER RESOLVED that the provisions of this Resolution shall be liberally construed in order to effectuate the transactions contemplated by this Resolution.

SECTION 19. AND BE IT FURTHER RESOLVED that this Resolution shall become effective immediately upon its adoption.

[CONTINUED ON FOLLOWING PAGE]

Adopted: October 13, 2022

Attest: \_\_\_\_\_

\_\_\_\_\_  
Kayce Munyeneh  
Mayor

\_\_\_\_\_  
Marverly Nettles  
Councilmember

\_\_\_\_\_  
Joseph Dalaker  
Councilmember

\_\_\_\_\_  
Micah Watson  
Councilmember

\_\_\_\_\_  
Charly Garces  
Councilmember

\_\_\_\_\_  
Ted McCann  
Councilmember

\_\_\_\_\_  
Amy Fry  
Councilmember

#228057;50009.015

EXHIBIT A

SUBSTANTIALLY FINAL FORM OF BONDS

*Note: Bracketed language is intended to reflect that such provisions apply only in certain circumstances, and such language shall be deleted from or included in the final form of Bond as appropriate. Any other applicable revisions to this form may be made in accordance with the provisions of this Resolution to reflect other modifications permitted by the provisions of this Resolution.*

[If applicable: THE MAYOR AND TOWN COUNCIL OF CHEVERLY HAS DESIGNATED THIS BOND A QUALIFIED TAX-EXEMPT OBLIGATION WITHIN THE MEANING OF SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.]

No. R-6-22 UNITED STATES OF AMERICA  
STATE OF MARYLAND \$ \_\_\_\_\_  
THE MAYOR AND TOWN COUNCIL OF CHEVERLY

PUBLIC IMPROVEMENT BOND OF 2022

Maturity Date                      Interest Rate                      Dated  
Date    %    Date    CUSIP  
November 1, 20\_\_    \_\_\_\_\_, 2022

Registered Owner:

Principal Sum:    DOLLARS

The Mayor and Town Council of Cheverly, a municipal corporation organized and existing under the Constitution and laws of the State of Maryland and a municipality within the meaning of the Enabling Act identified herein (the "Town"), hereby acknowledges itself indebted for value received and promises to pay to the Registered Owner shown above, or registered assigns or legal representatives, on the Maturity Date specified above (unless this bond shall be redeemable by redemption at the option of the Town [or by mandatory sinking fund redemption]), shall have been called for prior redemption, and payment of the redemption price shall have been made or provided for), the Principal Sum shown above, and to pay interest on such Principal Sum from and including the interest payment date next preceding the date of registration and authentication of this bond, unless this bond is registered and authenticated as of an interest payment date, in which case it shall bear interest from such interest payment date, or unless this bond is registered and authenticated prior to the first interest payment date, in which event this bond shall bear interest from the Dated Date

specified above, or unless, as shown on the records of the Bond Registrar and Paying Agent (as hereinafter defined), interest on this bond shall be in default, in which event this bond shall bear interest from the date on which interest was last paid on this bond, at the Interest Rate per annum shown above, payable on May 1, 2023 and on each November 1 and May 1 thereafter until the Principal Sum of this bond is paid or redeemed in full. Interest shall be computed on the basis of a 360-day year comprised of 12 30-day months.

Both the principal of and interest on this bond shall be payable in lawful money of the United States of America. The principal or redemption price of this bond shall be payable by check or draft at the designated office of Manufacturers and Traders Trust Company, as bond registrar and paying agent (the "Bond Registrar and Paying Agent") in Wilmington, Delaware or at such other office as may be designated by the Bond Registrar and Paying Agent. Interest on this bond shall be payable by check or draft of the Bond Registrar and Paying Agent mailed to the Registered Owner in whose name this bond is registered on the registration books maintained by the Bond Registrar and Paying Agent for the series of bonds of which this bond is a part as of the close of business on the 15th day of the calendar month immediately preceding the month in which each interest payment date occurs (the "Regular Record Date"). Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Regular Record Date, and may be paid to the person in whose name this bond is registered as of the close of business on a special record date to be fixed by the Bond Registrar and Paying Agent for the payment of such defaulted interest (the "Special Record Date"), notice whereof being given by first class mail, postage prepaid, to the registered owner not less than ten (10) days prior to such Special Record Date, at the address of such registered owner appearing on the registration books maintained by the Bond Registrar and Paying Agent for the series of bonds of which this bond is a part. If a principal payment date or interest payment date falls on a Saturday, a Sunday or a day on which the Town or the Bond Registrar and Paying Agent is not required to be open, payment may be made on the next succeeding day that is not a Saturday, a Sunday or a day on which the Town or the Bond Registrar and Paying Agent is authorized or obligated by law to remain closed, and no interest shall accrue on the scheduled amount due for the intervening period.

