

**COUNCIL OF THE CITY OF ABERDEEN**  
**Ordinance No. 11-O-10**

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2	<b>Introduced By:</b>	<b>Mayor Michael E. Bennett</b>
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4	<b>Date Introduced:</b>	<b>August 8, 2011</b>
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6	<b>Public Hearing:</b>	<b>August 22, 2011</b>
7		
8	<b>Date Adopted:</b>	<b>September 12, 2011</b>
9		
10	<b>Date Effective:</b>	<b>October 2, 2011</b>

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**ORDINANCE NO. 11-O-10**

15 AN ORDINANCE TO AUTHORIZE AND EMPOWER THE CITY OF ABERDEEN, A  
16 MUNICIPAL CORPORATION OF THE STATE OF MARYLAND (THE "CITY"), TO  
17 BORROW, UPON ITS FULL FAITH AND CREDIT, AND TO ISSUE AND SELL ITS  
18 BONDS OR OTHER FORM OF INDEBTEDNESS THEREFORE, IN THE AGGREGATE  
19 PRINCIPAL AMOUNT NOT TO EXCEED TEN MILLION DOLLARS (\$10,000,000) TO BE  
20 ~~DESIGNATED AS "CITY OF ABERDEEN REFUNDING BONDS, SERIES 2011"~~ (THE  
21 "REFUNDING BONDS"), THE PROCEEDS THEREOF TO BE USED FOR THE PURPOSE  
22 OF REFUNDING:  
23 (A) SUCH AMOUNTS OF THE CITY'S INFRASTRUCTURE BOND, 2000 SERIES A AND  
24 SUCH AMOUNTS TO BE REFUNDED (THE "OUTSTANDING 2000 INFRASTRUCTURE  
25 BOND");  
26 (B) SUCH AMOUNTS OF THE CITY'S THE RIPKEN COMPLEX INFRASTRUCTURE  
27 BOND, 2001 SERIES A AND SUCH AMOUNTS TO BE REFUNDED (THE  
28 "OUTSTANDING 2001A RIPKEN COMPLEX INFRASTRUCTURE BOND");  
29 (C) SUCH AMOUNTS OF THE CITY'S THE RIPKEN COMPLEX INFRASTRUCTURE  
30 BOND, SERIES 2001 SERIES B (TAXABLE) AND SUCH AMOUNTS TO BE REFUNDED  
31 (THE "OUTSTANDING 2001B RIPKEN COMPLEX INFRASTRUCTURE BOND");  
32 (D) SUCH AMOUNTS OF THE CITY'S INFRASTRUCTURE BOND, 2002 SERIES B-1  
33 AND SUCH AMOUNTS TO BE REFUNDED (THE "OUTSTANDING 2002 B-1  
34 INFRASTRUCTURE BOND"); AND  
35 (E) SUCH AMOUNTS OF THE CITY'S INFRASTRUCTURE BOND, 2002 SERIES B-2  
36 (THE "OUTSTANDING 2002 B-2 INFRASTRUCTURE BOND")  
37 (THE OUTSTANDING 2000 INFRASTRUCTURE BOND; THE OUTSTANDING 2001A  
38 THE RIPKEN COMPLEX INFRASTRUCTURE BOND; THE OUTSTANDING 2001B THE  
39 RIPKEN COMPLEX INFRASTRUCTURE BOND (TAXABLE); THE OUTSTANDING 2002

1 B-1 INFRASTRUCTURE BOND; AND THE OUTSTANDING 2002 B-2  
2 INFRASTRUCTURE BOND COLLECTIVELY, THE "CITY BONDS SUBJECT TO  
3 REFUNDING").  
4

