

Resolution No. 3348

A RESOLUTION OF THE COUNCIL (THE "COUNCIL") OF THE CITY OF SALISBURY AUTHORIZING CITY OF SALISBURY (THE "CITY") TO ISSUE AND SELL A SERIES OF ITS GENERAL OBLIGATION BONDS IN AN ORIGINAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$13,210,000 PURSUANT TO THE AUTHORITY DESCRIBED HEREIN, SUCH SERIES OF BONDS TO BE DESIGNATED "CITY OF SALISBURY PUBLIC IMPROVEMENT BONDS OF 2024" (THE "BONDS"), THE PROCEEDS OF THE SALE THEREOF TO BE USED AND APPLIED FOR THE PUBLIC PURPOSES, AS PROVIDED HEREIN, OF FINANCING OR REIMBURSING COSTS OF CERTAIN PROJECTS DESCRIBED HEREIN AND RELATED COSTS THAT ARE AUTHORIZED BY ORDINANCE NO. 2864 IDENTIFIED HEREIN, ALL AS FURTHER DESCRIBED HEREIN; PRESCRIBING THE FORM AND TENOR OF THE BONDS AND THE TERMS AND CONDITIONS FOR THE ISSUANCE AND SALE THEREOF AT PUBLIC SALE BY SOLICITATION OF COMPETITIVE BIDS, 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 IN CONNECTION WITH THE SALE OF 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 CITY 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; AUTHORIZING CERTAIN CITY PERSONNEL TO TAKE CERTAIN ACTIONS IN CONNECTION WITH THE BONDS; PROVIDING CERTAIN RULES OF CONSTRUCTION; 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.

RECITALS

WHEREAS, City of Salisbury, a municipal corporation of the State of Maryland and a municipality within the meaning of the Enabling Act identified below (the "City"), is authorized and empowered by Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland (previously codified as Sections 31 to 37, inclusive, of Article 23A of the Annotated Code of Maryland), as replaced, supplemented or amended (the "Enabling Act"),

and Sections SC7-45 and SC7-46 of the Charter of the City, 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 No. 2864, passed by the Council of the City (the “Council”) on May 13, 2024, approved by the Mayor of the City (the “Mayor”) on May 15, 2024 and effective on May 15, 2024 (“Ordinance No. 2864”), the City 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 Thirteen Million Two Hundred Twelve Thousand Seven Hundred Forty-Three Dollars (\$13,212,743) (the “Authorized Bonds”); and

WHEREAS, Ordinance No. 2864 provides that proceeds of the Authorized Bonds may be applied to finance, reimburse or refinance any “costs” or “Costs of the Projects” (each as defined in Section 3(b) of Ordinance No. 2864) of any of the projects identified in Section 3(b) of Ordinance No. 2864 (collectively, the “Authorized Projects”); and

WHEREAS, the City desires to issue a series of general obligation bonds in order to finance or reimburse costs of the Authorized Projects, including costs of issuance; and

WHEREAS, the financial advisor to the City has recommended that the series of general obligation bonds provided for herein be sold at public sale by solicitation of competitive bids due to the anticipated size of such series and because such method of sale is likely to result in the lowest interest costs to the City in comparison with a negotiated underwriting or a direct purchase transaction; and

WHEREAS, the Council has determined to sell the series of the general obligation bonds provided for herein at public sale by solicitation of competitive bids and upon the terms and conditions set forth in 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 CITY COUNCIL OF THE CITY OF SALISBURY, 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 City (the “City 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 City 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 City 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 City Code, the official, however known, who is charged under the Charter, the City Code or other applicable law or authority with the applicable responsibilities, rights or duties referred to herein.

(c) 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, references in this Resolution to “proceeds” shall be construed to mean par amount, any net original issue premium realized upon sale and/or investment earnings, to the extent applicable. References in this Resolution to “investment earnings” shall be construed to include interest income.

(d) To the extent this Resolution does not specifically identify how any responsibility, right, power or duty delegated to the Mayor of the City (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.

(e) References in this Resolution to City officials shall be construed to include references to City employees, to the extent applicable.

SECTION 2. AND BE IT FURTHER RESOLVED that:

(a) Pursuant to the authority of the Enabling Act, Sections SC7-45 and SC7-46 of the Charter, and Ordinance No. 2864, as applicable, and subject to the further provisions of this Resolution, the City hereby determines to borrow money and incur indebtedness for the purpose of financing or reimbursing all or any portion of any applicable components of the Costs of the Projects identified in subsection (b) below.

(b) With respect to the projects listed below, the word “costs” shall include, 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, traffic control improvements, other amenities, and related or similar activities and expenses; demolition, razing and removal and related or similar activities and expenses; 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, testing, study, feasibility, surveying, architectural, engineering, 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 City’s share or contribution to the financing or reimbursement of the costs of any such project (collectively, “Costs of the Projects”). The maximum original aggregate principal amount of the Bonds to be appropriated or applied to the Costs of the Projects (exclusive of any net original issue premium realized upon sale or investment earnings that may be applied for such purposes) shall be allocated among the following public purpose projects in the maximum principal amount set forth opposite each, except as otherwise herein provided:

	<u>Project Name</u>	<u>Maximum Principal Amount</u>
1.	Station #16 HVAC Replacement (1)	\$ 130,000
2.	Downtown Street Scaping (1)	775,000
3.	TownSquare (1)	900,000
4.	Town Square (2)	200,000
5.	Rail Trail Master Plan Implementation (1)	700,000
6.	Apparatus Replacement – Rescue 16 (3)	1,625,000
7.	Johnson Pond Dam Improvements (3)	1,550,000
8.	Beaglin Park Dam Improvements (4)	100,000
9.	GOB Exterior Waterproofing (4)	175,000
10.	Zoo Facility Improvements (4)	350,000
11.	North Prong Park Land Acquisition (4)	100,000
12.	Street Light Additions and Replacement (4)	105,000
13.	Amphitheater Pedestrian Bridge (4)	125,000
14.	Restore Park Well Field (3)	175,000
15.	Restore Paleo Well Field (3)	217,000
16.	WWTP Electric Upgrades (3)	1,060,493
17.	Park Well Field Raw Water Main & Valve Rplc (3)	875,000
18.	Glen Avenue Lift Station (3)	750,000
19.	WWTP Outfall Inspection and Repairs (3)	500,000
20.	Southside Pump Station Force Main (3)	495,000
21.	Park Well Field (5)	550,000
22.	Park Well 2 (5)	350,000
23.	Solid Waste Disp (5)	810,250
24.	Southside Pump Station Force Main (6)	295,000
25.	Costs of Issuance (4)	297,257
	TOTAL	\$13,210,000

¹ Project was approved for bond funding in fiscal year 2024 by the fiscal year 2023 budget ordinance (Ordinance No. 2721).

² Project was approved for additional bond funding in fiscal year 2024 by amendments to the fiscal year 2023 budget ordinance through Ordinance No. 2774.

³ Project was approved for bond funding in the fiscal year 2024 budget ordinance (Ordinance No. 2802).

⁴ Project was approved for bond funding during fiscal year 2024 by Ordinance No. 2865.

⁵ Project is scheduled to be approved for bond funding during fiscal year 2024 by amendments to the fiscal year 2024 budget ordinance.

⁶ Project is scheduled to be approved for additional bond funding during fiscal year 2024 by amendments to the fiscal year 2024 budget ordinance.

The projects, including costs of issuance, identified in items 1-25 above are collectively referred to herein as the “Projects.” The Projects described in items 1-25 above are identified by approximately

the same names as such Projects are identified in City budgets and related materials. By inclusion in the table above, the City hereby appropriates up to the maximum principal amount of Bonds for application to the Costs of the Projects as provided for in such table, subject to the further provisions of this Resolution.