IT CANNOT BE DETERMINED FROM THE FACE OF THIS BOND WHETHER ALL OR A PORTION OF THE PRINCIPAL SUM OR REDEMPTION PRICE HAS BEEN PAID. EACH PAYMENT OF THE PRINCIPAL OR REDEMPTION PRICE OF THIS BOND SHALL BE NOTED HEREON, BUT THE FAILURE OF THE REGISTERED OWNER OF THIS BOND TO NOTE SUCH PAYMENT SHALL NOT AFFECT THE VALID PAYMENT AND DISCHARGE OF SUCH OBLIGATION EFFECTED BY SUCH PAYMENT.

This bond is the duly authorized bond of the Town, aggregating \$\_\_\_\_\_ in original aggregate principal amount, dated October 13, 2022, and designated "The Mayor and Town Council of Cheverly Public Improvement Bonds of 2022" (the "Bonds"). This bond is issued pursuant to and in full conformity with the provisions of Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland, as replaced, supplemented or amended (the "Enabling Act"), and Section C-24 of the Charter of the Town, as replaced, supplemented or amended, and by virtue of due proceedings had and taken by the Council of the Town (the "Council"), particularly Ordinance O-05-22, which was passed by the Council on August 11, 2022 and became effective on September 11, 2022 ("Ordinance O-05-22"), and Resolution R-6-22, which was adopted

by the Council on October 13, 2022 and became effective on \_\_\_\_\_, 2022 (“Resolution R-6-22”).

The Bonds mature and are payable on November 1 in the following years and amounts and bear interest at the following rates per annum *[to be completed following the sale]*:

| <u>Year</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Year</u> | <u>Principal Amount</u> | <u>Interest Rate</u> |
|-------------|-------------------------|----------------------|-------------|-------------------------|----------------------|
|-------------|-------------------------|----------------------|-------------|-------------------------|----------------------|

The Bonds that mature on and after November 1, 2033 are subject to redemption prior to maturity at the option of the Town, in whole or in part, on any date on and after November 1, 2032, in any order of maturity directed by the Town, at a redemption price of the par amount of the Bonds to be redeemed, together with interest accrued on the par amount being redeemed to the date fixed for redemption, without premium or penalty.

*[To be completed for each Term Bond designated by the successful bidder, if any--*The Bonds maturing on November 1, \_\_\_\_\_ are subject to mandatory sinking fund redemption at a redemption price, or price at maturity, as the case may be, equal to 100% of the principal amount indicated below, together with accrued interest on the principal amount indicated below to the date fixed for redemption or the maturity date, as applicable, on the dates and in the principal amounts set forth below:

| <u>Redemption Date</u> | <u>Principal Amount of<br/>Mandatory Sinking<br/>Fund Installment</u> |
|------------------------|---|
|------------------------|---|

\_\_\_\_\_  
\* Stated maturity.]

If fewer than all of the Bonds of any one maturity shall be called for redemption at the option of the Town [or by mandatory sinking fund redemption], the particular Bonds or portions

of Bonds to be redeemed from such maturity shall be selected by lot by the Bond Registrar and Paying Agent.

When less than all of a Bond in a denomination in excess of \$5,000 is redeemed at the option of the Town, then, upon surrender thereof, there shall be issued without charge to the registered owner thereof, for the unredeemed balance of the principal amount of such Bond, at the option of such owner, Bonds of the same series in any of the authorized denominations specified by the registered owner. The aggregate face amount of Bonds so issued shall be equal to the unredeemed balance of the principal amount of the Bond surrendered, and the Bonds issued shall be of the same series, shall bear interest at the same rate and shall mature on the same date as the unredeemed balance of the Bond surrendered.

When any Bonds are to be redeemed, the Town shall cause a redemption notice to be given to the registered owners of the Bonds to be redeemed in whole or in part by first class mail, postage prepaid, at least thirty (30) days prior to the date fixed for redemption to the addresses of such registered owners appearing on the registration books kept by the Bond Registrar and Paying Agent; provided, however, that the failure to mail a redemption notice or any defect in a notice so mailed, or in the mailing thereof, shall not affect the validity of the redemption proceedings. The redemption notice shall identify the Bonds and shall state (i) whether the Bonds are to be redeemed in whole or in part and, if in part, the maturities, numbers, principal amounts, interest rates and CUSIP numbers of the Bonds to be redeemed, (ii) that interest on the Bonds (or portions thereof) to be redeemed shall cease to accrue on the date fixed for redemption, (iii) the date fixed for redemption, (iv) the address of the office of the Bond Registrar and Paying Agent with a contact person and phone number, (v) any conditions to such redemption, and (vi) that the Bonds to be redeemed in whole or in part shall be presented for redemption and payment on the date fixed for redemption at the designated office of the Bond Registrar and Paying Agent. From and after the date fixed for redemption, if funds sufficient for the payment of the redemption price of and accrued interest are available on such date, the Bonds or portions thereof to be redeemed shall cease to bear interest. Upon presentation and surrender for redemption, the Bonds or portions thereof to be redeemed shall be paid by the Bond Registrar and Paying Agent at the redemption price plus accrued interest. If they are not paid upon presentation, the Bonds or portions thereof designated for redemption shall continue to bear interest at the rate stated therein until paid.