5 THE MATURITIES OF THE CITY'S BONDS SUBJECT TO REFUNDING MAY BE  
6 DETERMINED BY EXECUTIVE ORDER OF THE MAYOR OF THE CITY OR AN  
7 ADMINISTRATIVE RESOLUTION OF THE CITY COUNCIL OF ABERDEEN ALL IN  
8 ACCORDANCE WITH ARTICLE 23A OF THE ANNOTATED CODE OF MARYLAND, AS  
9 AMENDED, THE CHARTER OF THE MAYOR AND CITY COUNCIL OF ABERDEEN,  
10 AND SECTION 24 OF ARTICLE 31 OF THE ANNOTATED CODE OF MARYLAND, AS  
11 AMENDED, OR AS OTHERWISE PERMITTED BY LAW; PROVIDING THAT THE  
12 PROCEEDS OF THE REFUNDING BONDS SHALL BE USED TO MAKE PAYMENT  
13 UPON ALL SUCH CITY BONDS SUBJECT TO REFUNDING INCLUDING FOR EACH  
14 SUCH ISSUE, WITHOUT LIMITATION, THE PAYMENT OF ANY REDEMPTION  
15 PREMIUM, ANY INTEREST ACCRUED OR TO ACCRUE TO THE DATE OF  
16 REDEMPTION AND THE COSTS OF ISSUING THE REFUNDING BONDS;  
17 PRESCRIBING CERTAIN DETAILS INCIDENT TO THE ISSUANCE AND SALE OF  
18 SUCH REFUNDING BONDS AND AUTHORIZING THE MAYOR OF ABERDEEN BY  
19 EXECUTIVE ORDER TO PROVIDE FOR ADDITIONAL DETAILS INCIDENT THERETO,  
20 INCLUDING, BUT NOT LIMITED TO, SPECIFYING THE MATURITIES OF THE  
21 OUTSTANDING ISSUES OF THE CITY'S BONDS TO BE REDEEMED WITH THE  
22 PROCEEDS OF THE REFUNDING BONDS OF THE CITY AND OTHERWISE  
23 GENERALLY RELATING TO THE ISSUANCE, SALE, DELIVERY AND PAYMENT OF  
24 ANY SUCH CITY BONDS SUBJECT TO REFUNDING; PROVIDING THAT SUCH  
25 INDEBTEDNESS SHALL BE ISSUED UPON THE FULL FAITH AND CREDIT OF THE  
26 MAYOR AND CITY COUNCIL OF ABERDEEN; PROVIDING FOR DISBURSEMENT OF  
27 THE PROCEEDS OF THE SALE OF THE REFUNDING BONDS AND FOR THE LEVYING  
28 OF CHARGES, ASSESSMENTS AND ALL TAXES NECESSARY TO PROVIDE  
29 PAYMENT OF THE PRINCIPAL OF AND INTEREST THEREON; PROVIDING THAT  
30 CERTAIN ADDITIONAL MATTERS MAY BE DETERMINED BY EXECUTIVE ORDER  
31 OF THE MAYOR OF THE CITY, INCLUDING BUT NOT LIMITED TO, AMENDMENTS  
32 OR CHANGES TO THE FORM OF THE REFUNDING BONDS AS APPROVED BY THIS  
33 ORDINANCE, THE FORM OF VARIOUS DOCUMENTS AS ARE NECESSARY TO  
34 IMPLEMENT THE FINANCING AUTHORIZED HEREIN, THE MANNER OF ISSUANCE  
35 AND DELIVERY OF THE REFUNDING BONDS, AND THE PAYMENT OF ALL  
36 NECESSARY EXPENSES IN CONNECTION THEREWITH, THE RATE OR RATES OF  
37 INTEREST TO BE PAID, MATURITY SCHEDULE, REDEMPTION PROVISIONS AND  
38 GENERALLY FOR SUCH OTHER MATTERS AS MAY BE DEEMED APPROPRIATE BY  
39 THE MAYOR AND CITY COUNCIL OF ABERDEEN IN CONNECTION THEREWITH;  
40 PROVIDING FOR THE PUBLIC SALE AND SOLICITATION OF BIDS PURSUANT TO A  
41 NOTICE OF SALE, APPROVED BY EXECUTIVE ORDER OF THE MAYOR OF  
42 ABERDEEN, OR, IF ADVISED BY THE CITY'S FINANCIAL ADVISOR, THE PRIVATE  
43 (NEGOTIATED) SALE OF THE REFUNDING BONDS, OR ANY PORTION THEREOF,