(c) The City, without notice to or the consent of any owners of the Bonds, may allocate and reallocate the maximum principal amount of the Bonds (exclusive of any net original issue premium realized upon sale or investment earnings that may be applied for such purposes) to be spent on Costs of the Projects among any of the Projects in compliance with applicable budgetary procedures or applicable law, including, to the extent applicable, by resolution. Further, it is the intention of the Council that the principal amount of the Bonds may be spent on any applicable Costs of the Projects, notwithstanding the descriptive names used for the Projects in the table above, including, without limitation, costs related to changes in the scopes of and/or names of the Projects effected through applicable budgetary procedures or applicable law.

(d) The Council, by enactment of an ordinance to amend Ordinance No. 2864 and adoption of a resolution to amend this Resolution, and without notice to or consent of the owners of the Bonds, may reallocate any portion of the principal amount of the Bonds to be spent on Costs of the Projects (as such definition may be amended by supplemental ordinance and resolution) of one or more additional projects identified in such supplemental ordinance and supplemental resolution and, in such event, (i) references in this Resolution to the "Projects" shall be deemed to include the Projects identified in subsection (b) above and all such additional projects (unless any original or additional project is removed entirely from the definition of the Projects by a supplemental ordinance and supplemental resolution), and (ii) references in this Resolution to "Costs of the Projects" shall be deemed to include any modifications to such definition, as applicable. After any such reallocation is made by supplemental ordinance and supplemental resolution, the Council, without notice to or the consent of the owners of the Bonds, may reallocate the maximum principal amount of the Bonds to be spent on Costs of the Projects among all such authorized projects in compliance with applicable budgetary procedures or applicable law.

(e) Subject to the provisions of Ordinance No. 2864 and this Resolution, by supplemental resolution or as otherwise allowed by applicable law, and without notice to or the consent of any owners of the Bonds, the Council may determine or provide for the determination of, and subsequently reallocate, how any unexpended par amount of the Bonds, net original issue premium realized upon sale and/or any investment earnings shall be expended, which may include, without limitation, on Costs of the Projects (including costs of issuance), and/or on debt service payable or prepayable on the Bonds, to the extent not prohibited by applicable law.

(f) If the portion of the original aggregate principal amount of the Bonds allocated to the Costs of the Projects is reduced prior to or in connection with the sale of the Bonds as contemplated by Section 4(c) of this Resolution, such reduction and the allocation of any net original issue premium to the uses specified in the table above may be reflected in the Section 148 Certificate provided for in Section 16 of this 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 City, acting pursuant to the authority of the Enabling Act, Sections SC7-45 and SC7-46 of the Charter, and Ordinance No. 2864, as applicable, 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 “City of Salisbury Public Improvement Bonds of 2024” (the “Bonds”). The final aggregate principal amount of the Bonds shall not exceed \$13,210,000.

(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 Costs of the Projects.

(d) The proceeds of the Bonds are hereby appropriated and allocated for the purpose of financing or reimbursing the Costs of the Projects, as the as the amounts to be applied to the Costs of the Projects 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. Subject to the provisions of Section 9 hereof, the Bonds shall be dated the date of their 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 of the Bonds 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 in annual serial maturities as designated by the successful bidder for the Bonds in accordance with the Official Notice of Sale (as defined in Section 9 hereof), on September 1, as follows:

[CONTINUED ON FOLLOWING PAGE]

Preliminary Maturity Schedule for Bonds*

<u>Date</u> <u>(September 1)</u>	<u>Serial Maturity</u>	<u>Date</u> <u>(September 1)</u>	<u>Serial Maturity</u>
2025	\$470,000	2033	\$ 830,000
2026	590,000	2034	875,000
2027	620,000	2035	910,000
2028	650,000	2036	945,000
2029	685,000	2037	980,000
2030	720,000	2038	1,020,000
2031	755,000	2039	1,060,000
2032	790,000		

* The maturity dates, principal amounts and determination of the serial bond maturities provided for in the foregoing table are subject to adjustment as provided herein.

(c) The \$11,900,000.00 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 mid-May 2024 and the expectation at that time that the successful bidder for the Bonds will submit a bid with an amount of net original issue premium significant enough to allow the City to reduce the principal (par) amount of the Bonds to be issued for the intended purposes of the issue. The Council hereby determines that it is in the best interest of the City to authorize and empower the Mayor, on behalf of the City, with the advice of the City Administrator, the Director of Finance, the financial advisor to the City and bond counsel to the City, 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 provided for in Section 3(a) of this Resolution), and to correspondingly adjust one or more of the principal amounts of the serial maturities 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 of the Bonds provided for in the amortization schedule set forth in subsection (b) above, in order to (i) account for anticipated net original issue premium that may be applied to Costs of the Projects so as to avoid an over-issuance problem, (ii) address legal or tax considerations (including concerns of the eligibility of any particular Project for tax-exempt financing), (iii) account for the availability of other moneys for application to the Costs of the Projects, (iv) reflect a determination of the City not to finance or reimburse any particular component of the Costs of the Projects from proceeds of the Bonds or a determination of the City to reduce the amount of Bonds proceeds to be applied to any components of the Costs of the Projects, (v) account for any Project not already approved for bond funding not timely receiving such approval, (vi) account for any other legal or financial considerations, (vii) correct typographical or calculation errors, (viii) reflect then-current market conditions and/or (ix) address financial considerations impacting the City (including, without limitation, taking into account other debt service obligations of the City). Any such adjustments contemplated by this subsection (c) (i) 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 (ii) shall be communicated in accordance with the provisions 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. In addition, the original aggregate principal amount of the Bonds is subject to adjustment following receipt of bids for the Bonds in accordance with the Official Notice of Sale.

(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 financing or reimbursing the Costs of the Projects (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 March 1, 2025 and semi-annually thereafter on each September 1 and March 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 as 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 City Administrator, the Director of Finance, the financial advisor to the City and bond counsel to the City, as applicable, may determine that interest payment dates on the Bonds will be other than March 1 and September 1, and principal payment dates will be other than September 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 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 (ii) shall be communicated in accordance with the provisions 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 September 1, 2035 are subject to redemption prior to maturity at the option of the City, in whole or in part, on any date on and after September 1, 2034, in any order of maturity directed by the City, 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 City Administrator, the Director of Finance and the financial advisor to the City, is also authorized to adjust the date as of which the Bonds shall first be subject to redemption at the option of the City in a manner that does not adversely affect the interests of the City (taking into account market conditions and including providing for any redemption premium recommended by the financial advisor to the City). Any such adjustments contemplated by this subsection (a) (i) shall be reflected in the Notice of Sale included as an appendix to the Preliminary Official Statement if such determination is made prior to release of the Preliminary Official Statement, or (ii) shall be communicated in accordance with the provisions of the Notice of Sale included as an appendix to the Preliminary Official Statement if such determination is made after release of the Preliminary Official Statement.

(b) If fewer than all of the Bonds of any one maturity shall be called for redemption at the option of the City, 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.

(c) When less than all of a Bond in a denomination in excess of \$5,000 is redeemed by optional 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.

(d) When any Bonds are to be redeemed by optional redemption, the City shall cause a redemption notice to be given to the registered owners of the Bonds to be redeemed in whole or in part by mailing such notice 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 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 the 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 (d), so long as the Bonds to be redeemed at the option of the City 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.

(e) 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 City and on its behalf by the Mayor, by manual or facsimile signature or by any other means authorized by applicable law. The corporate seal of the City shall be affixed to the Bonds (manually or by facsimile or by any other means authorized by applicable law) and attested by the signature of the City Clerk of the City (the "City Clerk"), by manual or facsimile signature or by any other means authorized by applicable law. The Bonds shall be issued subject to registration as to principal and interest in the name of the owner or 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 City unless so authenticated. In the event any official of the City 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 City 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 City.

(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 City 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 at the City's option.