This bond is transferable only upon the registration books kept at the designated office of the Bond Registrar and Paying Agent, by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender hereof, together with a written instrument of transfer in the form attached hereto and satisfactory to the Bond Registrar and Paying Agent and duly executed by the registered owner or his duly authorized attorney.

This bond may be transferred or exchanged at the designated office of the Bond Registrar and Paying Agent. Upon any such transfer or exchange, the Town shall issue, and the Bond Registrar and Paying Agent shall authenticate and deliver, a new registered bond or bonds in authorized denominations equal to the aggregate principal amount of the bond so transferred or exchanged, of the same series, with the same maturity and bearing interest at the same rate. In each case, the Bond Registrar and Paying Agent may require payment by the registered owner of this bond requesting transfer or exchange hereof of any tax, fee or other governmental charge,

shipping charges and insurance that may be required to be paid with respect to such transfer or exchange, but otherwise no charge shall be made to the registered owner hereof for such transfer or exchange.

The Bond Registrar and Paying Agent shall not be required to transfer or exchange this bond after the mailing or giving of notice calling this bond or any portion hereof for redemption.

The Town and the Bond Registrar and Paying Agent may deem and treat the party in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or redemption price hereof and interest due hereon and for all other purposes.

This bond is initially issued in book-entry only form and registered under a book-entry only system maintained by The Depository Trust Company (“DTC”). Notwithstanding anything to the contrary contained in this bond, for so long as this bond is registered in book-entry form under a book-entry only system maintained by DTC, any successor thereto, or any replacement securities depository, payments of the principal or redemption price of and interest on this bond, the selection of all or any portion of this bond to be redeemed at the option of the Town, and any notice required herein shall be made or given as provided by the rules and regulations of such securities depository, and all references to the registered owner of this bond shall mean such securities depository or its partnership nominee. During such period, the Town and the Bond Registrar and Paying Agent will recognize such securities depository or its partnership nominee as the owner of this bond for all purposes.

The full faith and credit and unlimited taxing power of The Mayor and Town Council of Cheverly are hereby pledged to the payment of the principal of and interest on this bond according to its terms, and the Town does hereby covenant and agree to pay punctually the principal of and the interest on this bond, at the dates and in the manner mentioned herein, according to the true intent and meaning hereof.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened or 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, Ordinance O-05-22 and Resolution R-6-22, and that this bond, together with all other indebtedness of the Town, is within every debt and other limit prescribed by the Constitution and laws of the State of Maryland and that due provision has been made for the imposition of an annual ad valorem tax or taxes on all real and tangible personal property in the Town that is subject to assessment for unlimited municipal taxation at a rate or rates and in an amount sufficient to provide for the payment, when due, of the principal of and interest on this bond.

IN WITNESS WHEREOF, The Mayor and Town Council of Cheverly has caused this bond to be executed in its name by the manual [or \_\_\_\_\_] signature of the [Mayor] and [its corporate seal to be affixed hereto,] [and the signature of the [Mayor]] attested to by the manual [or \_\_\_\_\_] signature of the [Town Clerk], all as of the Dated Date set forth above.

[(SEAL)]

ATTEST:

THE MAYOR AND TOWN COUNCIL OF  
CHEVERLY

\_\_\_\_\_  
[Town Clerk]

By: \_\_\_\_\_  
[Mayor]

CERTIFICATE OF AUTHENTICATION

This bond is one of the registered bonds of The Mayor and Town Council of Cheverly designated “The Mayor and Town Council of Cheverly Public Improvement Bonds of 2022”.

\_\_\_\_\_,  
as Bond Registrar and Paying Agent

By: \_\_\_\_\_  
Authorized Officer

Date of Authentication: \_\_\_\_\_

(Form of Instrument of Transfer)

ASSIGNMENT

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

PLEASE INSERT SOCIAL SECURITY OR OTHER  
IDENTIFYING NUMBER OF ASSIGNEE

\_\_\_\_\_  
\_\_\_\_\_

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS,  
INCLUDING ZIP CODE OF ASSIGNEE)

the within bond and all rights thereunder and does hereby constitute and appoint \_\_\_\_\_

attorney to transfer the within bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
Notice: Signatures must be guaranteed by a member or participant of a signature guaranty program.