1 FOLLOWING A SOLICITATION OF OFFERS FOR THE PURCHASE OF THE  
2 REFUNDING BONDS; PROVIDING THAT THE REFUNDING BONDS SHALL BE ISSUED  
3 UPON THE FULL FAITH AND CREDIT OF THE MAYOR AND CITY COUNCIL OF  
4 ABERDEEN; GENERALLY PROVIDING FOR AND DETERMINING VARIOUS  
5 MATTERS IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE  
6 REFUNDING BONDS.

7

8

1 RECITALS

2 WHEREAS, the City of Aberdeen, a municipal corporation of the State of Maryland (The  
3 “City”), has heretofore issued its (a) City of Aberdeen Infrastructure Bond, 2000 Series; (b) City  
4 of Aberdeen The Ripken Complex Infrastructure Bond, 2001 Series A; (c) City of Aberdeen The  
5 Ripken Complex Infrastructure Bond, 2001 Series B (Taxable); (d) City of Aberdeen  
6 Infrastructure Bond, 2002 Series B-1; (e) City of Aberdeen Infrastructure Bond, 2002 Series B-2;  
7 and together such other bonds of the City that may be refunded by virtue of the authority of this  
8 Ordinance as specifically provided in a Resolution adopted by the City Council of Aberdeen (the  
9 “Outstanding Bonds”).

10 WHEREAS, the public purposes for which the proceeds of the Outstanding Bonds were  
11 authorized to be spent, the amounts (or maximum amounts) authorized to be spent for each such  
12 public purpose are specified in (or incorporated by reference into) the Bond Issue Authorization  
13 Resolution for each such series specified in Exhibit A, (the “Bond Resolutions”). All terms  
14 defined in Exhibit A shall have the meanings given such terms therein and Exhibit A is  
15 incorporated herein by reference and made a part hereof; and

16 WHEREAS, Section 24 of Article 31 of the Annotated Code of Maryland, as amended  
17 (2005 Repl. Vol. 2009 Supp.) (the “Refunding Act”), provides that a municipal corporation  
18 which has power under any public general or public local law to borrow money and to evidence  
19 the borrowing by the issuance of its general obligation bonds, revenue bonds or other evidences  
20 of obligation by whatever name known or source of funds secured, may issue bonds for the  
21 purpose or refunding any of its bonds then outstanding, including the payment of any redemption

1 premium and any interest accrued or to accrue to the date of redemption, purchase or maturity of  
2 the bonds or other obligations; and

3 WHEREAS, the City is authorized to borrow money and to evidence the borrowing by  
4 the issuance of its general obligation bonds by Article X – E of the Constitution of Maryland, as  
5 amended, Article 23A, Sections 31 through 37, inclusive, of the Annotated Code of Maryland,  
6 Article V, Section 14(k) and Article VIII, Section 18 of the Charter of the City of Aberdeen (the  
7 “Charter”); and

8 WHEREAS, refunding bonds may be issued under the authority of the Refunding Act for  
9 the public purpose of:

10 (a) Realizing savings to issuer in the aggregate cost of debt service on either a direct  
11 comparison or present value basis; or

12 (b) Debt restructuring that:

13 (i) in the aggregate effects such a reduction in the cost of debt service; or

14 (ii) is determined by the governing body to be in the best interests of the  
15 issuer, to be consistent with the issuer’s long-term financial plan, and to realize a final objective  
16 of the issuer including improving the relationship of debt service to a source of payment such as  
17 taxes, assessments, or other charges; and

18 WHEREAS, the Refunding Act further provides that the power to issue refunding bonds  
19 shall be deemed additional and supplemental to the issuer’s existing borrowing power, and the  
20 procedures for the issuance of refunding bonds shall be the same as those applicable to the bonds  
21 or other obligations being refunded, except that refunding bonds may be sold on a negotiated