(d) If any Bond shall become mutilated or be destroyed, lost or stolen, the City 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 City 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 City 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 City 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 City 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 City 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 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 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 City as and for the form of obligations to be incurred by the City, and the covenants and conditions contained therein are hereby made binding upon the City, 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 final 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) The Council has determined, based on the advice of the financial advisor to the City and with the concurrence of the City Administrator and the Director of Finance in such advice, to sell the Bonds at public sale by solicitation of competitive bids 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 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 Tuesday, June 11, 2024, with electronic bids for the Bonds to be accessible at 11:00 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 he shall determine is necessary or appropriate after consulting with the City Administrator, the Director of Finance, the financial advisor to the City and bond counsel to the City, 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 Notice of Sale included as an appendix to the Preliminary Official Statement if such determination is made prior to release of the Preliminary Official Statement, or (ii) shall be communicated in accordance with the provisions of the Notice of Sale included as an appendix to the Preliminary Official Statement if such determination is made after release of the Preliminary Official Statement.

(b) Subject to the further provisions of this Section 9, the City 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, unless such amount is further modified in accordance with such Notice of Sale included as an appendix to the Preliminary Official Statement).

(c) The Council hereby determines in accordance with Section SC7-46 of the Charter that it is in the best interest of the City to provide public notice of the sale of the Bonds (the “Notice of Sale”) by including the Notice of Sale as an appendix to the Preliminary Official Statement, which Preliminary Official Statement shall be available electronically by being posted on www.i-dealprospectus.com. The Notice of Sale may also be disseminated or made available by such other means as the financial advisor to the City may recommend. The 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 to the Notice of Sale by the Mayor, on behalf of the City, with the advice of the City Administrator, the Director of Finance, bond counsel to the City and/or the financial advisor to the City, prior to the release of the Preliminary Official Statement, including, without limitation, to provide dates, numbers and amounts, to reflect determinations made in accordance with the provisions of this Resolution, to change the bid specification parameters or the time by when bids must be submitted, to modify the manner of adjusting the amortization schedule pre- or post-sale, to modify the amount or method of delivery for 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 sale date for the Bonds or the date for delivery of the Bonds, to comply with recommendations of legal counsel or the financial advisor to the City, or to undertake other modifications not specifically contemplated by this Resolution but not materially altering the substance of the Notice of Sale attached hereto as Exhibit B to carry into effect the purposes of this Resolution. The terms and conditions stated in the Notice of Sale as so included as an appendix to the Preliminary Official Statement, as the same may be further modified as provided in subsection (e) 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.

(d) The Mayor, with the advice of the City Administrator, the Director of Finance, the financial advisor to the City and/or bond counsel to the City, 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. Any such additional modifications will be made prior to the sale and communicated through or on TM3 News Service or the applicable system of Parity; in addition, the Mayor may, but shall not be required, to execute and deliver an order or orders providing for such modifications.

(e) 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 the terms on which the Bonds shall be offered for sale 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.

(f) 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 City, the City Administrator, the Director of Finance and/or bond counsel to the City that such action is in the City'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 City 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 City Administrator, the Director of Finance, the financial advisor to the City and bond counsel to the City, 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 City and the Director of Finance that such action is in the City's best interest. The final original aggregate principal amount of, and final amortization schedule for, the Bonds, if awarded, 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.

(g) 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 sale date is established for the Bonds in accordance with the Official Notice of Sale, the Mayor, on behalf of the City, 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 the applicable system of Parity as provided in this Section 9 and to be evidenced conclusively by the Mayor's execution and delivery of an order or orders (which may be encompassed within the order of award) pursuant to the provisions of and within any limitations specified in this Resolution and the Official Notice of Sale.

(h) 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.

(i) The City anticipates obtaining ratings from Moody's Investors Service, Inc. and S&P Global Ratings (by whatever legal names known). The Director of Finance, with the advice of the financial advisor to the City, is hereby authorized and empowered to determine on behalf of the City whether (i) the City will obtain a rating from only one of such rating agencies, 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 does *not* anticipate 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. In the event the Director of Finance determines with the advice of the financial advisor to the City that bidders may bid using municipal bond insurance, the applicable form of the Official Notice of Sale shall be edited prior to release of the Preliminary

Official Statement or shall be modified by notice released on Parity or TM3 to reflect such determination, as applicable.

SECTION 10. AND BE IT FURTHER RESOLVED that:

(a) The preparation and distribution of a Preliminary Official Statement of the City 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 Director of Finance, is hereby approved. The Mayor and the Director of Finance, on behalf of the City, 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, Sections SC7-45 and SC7-46 of the Charter, Ordinance No. 2864 or this Resolution, or to comply with the recommendations of appropriate City officials, legal counsel or the financial advisor to the City, 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 Director of Finance, on behalf of the City, 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(b)(1), subject to revision, completion and amendment in a final official statement. The Preliminary Official Statement shall be posted electronically and/or printed as the financial advisor to the City shall advise.

(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, Sections SC7-45 and SC7-46 of the Charter, Ordinance No. 2864 or this Resolution, to reflect matters determined in connection with the sale of the Bonds, or to comply with the recommendations of the City Administrator, the Director of Finance, legal counsel or the financial advisor to the City, 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 (if the Official Notice of Sale permits bidders to bid with bond insurance), as the Mayor and the Director of Finance shall approve on behalf of the City, is hereby authorized and approved. The Mayor and the Director of Finance are hereby authorized and directed to approve the final form of the Official Statement on behalf of the City, such approval to be evidenced conclusively by the Mayor's and the Director of Finance's execution and delivery of the Official Statement. The Official Statement shall be posted electronically and/or printed as the financial advisor to the City shall advise and as may be required by the successful bidder for the Bonds.

(c) The Mayor and the Director of Finance, with the advice of, to the extent applicable, other appropriate City officials, legal counsel or the financial advisor to the City, as applicable, 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 Director of Finance'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 City shall advise or as the successful bidder for the Bonds may require, as applicable.

(d) Any signature of the Mayor or the Director of Finance 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 execute and deliver such written agreement with the Bond Registrar and Paying Agent as he shall deem to be necessary or appropriate. The City 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 Director of Finance or other appropriate City official 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 City and, thereafter, the registered owners of any such Bonds shall have claims only against the City 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 Director of Finance shall approve, execute and deliver in the name and on behalf of the City 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 City shall covenant in the continuing disclosure undertaking that the City will provide to the repository or repositories required by Securities and Exchange Commission Rule 15c2-12, specified annual financial information and operating data (including audited financial statements). The City 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 any underwriter's discount retained by the successful bidder for the Bonds. It is anticipated that the date of issuance of the Bonds will be June 25, 2024; provided that, the Mayor, with the advice of the City Administrator, the Director of Finance, the financial advisor to the City and bond counsel to the City, may determine to move the date of issuance of the Bonds to another date satisfactory to such persons. The Mayor, the City Administrator, the Director of Finance, the City Clerk and all other appropriate officials the City are expressly authorized, empowered and directed to (i) take any and all action not otherwise expressly provided for herein or in Ordinance No. 2864 that is appropriate or necessary to complete and close the award, sale 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, documents, certificates or instruments required by any rating agency rating the Bonds, by any municipal bond insurer providing bond insurance for the Bonds (if applicable) or by DTC with respect to the book-entry system of registration of the Bonds, and (iii) carry out the transactions contemplated by Ordinance No. 2864, this Resolution, and any documents, certificates or instruments executed and delivered in connection with the Bonds. Any such action taken by the applicable officials 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 Director of Finance or other authorized City official. The proceeds of the Bonds shall be deposited in the proper account or accounts of the City, 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 City may be applied to pay Costs of the Projects, to pay costs of issuance of the Bonds, to pay debt service on the Bonds or for any other legal purpose. The City, without notice to or the consent of the owners of the Bonds, but subject to any applicable provisions of Ordinance No. 2864 or this Resolution, may allocate and reallocate proceeds of the Bonds to qualifying expenditures by resolution or as otherwise 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 any underwriter's discount 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 official or officials of the City.