\_\_\_\_\_  
Notice: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.



EXHIBIT B

SUBSTANTIALLY FINALY FORM OF NOTICE OF SALE

**NOTICE OF SALE**

**\$8,830,000\***

**THE MAYOR AND TOWN COUNCIL OF CHEVERLY  
PUBLIC IMPROVEMENT BONDS OF 2022**

**Overview.** Electronic bids only via the bidding system maintained by BiDCOMP/Parity®/www.i-dealprospectus.com system (as referred to herein as applicable, “Parity”) will be received by the Mayor of The Mayor and Town Council of Cheverly, a Maryland municipal corporation (the “Town”), for the purchase of all (but not less than all) of the Town’s general obligation bonds identified above (the “Bonds”). Bids will be received up to 10:30 A.M. prevailing Eastern time (“ET”) on November 3, 2022 (unless rescheduled) (in either such case, the “Bid Date”) and in the manner described herein.

*By submitting a bid, a bidder represents and warrants to the Town that (i) its bid is submitted by an officer or agent duly authorized to bind such bidder to a legal, valid and enforceable contract for the purchase of the Bonds, and (ii) it has an established industry reputation for underwriting new issuances of municipal bonds.*

**Bond Details; Bond Registrar and Paying Agent.** The Bonds will be dated the date of delivery and bear interest payable on May 1, 2023 and on each November 1 and May 1 thereafter until maturity or prior redemption. Manufacturers and Traders Trust Company will serve as the Bond Registrar and Paying Agent for the Bonds. The Bonds will be issued in book-entry only form, initially registered in the name of Cede & Co., as partnership nominee of The Depository Trust Company (“DTC”). Purchasers will not receive certificates representing their interests in the Bonds. Individual purchases will be in the principal amount of \$5,000 and multiples thereof.

Proceeds of the Bonds, including any net original issue premium, will be applied to (i) finance or reimburse costs of a capital project generally referred to by the Town as the New Eley Building and (ii) pay costs of issuance.

The full faith and credit and unlimited taxing power of the Town is pledged to the payment of the Bonds.

**[The Bonds have been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.]**

**Maturity Schedule.** The Bonds will be subject to principal amortization through serial maturities or mandatory sinking fund redemptions or a combination thereof on November 1 in the years and in the amounts set forth below (the “Preliminary Amounts”):

| <u>Maturity or Sinking Fund Payment Date*</u> | <u>Maturity or Sinking Fund Installment Amount*</u> | <u>Maturity or Sinking Fund Payment Date*</u> | <u>Maturity or Sinking Fund Installment Amount*</u> |
|---|---|---|---|
| 2023  | \$135,000   | 2038  | \$280,000   |
| 2024  | 145,000   | 2039  | 295,000   |
| 2025  | 150,000   | 2040  | 305,000   |
| 2026  | 160,000   | 2041  | 320,000   |
| 2027  | 165,000   | 2042  | 335,000   |
| 2028  | 175,000   | 2043  | 350,000   |
| 2029  | 185,000   | 2044  | 365,000   |
| 2030  | 195,000   | 2045  | 380,000   |
| 2031  | 205,000   | 2046  | 400,000   |
| 2032  | 215,000   | 2047  | 420,000   |
| 2033  | 225,000   | 2048  | 440,000   |
| 2034  | 235,000   | 2049  | 460,000   |
| 2035  | 250,000   | 2050  | 480,000   |
| 2036  | 260,000   | 2051  | 505,000   |
| 2037  | 270,000   | 2052  | 525,000   |

\* Preliminary, subject to change.

**Adjustments to Principal Amounts.** Pre-sale, the Town reserves the right to change the Preliminary Amounts from time to time up until 9:30 a.m. ET on the Bid Date, including by eliminating maturities and/or changing the aggregate principal amount of the Bonds and/or the aggregate principal amount of one or more specified maturities/sinking fund installments. Should any such revision be made (the “Revised Amounts”), such revision will be published on Parity or www.TM3.com (“TM3”) not later than 9:30 a.m. ET on the Bid Date. In the event that no revisions are made or that such revisions are not published on Parity or TM3 before 9:30 a.m. ET on the Bid Date, 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 for the Bonds and to select a winning bidder.