1 basis without solicitation of bids if the issuer determines in a public meeting that such procedure  
2 is in the public interest; and

3 WHEREAS, based on the findings set forth hereinabove, the City Council of Aberdeen  
4 has determined that it is in the best interest of the City to issue its general obligation refunding  
5 bonds; and

6 WHEREAS, the City Council of Aberdeen has determined that its refunding bonds shall  
7 be issued in the aggregate principal amount not to exceed Ten Million Dollars (\$10,000,000) for  
8 the purpose of refunding the City Bonds Subject to Refunding in whole or in part as set forth in  
9 this Ordinance and pursuant to an administrative resolution or resolutions (the "Resolution") to  
10 be adopted by the City Council of Aberdeen upon Executive Order of the Mayor pursuant to this  
11 Ordinance; and

12 WHEREAS, the City's refunding bonds shall pay the outstanding principal amount due,  
13 the redemption premium (if any), the interest accrued or to accrue to the date of redemption of  
14 the refunded bonds and the costs of issuance of the City's refunding bonds; and

15 WHEREAS, the Refunding Act further provides that, for the purpose of determining  
16 whether refunding bonds issued hereunder are within any debt limitation applicable to an issuer,  
17 the amount of the City Bonds Subject to Refunding shall be subtracted from, and the amount of  
18 such refunding bonds to be issued shall be added to, the aggregate of such issuer's outstanding  
19 bonds; and

20 WHEREAS, the City Council of Aberdeen is hereby authorized to enact an Ordinance  
21 adopted in accordance with the Refunding Act and the charter and other applicable provisions of  
22 law providing for (or setting forth the manner of determining) the issuance and sale, the

1 designation, form, tenor, denomination, maturity or maturities, and the rate or rates of interest  
2 payable upon the City's refunding bonds or other form of indebtedness issued under this  
3 Ordinance; and to levy annually *ad valorem* taxes upon the assessable property within the City  
4 sufficient, together with other taxes and other available funds to provide for the payment of the  
5 interest on and principal or accreted amount of the City's refunding bonds issued under this  
6 Ordinance; and

7 WHEREAS, the proposed refunding bonds and any other form of indebtedness issued  
8 hereunder is within the legal limitations on the indebtedness of the City; and

9 WHEREAS, the final aggregate principal amount of City's refunding bonds together with  
10 certain details of the refunding bonds, including, but not limited to, the form of the refunding  
11 bonds, the form of various documents as are necessary to implement the financing authorized by  
12 this Ordinance, maturity schedule, interest rate or rates, redemption provisions, date of sale, and  
13 purchaser, and appointment of escrow deposit agent as necessary for the Refunding Bonds, shall  
14 be determined pursuant to an Executive Order of the Mayor or a private sale (negotiated)  
15 approved by an Administrative Resolution(s) adopted by the City Council of Aberdeen; and

16 WHEREAS, the Resolution adopted by the City Council of Aberdeen pursuant to this  
17 Ordinance may specify issues of City bonds, in addition to the bonds described in Exhibit A  
18 attached hereto which, by virtue of the authority set forth in this Ordinance and in the Resolution,  
19 may be refunded with the proceeds from the sale of the Refunding Bonds as the City Council of  
20 Aberdeen may determine to be in the best interests of the City.

21 NOW, THEREFORE, in accordance with the provisions of Article 23A and the Charter  
22 and the laws of the State of Maryland:

1 SECTION 1. Be it enacted by the City Council of Aberdeen, that all terms defined in the  
2 foregoing recitals and in Exhibit A hereto shall have the meanings given such terms therein.

3 SECTION 2. Be it further enacted by the City Council of Aberdeen, that it is hereby  
4 found and determined as follows:

5 (a) (i) The City has heretofore issued (a) the Infrastructure Bond, 2000 Series A,  
6 (b) The Ripken Complex Infrastructure Bond, 2001 Series A, (c) The Ripken Complex  
7 Infrastructure Bond, 2001 Series B (Taxable), (d) the Infrastructure Bond 2002, Series B-1 and  
8 (e) the Infrastructure Bond 2002, Series B-2 in the original aggregate principal amounts listed in  
9 Exhibit A hereto for the public purposes and in the amounts (or maximum amounts) for each  
10 such public purpose specified in the Bond Resolutions for such series as set forth in Exhibit B  
11 hereto. The aggregate outstanding principal amount of the City Bonds Subject to Refunding is  
12 also set forth in Exhibit A hereto.