SECTION 15. AND BE IT FURTHER RESOLVED that for the purpose of paying the principal of and interest on the Bonds when due, the City 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 City that is subject to assessment for unlimited municipal taxation at a rate 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 City 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 City 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 City from paying the principal of and interest on the Bonds from the proceeds of the sale of any other obligations of the City or from any other funds legally available for that purpose, including, without limitation, with respect to the Projects listed as items 14-24 in the table in Section 3(b) of this Resolution from the Water/Sewer Fund of the City (as such fund may be otherwise known, reconstituted or renamed), to the extent moneys in such fund and the accounts therein are available for such purpose. Subject to any limitation provided for in the Code or other applicable law, the City 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 City for the purpose of assisting the City in accomplishing the type of project or projects which the Bonds are issued to refinance 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) Any one or more of the Mayor, the City Administrator and the Director of Finance shall be the officials of the City responsible for the issuance of the Bonds within the meaning of Section 1.148-2(b)(2) of the Treasury Regulations. Any one or more of the Mayor, the City Administrator and the Director of Finance also shall be the officials of the City responsible for the execution and delivery (on the date of the issuance of the Bonds) of a certificate of the City (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 City 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 City 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 City 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 City's reasonable expectations on the date of issuance of the Bonds and will be, to the best of the certifying officials' knowledge, true and correct as of that date.

(c) The City 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 City 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 projects or purposes financed or reimbursed 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 City 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 and agents of the City 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 City. Only one of the Mayor, the City Administrator or the Director of Finance needs to approve and sign the IRS Form 8038-G on behalf of the City.

(f) In addition, to the extent the final sizing of the Bonds will allow the City 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 City, with the advice of the Director of Finance, to (1) provide for such designation, (2) specify such designation in 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. It is anticipated based on the preliminary sizing of the Bonds and information provided by the City to bond counsel to the City that the Bonds will *not* 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) Notwithstanding any provision of this Resolution, in the event the position of Mayor is vacant or in the absence, disability or unavailability of any incumbent Mayor at the time (i) the Bonds are to be executed, whether at the time of their original issuance or upon transfer or exchange, or (ii) the Mayor is authorized or directed to take any action (including, but not limited to, executing orders, documents, agreements, certificates or instruments) or to make any determination in accordance with the provisions of this Resolution, and if no other City official has the authority to act as the Mayor under the Charter (including any Acting Mayor provided for in the Charter), the City Code or other applicable law or authority, the actions or determinations authorized to be taken by Mayor pursuant to this Ordinance shall be undertaken by the following City officials in the following order of priority: first, by the City Administrator; second, in the event the position of the City Administrator is vacant or in the absence, disability or unavailability of any incumbent City Administrator, by the Deputy City Administrator; third, in the event the position of the Deputy City Administrator is vacant or in the absence, disability or unavailability of any incumbent Deputy City Administrator, by the Director of Finance; and fourth, in the event the position of the Director of Finance is vacant or in the absence, disability or unavailability of any incumbent Director of Finance, by any Assistant Director of Finance. References to City officials by title in this subsection (a) shall be construed to refer to any person serving in an acting or interim capacity as such an official.

(b) If any provision of this Resolution delegates to any official identified by title authority to provide advice to the Mayor or another official, and the position of the official to whom such advisory role is delegated is vacant or such official is absent, disabled or unavailable, references to such official shall be disregarded unless another City official has authority to act in place of such official in accordance with the provisions of Section 1(b) of this Resolution. In addition, and subject to the provisions of subsection (a) above, if two or more officials are authorized to act in concert in accordance with the provisions of this Resolution and the position of one such identified official is vacant, or in the absence, disability or unavailability of such identified official, references to such official shall be disregarded unless another City official has authority to act in place of such official in accordance with the provisions of Section 1(b) of this Resolution.

(c) In accordance with Section 14 of Ordinance No. 2864, if at the time the City seal needs to be or may be impressed or affixed on the Bonds (whether at the time of their original issuance or upon transfer or exchange) or any related documents, agreements, certificates or instruments the position of the City Clerk is vacant, or in the absence, disability or unavailability of any incumbent City Clerk, if no other City official has the authority to attest to the impression or affixing of the City seal under the Charter, the City Code or other applicable law or authority, such attestation may be made by any of the following in the following order of priority: any Assistant City Clerk, the City Administrator, any Deputy City Administrator, the Director of Finance or any other official

designated by the Council by resolution, motion or other appropriate action; provided that, the same official may not both execute the Bonds or any documents, agreements, certificates (other than a standard closing certificate) or instruments in accordance with subsection (a) above on behalf of the City and attest to the impression or affixing of the City seal on the same, but any such official may both certify to the impression or affixing of the City seal on and make other certifications in any closing certificate.

(d) Notwithstanding any references in this Resolution to manual or facsimile signatures of City 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, 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 and/or in counterparts.

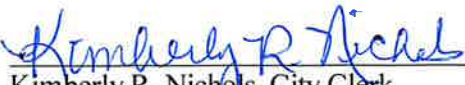
SECTION 18. AND BE IT FURTHER RESOLVED that to the extent the provisions of this Resolution or the Bonds do not comport with the debt policy of the City, the provisions of the debt policy are deemed to be overridden.

SECTION 19. 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 20. AND BE IT FURTHER RESOLVED that this Resolution shall become effective immediately upon its adoption by the Council and approval by the Mayor. Pursuant to Charter Section SC7-46A, this Resolution may not be petitioned to referendum.

THIS RESOLUTION was introduced and duly adopted at a meeting of the Council of the City of Salisbury held on the third day of June, 2024.

ATTEST:

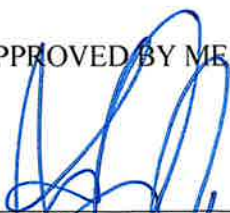


Kimberly R. Nichols, City Clerk



D'Shawn M. Doughty, City Council President

APPROVED BY ME THIS 3rd DAY OF June, 2024:



Randolph J. Taylor, Mayor

#235350;58111 046

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 the Bonds as appropriate. Any other applicable revisions to this form may be made in accordance with the provisions of this Resolution to reflect other provisions permitted by the provisions of this Resolution.

[Include if applicable: CITY OF SALISBURY 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- UNITED STATES OF AMERICA
STATE OF MARYLAND \$ _____
CITY OF SALISBURY

PUBLIC IMPROVEMENT BOND OF 2024

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Dated Date</u>	<u>CUSIP</u>
September 1, 20__	%	_____, 2024	

Registered Owner:

Principal Sum: DOLLARS

City of Salisbury, 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 "City"), 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 City, 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 March 1, 2025 and on each September 1 and March 1 thereafter until the Principal Sum of this bond is paid 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 letter mailed first class, 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, interest payment date or redemption date falls on a Saturday, a Sunday or a day on which the City 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 City 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 City, aggregating \$ _____ in original aggregate principal amount, dated _____, 2024 and designated "City of Salisbury Public Improvement Bonds of 2024" (the "Bonds"). The Bonds are issuable in authorized denominations of \$5,000 and integral multiples thereof. 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 Sections SC7-45 and SC7-46 of the Charter of the City, as replaced, supplemented or amended, and by virtue of due proceedings had and taken by the Council of the City (the "Council"), particularly Ordinance No. 2864, which was passed by the Council on May 13, 2024, approved by the Mayor of the City (the "Mayor") on May 15, 2024 and became effective on May 15, 2024 (the "Ordinance"),

and Resolution No. ____, which was adopted by the Council on _____, 2024, approved by the Mayor on _____, 2024 and became effective on _____, 2024 (the “Resolution”).