After selecting the winning bid for the Bonds, the aggregate principal amount of the Bonds and the principal amortization schedule may be adjusted as determined by the Town. **Any such adjustments will not reduce or increase the aggregate principal amount of the Bonds by more than 13%.** The dollar amount bid for the Bonds by the winning bidder will be adjusted proportionately to reflect any increase or decrease in the aggregate principal amount of the Bonds finally determined to be issued. Any such adjustment will be communicated to the winning bidder by 4:30 p.m. ET on the Bid Date. 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. Any such adjusted bid price will reflect changes in the dollar amount of the underwriter’s discount and original issue discount or premium, if any, but will not change the underwriter’s discount per \$1,000 of par amount of the Bonds from the underwriter’s discount that would have been received based on the purchase price in the winning bid, the coupon rates or initial offering prices specified by the successful bidder. **The successful bidder for the Bonds as so**

**adjusted may not withdraw its bid or change the interest rates bid or initial offering prices as a result of any changes made to the principal amounts of the Bonds within these limits. ALL BIDS SHALL REMAIN FIRM FOR 6 HOURS AFTER THE BID DEADLINE.**

**Serial Bonds and/or Term Bonds.** A bidder may designate in its bid two or more consecutive principal amounts of the Revised Amounts as a term bond, which matures on the maturity date of the last included principal amount of the sequence. More than one such sequence of principal amounts may be designated as a term bond. 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 amount of each installment payment designated for inclusion in such term bond, as adjusted if applicable.

**Acquisition of Bond Insurance at Bidder's Option.** Any bidder, if it so chooses and at its own expense, may qualify one or more maturities of the Bonds for municipal bond insurance. If any Bonds qualify for municipal bond insurance, any purchase of such insurance or commitment therefor shall be made at the sole option and expense of the bidder and any increased costs of issuance of the Bonds resulting by reason of such insurance (including, without limitation, the premium for any such bond insurance and the fees of any rating agencies in connection therewith) shall be paid by such bidder. In the event that all or any maturities of the Bonds are initially reoffered with bond insurance secured by the successful bidder, the successful bidder shall be required to notify promptly the Town at the time of sale and shall provide the Town with any information reasonably requested regarding such bond insurance, including the amounts paid for such insurance. The Town will, at the request and expense of the successful bidder, include customary language in the Official Statement referred to below regarding such bond insurance, and such successful bidder and/or bond insurance company shall be required to provide such opinions or certificates as the Town reasonably may request regarding the accuracy of any information included in the Official Statement and the binding nature of the obligations contained in the insurance policy with respect to the Bonds as well as certificates acceptable to bond counsel that will permit bond counsel to determine that the bond insurance constitutes a "qualified guarantee" under the U.S. Treasury Regulations. The Town shall have no obligation to provide the successful bidder or the bond insurance company with any documents or opinions relating to the Bonds. Any failure of the Bonds to be so insured or of any such bond insurance policy to be issued shall not in any way relieve the successful bidder of its contractual obligations arising from the acceptance of its bid for the Bonds. The Town has provided information regarding the Bonds to Assured Guaranty and Build America Mutual Assurance Company.

**Optional Redemption.** The Bonds maturing on or after November 1, 2033 are subject to redemption at the option of the Town, as a whole or in part on any date on or after November 1, 2032, in the order of maturity directed by the Town, upon at least 30 days' prior written notice, at a redemption price of the par amount to be redeemed, plus accrued interest on such par amount being redeemed to the date fixed for redemption, without premium or penalty.

**Electronic Bids Only.** Bids must be submitted by electronic bidding via Parity, in the manner described below, and must be accessible on the Bid Date by 10:30 a.m. ET. No bid will be accepted after the time for receiving bids.

**Disclaimer.** Each prospective electronic bidder shall be solely responsible to submit its bid via Parity and to make the arrangements to access Parity. Neither the Town nor Parity shall (i) have any duty or obligation to provide or assure access to Parity, (ii) be responsible for proper operation of Parity, or (iii) have any liability for any delays or interruptions of, or any damages caused by Parity. The Town is using Parity as a communication mechanism, and not as the Town's agent, to conduct the electronic bidding for the Bonds and the Town 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. Each bidder is solely responsible for the costs and expenses of submitting its bid via Parity. If difficulties are encountered, please contact Parity at (212) 849-5021 and notify the Town's financial advisor, Davenport & Company LLC, by facsimile at (866) 932-6660.

**Electronic Bidding Procedures.** Electronic bids for the purchase of the Bonds must be submitted via Parity on the Bid Date by 10:30 a.m. ET. Prior to that time, a prospective bidder may (1) submit its bid via Parity, (2) modify its bid, in which event the terms as last modified will (unless the bid is withdrawn) constitute its bid, or (3) withdraw its bid. Once the bid deadline occurs, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided, subject to this Notice of Sale. The Town 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. The time as maintained on Parity shall constitute the ET.