13 (b) Interest rates in the municipal bond market for certain corresponding maturities of  
14 bonds are significantly lower than the rates in existence for certain maturities of the  
15 Infrastructure Bond, 2000 Series A, The Ripken Complex Infrastructure Bond, 2001 Series A,  
16 The Ripken Complex Infrastructure Bond, 2001 Series B (Taxable), the Infrastructure Bond  
17 2002, Series B-1 and the Infrastructure Bond 2002, Series B-2, and the City's financial advisor  
18 has advised the City that it may be able to realize savings in aggregate cost of debt service upon  
19 the City Bonds Subject to Refunding, which are subject to redemption prior to their stated  
20 maturities, in each case on either a direct comparison or a present value basis, by issuing the  
21 City's refunding bonds for the purpose of redeeming all or a portion of the City Bonds Subject to  
22 Refunding, described in Exhibit A hereto, all on the dates and at the redemption prices specified

1 in Exhibit A hereto (or on such other dates and at such other redemption prices as may be  
2 specified in the Resolution) for the purpose of paying any redemption premium, any interest  
3 accrued or to accrue on the date of redemption of the Outstanding Bonds and the costs of issuing  
4 the City's refunding bonds. The City understands that the final determination of savings in the  
5 aggregate cost of debt service for the Outstanding Bonds refunded shall depend on the actual  
6 interest rates available at the time the City's Refunding Bonds are sold and the other terms and  
7 conditions of the sale.

8 (c) It is therefore in the best interest of the City to issue its general obligation  
9 refunding bonds for the purpose of redeeming all or a portion of (a) the City Bonds Subject to  
10 Refunding, as described in Exhibit A and as may be further described in the City Council  
11 Resolution on the dates and at the redemption prices specified in Exhibit A hereto (or on such  
12 other dates or at such other redemption prices as may be specified in the Resolution), and for the  
13 purpose of paying any redemption premium, any interest accrued or to accrue to the date of  
14 redemption of the City Bonds Subject to Refunding and the costs of issuing the Refunding  
15 Bonds, including but not limited to underwriting fees, fees of bond counsel, and forward  
16 purchase agreement fees.

17 (d) The aggregate principal amount of the Refunding Bonds, computed in accordance  
18 with subsection (d) of the Refunding Act, is within the legal limitation on the indebtedness of the  
19 City.

20 (e) In order to achieve the flexibility necessary to structure and market the Refunding  
21 Bonds to maximize the savings to the City, and pursuant to the City's authority under the

1 Refunding Act, it is in the public interest to sell the Refunding Bonds at public sale pursuant to a  
2 Notice of Sale and to provide for the award and sale of the Refunding Bonds to the purchaser  
3 thereof and various other matters relating to the issuance of the Refunding Bonds including,  
4 among other things, the final aggregate principal amount of the Refunding Bonds, the years of  
5 maturity of the Outstanding Bonds which shall be subject to refunding by the Refunding Bonds,  
6 the schedule of maturities of the Refunding Bonds, such revisions to the form of Refunding Bond  
7 (as set forth in Section 4 of this Ordinance) as may be required for sale, the terms and conditions  
8 relating to any optional redemption or mandatory sinking fund redemption, the purchase price of  
9 the Refunding Bonds (which may be either at, above or below par), and the appointment of an  
10 escrow deposit agent for the Refunding Bonds, by the Executive Order of the Mayor or by an  
11 Administrative Resolution, the sale of the Refunding Bonds at private, negotiated sale.

12 (f) The projects financed with the proceeds of the City Bonds Subject to Refunding  
13 are described in Exhibit B, attached hereto.