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

<u>Year (Sept. 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year (Sept. 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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The Bonds that mature on and after September 1, 2035 are subject to redemption prior to maturity at the option of the City, in whole or in part, on any date on and after September 1, 2034, in any order of maturity directed by the City, 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.

If fewer than all of the Bonds of any one maturity shall be called for redemption at the option of the City, 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 City, 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 at the option of the City, the City 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 at the option of the City 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 the interest on the Bonds (or portions thereof) 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 at the option of the City shall cease to bear interest. Upon presentation and surrender for redemption, the Bonds or portions thereof to be redeemed at the option of the City 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 City 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 at the option of the City.

The City 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 City, 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 City 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 City of Salisbury are hereby pledged to the payment of the principal of and interest on this bond according to its terms, and the City 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, the Ordinance and the Resolution, and that this bond, together with all other indebtedness of the City, 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 City that is subject to assessment for unlimited municipal taxation at a rate and in an amount sufficient to provide for the payment, when due, of the principal of and interest on this bond.

IN WITNESS WHEREOF, City of Salisbury 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, attested by the manual [or _____] signature of the [City Clerk], all as of the Dated Date set forth above.

(SEAL)

ATTEST:

CITY OF SALISBURY

[City Clerk]

By: _____
[Mayor]

CERTIFICATE OF AUTHENTICATION

This bond is one of the registered bonds of City of Salisbury designated “City of Salisbury Public Improvement Bonds of 2024”.

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.

[TO BE USED WHEN BONDS MAINTAINED UNDER BOOK-ENTRY ONLY SYSTEM]

PAYMENT GRID

<u>Date of Payment</u>	<u>Principal Amount Redeemed</u>	<u>Principal Amount Outstanding</u>	<u>Holder Signature</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

EXHIBIT B

SUBSTANTIALLY FINAL FORM OF NOTICE OF SALE

NOTICE OF SALE

\$11,900,000*
City of Salisbury
Public Improvement Bonds of 2024

Electronic bids via BiDCOMP/Parity®/www.i-idealprospectus.com
will be received on June 11, 2024 (subject to rescheduling)

Overview

Electronic bids only via the applicable system of BiDCOMP/Parity®/www.i-idealprospectus.com (referred to herein, as applicable, as “Parity”) will be received by the Mayor of City of Salisbury (the “City”) on Tuesday, June 11, 2024, unless postponed as described in this Notice of Sale (in either such case, the “Bid Date”), until 11:00 a.m. prevailing eastern time (“Eastern Time”) for the purchase of all (but not less than all) of the City’s Public Improvement Bonds of 2024 (the “Bonds”).

By submitting a bid for the Bonds, a prospective bidder represents and warrants to the City that such bidder’s bid for the purchase of the Bonds (if a bid is submitted in connection with the sale) is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder to a legal, valid and enforceable contract for the purchase of the Bonds.

Bond Details; Bond Registrar and Paying Agent

The Bonds will be dated the date of delivery and will bear interest payable semi-annually beginning on March 1, 2025 and thereafter on the first days of September and March until maturity or prior redemption at the option of the City. 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.

The Bonds are authorized by Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland (the “Enabling Act”), Sections SC7-45 and SC7-46 of the Charter of the City (the “Charter”), Ordinance No. 2864, passed by the Council of the City (the “Council”) on May 13, 2024, approved by the Mayor of the City (the “Mayor”) on May 15, 2024 and effective on May 15, 2024 (the “Ordinance”), and Resolution No. _____, adopted by the Council on May 28, 2024, approved by the Mayor on _____, 2024 and effective on _____, 2024 (the “Resolution”).

The proceeds of the Bonds (including any available net original issue premium), together with any other available funds, if applicable, will be expended to finance or reimburse costs of certain public purpose projects and to pay costs of issuance of the Bonds.

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

* Preliminary, subject to change.

Maturity Schedule

The Bonds will be subject to principal amortization through serial maturities on September 1 in the years and in the amounts set forth below (the “Preliminary Amounts”), subject to the provisions of “Adjustment to Principal Amounts” herein:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Principal Amount</u>
September 1, 2025	\$470,000	September 1, 2033	\$ 830,000
September 1, 2026	590,000	September 1, 2034	875,000
September 1, 2027	620,000	September 1, 2035	910,000
September 1, 2028	650,000	September 1, 2036	945,000
September 1, 2029	685,000	September 1, 2037	980,000
September 1, 2030	720,000	September 1, 2038	1,020,000
September 1, 2031	755,000	September 1, 2039	1,060,000
September 1, 2032	790,000		

The principal amounts and the maturity dates set forth in the table above are preliminary and subject to change.

Adjustments to Principal Amounts

Pre-sale, the City reserves the right to change the Preliminary Amounts from time to time up until 10:00 a.m. Eastern Time on the Bid Date, by eliminating maturities and/or changing the aggregate principal amount of the Bonds and/or the principal amount of one or more of the maturities of the Bonds. Should a revision to the aggregate principal amount the Bonds and/or the principal amortization schedule for the Bonds be made (the “Revised Amounts”), such revision will be published on Parity or TM3 News Service (www.tm3.com) (“TM3”) not later than 10:00 a.m. Eastern Time on the Bid Date. In the event that no revisions are made or that such revisions are not published on Parity or TM3 before 10:00 a.m. Eastern Time 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 for the Bonds.

After selecting the winning bid for the Bonds, the aggregate principal amount of the Bonds and the principal amortization schedule for the Bonds may be adjusted as determined by the City’s financial advisor in increments of \$5,000. **Any adjustments pursuant to this paragraph will not increase or reduce the aggregate principal amount of the Bonds by more than the premium amount of the winning bid.** The dollar amount bid for the Revised Amounts of the Bonds by the successful bidder therefor will be adjusted proportionately to reflect any reduction or increase in the original aggregate principal amount of the Bonds. Any such maturity schedule adjustments will be communicated to the successful bidder for the Bonds within six hours of the bids becoming accessible on Parity. 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 for the Bonds, the coupon rates or the initial offering prices (as defined herein) 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 TIME SPECIFIED FOR BID DELIVERY.

The original aggregate principal amount of the Bonds as and if awarded will not exceed \$13,210,000.

Optional Redemption

The Bonds maturing on and after September 1, 2035 are subject to redemption prior to their stated maturities, at the option of the City, in whole or in part on any date on or after September 1, 2034, in any order of maturity specified by the City, at a redemption price equal to 100% of the principal amount of the Bonds (or portions thereof) to be redeemed, plus accrued interest on the principal amount being redeemed to the date fixed for redemption, without penalty or premium.

Electronic Bids Only

Bids must be submitted by electronic bidding via Parity, in the manner described below, and must be submitted on the Bid Date by 11:00 a.m. Eastern Time. No bid for the Bonds will be accepted after the deadline for receiving bids. To the extent any instructions or directions set forth in Parity conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about Parity, potential bidders may contact Parity at (212) 849-5021.

Disclaimer

Each prospective electronic bidder shall be solely responsible to submit its bid via Parity as described above. Each prospective electronic bidder shall be solely responsible to make necessary arrangements to access Parity for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the City nor Parity shall have any duty or obligation to provide or assure access to Parity to any prospective bidder, and neither the City nor Parity shall be responsible for proper operation of or have any liability for any delays or interruptions of, or any damages caused by Parity. The City is using Parity as a communication mechanism, and not as the City's agent, to conduct the electronic bidding for the Bonds. The City 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 and in particular the bid parameters specified in this Notice of Sale. All costs and expenses incurred by prospective bidders in connection with their submission of bids via Parity are the sole responsibility of the bidders, and the City is not responsible, directly or indirectly, for any of such costs or expenses. If a prospective bidder encounters any difficulty in submitting, modifying, or withdrawing a bid for the Bonds, such bidder should telephone Parity at (212) 849-5021 and notify the City's financial advisor, First Tryon Advisors, LLC by telephone at (410) 267-8811.