If any provision of this Notice of Sale conflicts with the information provided by Parity, this Notice of Sale shall control.

**Bid Specifications.** Each bidder must submit a bid for the Bonds on an "all or none" basis. Bidders must specify a rate of interest for each maturity of the Bonds. The rates so specified must be 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 Bonds, but all Bonds of a single maturity must bear interest at the same rate. A zero rate may not be named for any maturity. Bids for the Bonds must not be for less than 100% of par or more than 113% of par, the highest interest rate specified for the Bonds may not exceed the lowest interest rate in such bid by more than 300 basis points and the maximum permitted coupon is five percent (5%).

**Basis of Award.** Unless all bids are rejected by the Mayor, the Bonds will be awarded upon written order of the Mayor to the bidder whose bid provides the lowest interest cost to the Town within the guidelines of this Notice of Sale. The lowest interest cost shall be determined by the true interest cost (TIC) method by doubling the semi-annual interest rate (compounded semi-annually) necessary to discount the debt service payments from the payment dates to the date of the Bonds and to the price bid. If two or more responsible bidders offer to purchase the Bonds at the same lowest TIC, then such award will be made to the bidder offering the highest purchase price. If two or more responsible bidders offer to purchase the Bonds at the same lowest TIC, with the same purchase price, then the Bonds may be awarded, with their consent, in a ratable portion among such bidders, or the Town shall have the right to award all the Bonds to one bidder. The Mayor will execute and deliver an order or orders of award promptly after the apparent successful bidder pays the Good Faith Deposit provided for herein by federal funds wire transfer (see "Good Faith Deposit" herein). The Town, by the Mayor, reserves the right to reject any and all bids and to waive any informality or irregularity in any bid, and the judgment of the Mayor

with respect to such matters 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.

**Establishment of Issue Price.** The Town expects and intends that the provisions of U.S. Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purpose of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds. If such competitive sale requirements are met, the successful bid for the Bonds will be treated as a “Qualified Competitive Bid.” If such competitive sale requirements are not met, the successful bid for the Bonds will be treated as a “Nonqualified Competitive Bid.”

If the apparent successful bid is a Qualified Competitive Bid, as promptly as possible after the bid deadline, the Town will notify the apparent successful bidder and such bidder shall advise the Town of the reasonably expected initial offering price to the public of each maturity of the Bonds. In addition, the successful bidder shall be required to provide to the Town information to establish the reasonably expected initial offering price for each maturity of the Bonds for federal income tax purposes by completing a certificate acceptable to bond counsel to the Town, on or before the date of issuance of the Bonds, substantially in the form of Appendix E-1 to the Preliminary Official Statement for the Bonds, with appropriate completions, edits and attachments.

If the apparent successful bid is a Nonqualified Competitive Bid, as promptly as possible after the bid deadline, the Town will notify the apparent successful bidder and such bidder shall advise the Town of the initial sale price or initial offering price to the public, as applicable, of each maturity of the Bonds. In addition, the successful bidder will be required to provide to the Town information and assurances to establish the initial sale price or the initial offering price to the public, as applicable, for each maturity of the Bonds for federal income tax purposes by completing a certificate acceptable to bond counsel to the Town, on or before the date of issuance of the Bonds, substantially in the form of Appendix E-2 to the Preliminary Official Statement, with appropriate completions, edits and attachments. **It is noted that the 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 of the Bonds for some or all maturities of the Bonds for up to five (5) business days after the sale date. Bids will not be subject to cancellation if the hold-the-offering price rule applies to any maturity of the Bonds.**

All actions to be taken on behalf of the Town under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the Town by the Town’s financial advisor, Davenport & Company LLC, and any notice or report to be provided to the Town may be provided to the Town’s financial advisor Davenport & Company LLC or bond counsel to the Town.

**Good Faith Deposit.** The successful bidder for the Bonds shall submit a good faith deposit in the amount of \$88,300 (the “Good Faith Deposit”). The Good Faith Deposit will secure the Town from any loss resulting from the failure of the successful bidder to comply with the terms of its bid. The Good Faith Deposit must be received by federal funds wire transfer by 3:00 p.m. ET on the Bid Date (the “Deposit Deadline”). The Town’s financial advisor shall distribute wire instructions upon verification of the bids submitted, identification of the apparent successful bidder and prior to the Deposit Deadline.