Electronic Bidding Procedures

Electronic bids must be submitted for the purchase of the Bonds via Parity. Bids will be accessible on the Bid Date at 11:00 a.m. Eastern Time. Prior to such time, a prospective bidder may (1) submit the proposed terms of its bid via Parity, (2) modify the proposed terms of its bid, in which event the proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid for the Bonds, or (3) withdraw its proposed bid for the Bonds. Once the bids are accessible electronically via Parity, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided, subject to this Notice of Sale. The City 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. **For purposes of the electronic bidding process, the time as maintained on Parity shall constitute Eastern Time.**

If any provision of this Notice of Sale shall conflict with the information provided by Parity as the approved provider of electronic bidding services, this Notice of Sale shall control.

Bid Specifications

Each bidder for the Bonds must submit a bid on an "all or none" basis. Each bid must specify the amount bid for the Bonds, which amount may not be less than 100% of par. Each bid for the Bonds must specify in multiples of one-eighth ($\frac{1}{8}$) or one-twentieth ($\frac{1}{20}$) of one percent (1%) the rate or rates of interest per annum which the Bonds are to bear but shall not specify (a) more than one interest rate for any Bonds having the same maturity, (b) a zero rate of interest, (c) any interest rate for any Bonds which exceeds the interest rate stated in such bid for any other Bonds by more than 300 basis points, or (d) any interest rate that exceeds 5.00%.

Basis of Award

Any award of the Bonds will be made on behalf of the City by the Mayor. The successful bidder for the Bonds will be determined based on the lowest interest cost to the City. The lowest interest cost for the Bonds shall be determined in accordance with the true interest cost ("TIC") method by doubling the semiannual 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 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 bidders offer to purchase the Bonds at the same lowest TIC, with the same purchase price, the City shall have the right to award all of the Bonds to one bidder. The Mayor will execute and deliver an order or orders of award after the apparent

successful bidder for the Bonds pays the Good Faith Deposit provided for herein by federal funds wire transfer (see “Good Faith Deposit and Award” below). Notwithstanding the foregoing, the City, by the Mayor, reserves the right to reject any and all bids for the Bonds 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 for the Bonds and as to its conformity to the terms of this Notice of Sale or with respect to the determination to reject any and all bids for the Bonds.

Good Faith Deposit and Award

The apparent successful bidder for the Bonds shall submit a good faith deposit in the amount of \$119,000.00 (the “Good Faith Deposit”) as provided below. The Good Faith Deposit will secure the City from any loss resulting from the failure of the apparent successful bidder for the Bonds to comply with the terms of its bid. The apparent successful bidder for the Bonds shall transfer the Good Faith Deposit by wire transfer directly to the City upon notification of identification of the apparent successful bidder, but in any case, no later than 3:00 p.m. Eastern Time on the Bid Date (the “Deposit Deadline”). Wire instructions will be provided to the apparent successful bidder for the Bonds by the City’s financial advisor upon verification of bids submitted, identification of the apparent successful bidder for the Bonds and prior to the Deposit Deadline.

The apparent successful bidder for the Bonds will provide as quickly as it is available evidence of the wire transfer to the City’s financial advisor by providing to the City’s financial advisor the federal funds reference number. Notification of the award of the Bonds, if made, will be indicated on Parity and shall not be made until the receipt of the Good Faith Deposit has been confirmed. If the apparent successful bidder fails to so deliver the Good Faith Deposit by the Deposit Deadline, the City 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 City for all consequential damages arising from such failure. Formal award of the Bonds, if made, will be made within 6 hours of the deadline for submitting bids for the Bonds.

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. The successful bidder for the Bonds 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 City. 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 determined in accordance with this Notice of Sale, the City retains the right to seek further compensation for damages sustained as a result of the successful bidder so doing.

If the original aggregate principal amount of the Bonds is adjusted as described above under “Adjustments to Principal Amounts,” no adjustment will be made to the Good Faith Deposit.

Establishment of Issue Price for the Bonds

The City 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 because (i) the City will disseminate this Notice of Sale to potential underwriters (as defined below) in a manner that is reasonably designed to reach potential underwriters, (ii) all bidders will have an equal opportunity to bid, (iii) the City may receive bids from at least three underwriters of municipal bonds that have established industry reputations for underwriting new issuances of municipal bonds, and (iv) the City anticipates awarding the sale of the Bonds to the bidder that submits a firm offer to purchase the Bonds at the lowest possible TIC, as set forth herein. If such competitive sale requirements are met, the successful bid for the Bonds will be treated as a “Qualified Competitive Bid.” If the competitive sale requirements are not met, the successful bid for the Bonds will be treated as a “Nonqualified Competitive Bid.” **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 (as defined below) of the Bonds for some or all maturities of the Bonds for up to five (5) business days after the sale date (as defined below), as further specified below.**

By submitting a bid, each bidder (i) confirms that it was not given an opportunity to review other bids prior to submitting its bid, (ii) confirms that its bid is a firm offer for the purchase of the Bonds, on the terms set forth in its bid and this Notice of Sale

(as this Notice of Sale may be modified in accordance with its terms), except as permitted by this Notice of Sale, and (iii) represents that it has an established industry reputation for underwriting new issuances of municipal bonds.

The City will advise the apparent successful bidder as promptly as possible after bids are received whether its bid constitutes a Qualified Competitive Bid or a Nonqualified Competitive Bid.

If the apparent successful bid is a Qualified Competitive Bid, as promptly as possible after bids are received, the City will notify the apparent successful bidder and such bidder, upon such notice, shall advise the City of the reasonably expected initial offering price to the public (as defined below) of each maturity of the Bonds.

If the apparent successful bid is a Nonqualified Competitive Bid, the City shall treat (i) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as of the date and time of the award of the Bonds as the issue price of that maturity, if applicable, and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis. The successful bidder shall advise the City if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. Any maturity of the Bonds as to which the successful bidder has not so advised the City that the 10% test has been satisfied as of the date and time of the award of the Bonds shall be subject to the hold-the-offering price rule. Bids will not be subject to cancellation if the hold-the-offering price rule applies to any maturity of the Bonds. Bidders should note that a Nonqualified Competitive Bid may require the successful bidder and, if applicable, other underwriters of the Bonds to hold the initial offering prices for certain maturities of the Bonds for up to five business days after the sale date of the Bonds. **Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.**

By submitting a bid, the successful bidder shall (i) confirm that the underwriters have offered or will offer to sell the Bonds to the public on or before the sale date at the offering price or prices (the "initial offering prices"), or at the corresponding yield or yields, set forth in the bid submitted by the successful bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price for that maturity to the public during the period starting on the sale date and ending on the earlier of the following: (1) the close of fifth (5th) business day after the sale date or (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price for that maturity to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

For a Nonqualified Competitive Bid, the successful bidder shall promptly advise the City when the underwriters have sold to the public 10% of any maturity subject to the hold-the-offering-price rule at a price that is no higher than the initial offering price to the public for that maturity, if that occurs prior to the close of the fifth (5th) business day after the sale date.

The City acknowledges that, in making the representations set forth above, the successful bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that any underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer that is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the successful bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the successful bidder and as set forth in the related pricing wires

and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until is notified by the successful bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the successful bidder or such underwriter and as set forth in the related pricing wires.

Sale of any Bonds to any person that is a related party (as defined below) to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

(i) “public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or related party to an underwriter;

(ii) “related party” generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly;

(iii) “sale date” means the date that the Bonds are awarded by the City to the successful bidder; and

(iv) “underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public, and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) 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 successful bidder for the Bonds must deliver to the City at closing an “issue price” or similar certificate establishing the issue price of the Bonds in accordance with U.S. Treasury Regulation Section 1.148-1, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit 1 (for a Qualified Competitive Bid) or Exhibit 2 (for a Nonqualified Competitive Bid), as applicable, with such modifications as may be appropriate or necessary, in the reasonable judgment of such successful bidder, the City and bond counsel to the City.

All actions to be taken on behalf of the City under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the City by the City’s financial advisor, First Tryon Advisors, LLC, and any notice or report to be provided to the City may be provided to the City’s financial advisor First Tryon Advisors, LLC or bond counsel to the City. Terms used in this captioned section shall be construed in accordance with Section 1.148-1(f) of the U.S. Treasury Regulations.

Official Statement

Within seven business days after the award of the Bonds to the successful bidder therefor on the Bid Date, the City will authorize 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 City for the purpose of Rule 15c2-12 of the Securities and Exchange Commission, subject to revision, amendment and completion in a final Official Statement. The City will also issue any supplement or amendment to the Official Statement that may be necessary between the date of the Official Statement and the date of delivery of the Bonds. If requested and furnished to the City in writing by a successful bidder at or before the close of business on the Bid Date, the City will include in the Official Statement such pricing and other information relating to the reoffering of the Bonds, if any, as may be so furnished. If the successful bidder for the Bonds furnishes no such information, the Official Statement will include the interest rates on the Bonds resulting from the bid of the successful bidder therefor 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, a successful bidder shall be responsible to the City and its officials 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. Within seven business days after the award of the Bonds, the successful bidder for the Bonds will also be furnished, without cost, with an electronic copy and a reasonable number of copies (not to exceed 10 copies) of the Official Statement. The successful bidder will also be furnished with any amendment or supplement to the Official Statement, 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 the successful bidder.

Continuing Disclosure

In order to assist the successful bidder for the Bonds in complying with Securities and Exchange Commission Rule 15c2-12(b)(5), the City 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.

Delivery of the Bonds

Delivery of the Bonds will be made to the successful bidder through the facilities of DTC on or about June 25, 2024. Payment for the Bonds shall be made in immediately available funds.

The Bonds will be accompanied by the customary closing documents, including a no litigation certificate, effective as of the date of delivery, stating that there is no litigation pending affecting the validity of the Bonds. It shall be a condition to the obligation of the successful bidder for the Bonds to accept delivery of and pay for the Bonds that, simultaneously with or before delivery and payment for the Bonds, said successful bidder shall be furnished with a certificate of the Mayor and the Director of Finance to the effect that, to the best of their knowledge and belief, the Official Statement (and any amendment or supplement thereto) (except for the reoffering information, and except as to information regarding DTC and DTC's book-entry system provided by DTC, as to which no view will be expressed) as of the Bid Date and as of the date of delivery of the Bonds does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that between the Bid Date and the date of delivery of the Bonds there has been no material adverse change in the financial position or revenues of the City, except as reflected or contemplated in the Official Statement (and any amendment or supplement thereto).

The Bonds will be issued and sold subject to approval as to legality by Funk & Bolton, P.A., bond counsel to the City. Bond counsel will express no opinions as to any of the information contained in the Preliminary Official Statement or the Official Statement or in any other material relating to the Bonds.

Right to Modify Notice of Sale; Right to Postpone Sale

The City reserves the right to modify this Notice of Sale prior to the Bid Date including, but not limited to, adjusting and changing the original aggregate principal amount of the Bonds, adjusting the amortization schedule for the Bonds, changing the method for determination of the issue price of the Bonds, and/or changing the bid specifications for the Bonds; however, such modifications shall be made not later than 9:30 a.m. Eastern Time on the Bid Date and communicated through Parity or TM3.

The City reserves the right to postpone, from time to time, the Bid Date. Any such postponement will be communicated through Parity or TM3. If any Bid Date is postponed, any rescheduled Bid Date will be announced via Parity or TM3 at least 24 hours prior to such rescheduled Bid Date. In addition, the City reserves the right, on the date established for the receipt of bids, to reject all bids for the Bonds and to then or later establish a subsequent date on which bids for the Bonds will be received. If all bids for the Bonds are rejected and a subsequent date for receipt of bids for the Bonds established, notice of the subsequent Bid Date will be announced via Parity or TM3 at least 24 hours prior to such subsequent Bid Date. On any such rescheduled or subsequent Bid Date, any bidder may submit a bid for the purchase of the Bonds in conformity in all respects with this Notice of Sale except for the new Bid Date and except for any changes announced by Parity or TM3.

Any bid submitted shall be made in accordance with this Notice of Sale, including any revisions communicated via Parity or TM3 in accordance with the provisions of this Notice of Sale.

Additional Information

The Preliminary Official Statement, together with the official Notice of Sale, may be obtained by contacting First Tryon Advisors, LLC, 122 Severn Avenue, Annapolis, Maryland 21403, financial advisor to the City. The Preliminary Official Statement and the official Notice of Sale also will be made available via www.i-dealprospectus.com; for information contact Parity or First Tryon Advisors, LLC.

By order of

CITY OF SALISBURY

By: /s/ Randolph J. Taylor
Mayor

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

**§ _____
CITY OF SALISBURY
PUBLIC IMPROVEMENT BONDS OF 2024**

ISSUE PRICE CERTIFICATE (Qualified Competitive Bid)

_____, 2024

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 City of Salisbury (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 A 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 B 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)

SCHEDULE A
EXPECTED OFFERING PRICES

[To be Attached]

SCHEDULE B
COPY OF PURCHASER'S BID

[To be Attached]

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

§ _____

**CITY OF SALISBURY
PUBLIC IMPROVEMENT BONDS OF 2024**

ISSUE PRICE CERTIFICATE (Nonqualified Competitive Bid)

_____, 2024

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 City of Salisbury (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 A.

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

(a) The [SHORT FORM NAME OF WINNING BIDDER][Underwriting Syndicate] offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (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 B.

(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 A hereto as the “General Rule Maturities.”

“Hold-the-Offering-Price Maturities” means those Maturities of the Bonds listed in Schedule A 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)

SCHEDULE A

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 B

PRICING WIRE OR EQUIVALENT COMMUNICATION

[To be Attached]

INTER

OFFICE

MEMO

Finance Department

To: Andy Kitzrow, City Administrator
From: Keith Cordrey, Director of Finance
Subject: Resolution Providing for the Sale and Issuance of General Obligation Bonds
Date: May 28, 2024

Attached is a resolution providing for the sale and issuance of the general obligation bonds authorized by Ordinance No. 2864.

Below are an overview and a bullet points summary of the resolution prepared by the City's bond counsel, Lindsey Rader of Funk & Bolton, P.A.

Overview: Pursuant to Ordinance No. 2864 (the "Ordinance"), the Council approved the issuance by the City of general obligation bonds in one or more series from time to time in an original aggregate principal amount not exceeding \$13,212,743 in order to finance, reimburse or refinance costs of the projects identified therein. (The Ordinance also includes bond anticipation note authority for interim financing, and refunding authority to refund any bonds once issued.)

The City is ready to proceed with a long-term bond issue in order to finance or reimburse project costs. It has been determined that the amortization period for the bonds will be approximately 15 years. The Resolution to be considered for adoption on June 3, 2024 provides that the bonds will be issued in a maximum original aggregate principal amount of \$13,210,000 (because the bonds will be offered in denominations of \$5,000 and integral multiples of \$5,000). The Resolution includes a preliminary sizing of the bonds of \$11,900,000, based on the City's financial advisor's expectations regarding market conditions as of the third week of May 2024, which preliminary sizing assumes the winning bidder will bid with substantial net original issue premium.