The apparent successful bidder will provide as quickly as it is available evidence of the wire transfer to the Town's financial advisor by providing to the Town's financial advisor the federal funds reference number. Formal award of the Bonds will not be made until the Town has confirmed receipt of the Good Faith Deposit. If the apparent successful bidder fails to so deliver the Good Faith Deposit by the Deposit Deadline, the Town will have the option to not award the Bonds without any liability to the apparent successful bidder and the apparent successful bidder shall be responsible to the Town for all consequential damages arising from such failure. Formal award of the Bonds, if made, will be made by 4:30 p.m. ET on the Bid Date by an order of the Mayor and will also indicated on Parity.

At the time of the delivery of the Bonds, the Good Faith Deposit will be applied against the purchase price for the Bonds or will be retained as liquidated damages upon the failure of the successful bidder to take and pay for the Bonds in accordance with the terms of its bid, as adjusted if applicable. The successful bidder shall have no right in or to the Good Faith Deposit if it fails to complete the purchase of, and payment in full of, the Bonds for any reason whatsoever, unless such failure of performance shall be caused by an act or omission of the Town. No interest will be paid upon the Good Faith Deposit to the successful bidder. Notwithstanding the foregoing, should the successful bidder fail to pay for the Bonds at the price and on the date agreed upon, the Town retains the right to seek further compensation for damages sustained as a result of the successful bidder so doing.

**Official Statement.** Within seven business days after the award of the Bonds to the successful bidder on the Bid Date, the Town will provide its Official Statement, which is expected to be substantially in the form of the Preliminary Official Statement. The Preliminary Official Statement has been deemed final by the Town for purposes of Rule 15c2-12 of the Securities and Exchange Commission, subject to revision, amendment and completion in a final Official Statement. The Town will include in the Official Statement such pricing and other information relating to the reoffering of the Bonds, if any, furnished by the successful bidder on the Bid Date and by any applicable bond insurance company. If the successful bidder furnishes no such information, the Official Statement will include the interest rates on the Bonds resulting from the successful bid and the other statements with respect to reoffering contained in the Preliminary Official Statement. Whether or not any such information is included in the Official Statement, the successful bidder shall be responsible to the Town in all respects for the accuracy, fairness and completeness of such information, and for all decisions made with respect to the use or omission of such information in any reoffering of the Bonds, including the presentation or exclusion of any such information in any documents, including the Official Statement. The successful bidder will be furnished, without cost, with a reasonable number of copies of the Official Statement if requested. The successful bidder will also be furnished with any necessary amendment or supplement to the Official Statement by the closing date, without cost, except to the extent any such amendment or supplement is required due to a change in the reoffering information or other information provided by or on behalf of a successful bidder.

**Continuing Disclosure.** In order to assist the successful bidder in complying with Securities and Exchange Commission Rule 15c2-12(b)(5), the Town will undertake, pursuant to a continuing disclosure certificate, to provide certain information annually and notices of the occurrence of certain

events. The substantially final form of Continuing Disclosure Certificate is included in the Preliminary Official Statement as Appendix D.

**CUSIP Numbers.** CUSIP identification numbers with respect to the Bonds will be applied for by the Town's financial advisor at the Town's expense. The Town assumes no obligation for the assignment or printing of CUSIP numbers on the Bonds or the correctness of such numbers, and neither the failure to print such numbers on any Bonds 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.

**Delivery of the Bonds.** Delivery of the Bonds will be made to the successful bidder through the facilities of DTC on or about November 17, 2022. On the closing date, bond counsel will deliver an opinion substantially in the form of Appendix C to the Preliminary Official Statement and the Town will deliver customary closing documents. Payment of the net purchase price for the Bonds shall be made in immediately available funds.

**Right to Modify or Amend Notice of Sale.** The Town reserves the right to modify or amend any provisions of this Notice of Sale; any such modifications or amendments shall be made not later than 9:30 a.m. ET on the Bid Date and communicated through Parity or TM3. Any bid submitted shall be in accordance with and be deemed to incorporate this Notice of Sale, including any revisions so made.

**Additional Information.** The Preliminary Official Statement relating to the Bonds, together with the official Notice of Sale, may be obtained by contacting Davenport & Company LLC, The Oxford Building, 8600 LaSalle Road, Suite 618, Towson, Maryland 21286, telephone (410) 296-9426, financial advisor to the Town. The Preliminary Official Statement and the official Notice of Sale also will be made available via [www.i-dealprospectus.com](http://www.i-dealprospectus.com).

By order of

THE MAYOR AND TOWN COUNCIL OF  
CHEVERLY

By: /s/ Kayce Muniyeneh  
Mayor

Date: October 13, 2022

EXHIBIT C

SUBSTANTIALLY FINAL FORMS OF ISSUE PRICE CERTIFICATES

**PROPOSED FORM OF ISSUE PRICE CERTIFICATE FOR  
QUALIFIED COMPETITIVE BID FOR THE BONDS**

\$ \_\_\_\_\_  
**THE MAYOR AND TOWN COUNCIL OF CHEVERLY  
PUBLIC IMPROVEMENT BONDS OF 2022**

**ISSUE PRICE CERTIFICATE (Qualified Competitive Bid)**

The undersigned, on behalf of [WINNING BIDDER] (the “Purchaser”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”) to be issued by The Mayor and Town Council of Cheverly (the “Issuer”). Certain capitalized terms used in this certificate are defined in paragraph 2 below.

1. ***Reasonably Expected Initial Offering Price.***

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed in Schedule 1 hereto (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached hereto as Schedule 2 is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(b) The Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

(d) The Purchaser has an established industry reputation for underwriting new issuances of municipal bonds.

2. ***Defined Terms.***

“Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates are treated as separate Maturities.

“Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

“Sale Date” means the first day on which there is a binding contract in writing for the sale of the Bonds. The Sale Date of the Bonds is [SALE DATE TO BE INSERTED].

“Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax and Section 148 Certificate of the Issuer and with respect to compliance with the federal income tax rules affecting the Bonds, and by Funk & Bolton, P.A., bond counsel to the Issuer, in rendering its opinion that the interest on the Bonds is excludable from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice bond counsel may give to the Issuer from time to time relating to the Bonds.

\_\_\_\_\_, as Purchaser

By: \_\_\_\_\_

Name:

Title:

(Authorized Signatory)

Dated: \_\_\_\_\_, 2022

**SCHEDULE 1**

**EXPECTED OFFERING PRICES**

[To be Attached]

**SCHEDULE 2**

**COPY OF PURCHASER'S BID**

[To be Attached]

**PROPOSED FORM OF ISSUE PRICE CERTIFICATE FOR  
NONQUALIFIED COMPETITIVE BID FOR THE BONDS**

§ \_\_\_\_\_  
**THE MAYOR AND TOWN COUNCIL OF CHEVERLY  
PUBLIC IMPROVEMENT BONDS OF 2022**

**ISSUE PRICE CERTIFICATE (Nonqualified Competitive Bid)**

The undersigned, on behalf of [NAME OF THE WINNING BIDDER] (the “[SHORT FORM NAME OF WINNING BIDDER]”), [on behalf of itself and [NAMES OF MEMBERS OF THE UNDERWRITING SYNDICATE] (together, the “Underwriting Syndicate”)] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”) to be issued by The Mayor and Town Council of Cheverly (the “Issuer”). Certain capitalized terms used in this certificate are defined in paragraph 3 below.

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold by [SHORT FORM NAME OF WINNING BIDDER][the Underwriting Syndicate] to the Public is the respective price listed in Schedule 1.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) The [SHORT FORM NAME OF WINNING BIDDER][members of the Underwriting Syndicate] offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule 1 (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule 2.

(b) As set forth in the Notice of Sale and bid award, [the SHORT FORM NAME OF WINNING BIDDER][the members of the Underwriting Syndicate] [has][have] agreed in writing that (i) for each Maturity of the Hold-the-Offering-Price Maturities, [it][they] would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer that is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer that is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

“General Rule Maturities” means those Maturities of the Bonds listed on Schedule 1 hereto as the “General Rule Maturities”.

“Hold-the-Offering-Price Maturities” means those Maturities of the Bonds listed in Schedule 1 hereto as the “Hold-the-Offering-Price Maturities”.

“Holding Period” means, with respect to each Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth (5) business day after the Sale Date, or (ii) the date of which the [SHORT FORM NAME OF WINNING BIDDER][Underwriting Syndicate] [has][have] sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering Price Maturity.

“Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates are treated as separate Maturities.

“Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

“Sale Date” means the first day on which there is a binding contract in writing for the sale of the Bonds. The Sale Date of the Bonds is [SALE DATE TO BE INSERTED].

“Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax and Section 148 Certificate of the Issuer and with respect to compliance with the federal income tax rules affecting the Bonds, and by Funk & Bolton, P.A., bond counsel to the Issuer, in rendering its opinion that the interest on the Bonds is excludable from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice bond counsel may give to the Issuer from time to time relating to the Bonds.

[NAME OF WINNING BIDDER] [, as Representative of the Underwriting Syndicate]

By: \_\_\_\_\_  
Name:  
Title:  
(Authorized Signatory)

Dated: \_\_\_\_\_, 2022

**SCHEDULE 1**

**SALE PRICES OF THE GENERAL RULE MATURITIES**

[To be Inserted or Attached]

**INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES**

[To be Inserted or Attached]

**SCHEDULE 2**

**PRICING WIRE OR EQUIVALENT COMMUNICATION**

[To be Attached]