Due to the size of the contemplated issue, First Tryon Advisors, LLC, the City's financial advisor, recommends that the bonds be sold at public sale by solicitation of competitive bids. On the sale date, underwriting firms will submit electronic bids to purchase the Bonds by a stated time. The bids will be for an amount not less than the par amount (principal amount) of the Bonds and with

such net original issue premium as the bidders may offer, and the terms on which bids shall be submitted shall be communicated through a Notice of Sale, which will be included as an appendix to the Preliminary Official Statement referenced below. The only discretion that bidders have in making their bids is the interest rates they offer and any net original issue premium. The bonds, if awarded, will be awarded to the bidder offering the lowest true interest cost to the City.

In connection with the offering of the bonds, a Preliminary Official Statement outlining terms of the bonds and disclosing financial, economic, demographic and operating information regarding the City will be circulated to potential bidders and potential ultimate bond purchasers by being posted electronically. Following the sale date, a final Official Statement reflecting sale terms will be circulated to the successful bidder and made available to investors purchasing the bonds and generally to the public.

The Resolution authorizes the Mayor to award the Bonds or to reject all bids for the Bonds. Upon receipt of bids, the financial advisor to the City will confirm the bidder offering the lowest true interest cost and the Mayor will consult with certain personnel to determine whether the lowest bid is satisfactory. Final award of the bonds, if made, will be made by the Mayor by order following receipt of the good faith deposit provided for in the Notice of Sale.

Flexibility to change the amortization schedule prior to the sale date and following receipt of bids is delegated to the Mayor, in consultation with certain personnel, (i) pre-sale, in order to address any of the considerations set forth in Section 4(c) of the Resolution, and (ii) post-sale, in order to ensure that the purchase price offered by the apparent successful bidder (the par amount plus any net original issue premium) does not result in the City receiving more bond proceeds than it needs for purposes of the financing. Accordingly, the principal amount of the Bonds referenced in the Notice of Sale may be adjusted from the amount provided for in the Notice of Sale either before bids are submitted or following receipt of bids. The Mayor is also authorized to make certain other adjustments to the terms of sale of the bonds as outlined in the Resolution.

The anticipated timeline is as follows: (i) introduce/adopt Resolution on June 3, 2024; (ii) post Preliminary Official Statement on June 4, 2024; (iii) conduct pricing/sale on June 11, 2024; (iv) "pre-close" the bond issue on June 24, 2024; and (v) "close" the bond issue on June 25, 2024.

Summary of Bond Resolution:

- The Recitals trace the authority for and purposes of the contemplated bonds (referred to in the Resolution as the "Bonds").
- Section 1 - Contains rules of construction.
- Section 2 - Allocates the maximum principal amount of the Bonds among the authorized projects and costs of issuance (collectively, the "Projects") and defines "Costs of the

Projects.” Also provides for appropriation of proceeds of the Bonds up to the stated maximum principal amounts specified in the table included in subsection (b) and for reallocation of proceeds of the Bonds as described in such Section.

- Section 3 - Designates the Bonds as the “City of Salisbury Public Improvement Bonds of 2024” and specifies they may be issued in a maximum aggregate principal amount not to exceed \$13,210,000. Contains further appropriation and allocation language.
- Section 4 – (i) Provides the Bonds will be issued in book-entry only form with The Depository Trust Company (“DTC”); (ii) sets forth the preliminary amortization schedule with an assumed original aggregate principal amount of \$11,900,000 (based on current market conditions as of the third week of May 2024) and a final maturity date of September 1, 2039 and authorizes the Mayor, with the advice of certain personnel, to adjust the amortization schedule from time to time prior to the sale, including by adjusting the overall principal amount, eliminating maturities and/or changing the serial structure for the reasons specified in such Section, as long as the final aggregate principal amount does not exceed \$13,210,000; specifies interest payment dates of March 1 and September 1, commencing March 1, 2025, and principal payment dates of September 1, subject to further adjustment as described in Section 4(g).
- Section 5 – Subject to the provisions of Section 4(g) (which allows for adjustments in the interest and principal payment dates and optional redemption features), the Bonds maturing on or after September 1, 2035 will be subject to redemption at the option of the City in whole or in part on any date on or after September 1, 2034 at a price of par plus accrued interest. The rest of Section 5 contains standard provisions for the mechanics of redemption of the Bonds at the City’s option.
- The Resolution contains standard provisions regarding registration of the Bonds in book-entry only form with DTC (this is typical for publicly offered bonds), the authorized denominations of the Bonds, the manner of payment of the Bonds and provisions relating to the transfer or exchange of Bonds (Sections 4(a) and 6 and 7).
- Section 8 - The substantially final form of the Bonds is attached as Exhibit A to the Resolution and the Mayor is authorized to approve the final form of the Bonds.
- Section 9 - The determination is made to sell the Bonds by public sale at competitive bid to the successful bidder determined in accordance with the official Notice of Sale, the substantially final form of which is Exhibit B to the Resolution. Provision for dissemination of the Notice of Sale is set forth in the Resolution. Sale is currently scheduled for June 11, 2024 and will be conducted through an online electronic platform known as BiDComp/Parity/www.i-dealprospectus.com. The Mayor, with the advice of certain personnel, is authorized to make changes to the Notice of Sale pre- and post-release of

the Preliminary Official Statement, including determining to postpone the sale date and reschedule. If sale is postponed, the dated date, maturity dates and optional redemption dates/features for the Bonds may be changed. The Mayor may reject all bids for the Bonds or make award of the Bonds, which will be done by order, following receipt of the good faith deposit provided for in the Notice of Sale.

- Section 10 - The preparation and distribution of the Preliminary Official Statement in such form as may be approved by the Mayor and the Director of Finance is authorized. The Mayor and the Director of Finance are also authorized to approve the final Official Statement (that will reflect the terms of pricing of the Bonds) and any necessary supplements or amendments to either the Preliminary or final Official Statements.
- Section 11(a) - Selection of Manufacturers and Traders Trust Company as bond registrar and paying agent for the Bonds is provided for, and the Mayor is authorized to execute an agreement with such entity.
- Section 12 - The City agrees to deliver a continuing disclosure undertaking in connection with the Bonds as required by SEC Rule 15c2-12 and to comply with the provisions of such undertaking while the Bonds are outstanding (which include the electronic filing with a repository of certain annual financial information and operating data regarding the City and notification of certain specified events; the proposed form of such undertaking will be an appendix to the Preliminary Official Statement). The Mayor is authorized to approve and execute such continuing disclosure undertaking.
- Sections 11(b), 13 and 14 provide for the mechanics of payment of debt service on the Bonds, undertaking the closing on the Bonds, and receipt and application of proceeds of the Bonds.
- Section 15 - The City's full faith and credit and unlimited taxing power are pledged to payment of the Bonds and the City agrees to impose necessary property taxes to pay the Bonds; provided that, to the extent other moneys are lawfully available to pay debt service on the Bonds (including any debt service to be paid in the first instance from the water/sewer fund), the taxes otherwise required to be levied will be reduced proportionately.
- Section 16 – Any one or more of the Mayor, the City Administrator and the Director of Finance are authorized to execute and deliver at closing the tax certificate addressing certain covenants and representations regarding the tax-exempt status of the Bonds, and the City covenants to comply with applicable federal tax code requirements.

- Section 17 – Details how references in the Resolution to certain officials by title shall be construed if any such position is vacant or in the absence, disability or unavailability of the referenced official. Also addresses certain modes of signature.
- Section 18 – Overrides the City’s debt policy to the extent the provisions of the Resolution or the Bonds do not comport with the debt policy.
- Section 19 - The provisions of the Resolution shall be liberally construed in order to effectuate the contemplated transactions.
- Section 20 – The Resolution will be effective immediately upon its adoption by the Council and its approval by the Mayor and is not subject to referendum.
- Exhibit A – The substantially final form of the Bonds.
- Exhibit B – The substantially final form of the Notice of Sale.