14 SECTION 3. Be it further enacted by the City Council of Aberdeen, that the City,  
15 pursuant to the authority contained in Sections 31 through 37 of Article 23A of the Annotated  
16 Code of Maryland, (2005 Repl. Vol., 2006 Supp.) the Charter and the Refunding Act, shall  
17 borrow upon the full faith and credit of the City and shall issue and sell upon the full faith and  
18 credit of the City an aggregate principal amount not to exceed Ten Million Dollars (\$10,000,000)  
19 (or such lesser aggregate principal amount as may be specified in an Executive Order of the  
20 Mayor or a Resolution of the City Council) of its bonds in registered form without coupons, such  
21 bonds to be known as “City of Aberdeen Refunding Bonds, Series 2011.

1           SECTION 4. Be it further enacted by the City Council of Aberdeen that the date of issue  
2 of the Refunding Bonds shall be as provided by the Resolution. The Refunding Bonds shall bear  
3 interest at the rate or rates named by the purchaser of the Refunding Bonds at public sale or  
4 private (negotiated) sale as shall hereafter be approved upon written recommendation of the  
5 Mayor and by the Resolution, and said interest, shall be payable semiannually in each of the  
6 years that the bonds are outstanding: provided that in no event shall the term to maturity exceed  
7 thirty (30) years. The Refunding Bonds shall be issued pursuant to the authority of this  
8 Ordinance, and shall be issued in denominations of Five Thousand Dollars (\$5,000) each, or any  
9 integral multiple thereof. The Refunding Bonds shall be numbered from one (1) consecutively  
10 upward in the order of their maturities. The Refunding Bonds shall mature in such serial annual  
11 installments and in such amounts and in such years as shall be approved in the Resolution. The  
12 Refunding Bonds, when issued, shall be executed in the name of the City of Aberdeen, by the  
13 facsimile signature of the Mayor of Aberdeen, and a facsimile of the corporate seal of the City  
14 shall be imprinted on each of the Refunding Bonds attested by the facsimile signature of the  
15 Clerk of the City of Aberdeen and authenticated by the manual signature of a duly authorized  
16 officer of the Bond Registrar (defined in Section 21 of this Ordinance). The facsimiles of said  
17 signature and said seal shall be engraved, printed or lithographed on each of the Refunding  
18 Bonds in accordance with, and pursuant to, the authority of Sections 2-301 through 2-306,  
19 inclusive, of the State Finance and Procurement Article of the Annotated Code of Maryland, as  
20 amended (2010 Repl. Vol). The Refunding Bonds shall be subject to registration as to principal  
21 and interest in the name or names of the owner or owners thereof on books kept for that purpose

1 at the principal office of the Bond Registrar (defined in Section 21 of this Ordinance) and the  
2 principal of the Refunding Bonds shall be payable upon presentation and surrender at the  
3 principal office of the Paying Agent (defined in Section 21 of this Ordinance). Payment of  
4 interest on the Refunding Bonds shall be made by the Paying Agent on each payment date, to  
5 each person appearing on the registration books of the City, maintained by the Bond Registrar, as  
6 the registered owner thereof, by check or draft mailed to each such registered owner at his or her  
7 address as it appears on such registration books. There shall be printed on or delivered with the  
8 Refunding Bonds the text of the approving legal opinion of bond counsel with respect to the  
9 Refunding Bonds. Except as provided hereinafter or in resolutions of the City Council of  
10 Aberdeen adopted prior to the issuance of the Refunding Bonds, the Refunding Bonds shall be in  
11 substantially the following form, which form, together with all covenants and conditions therein  
12 contained, is hereby adopted by the City Council of Aberdeen as and for the form of obligation  
13 to be incurred by the City of Aberdeen (unless the City Council of Aberdeen shall determine by  
14 Resolution that the Refunding Bonds shall be issued in book-entry form), and said covenants and  
15 conditions, including the promise to pay therein contained, are hereby made binding upon the  
16 City of Aberdeen, in accordance with the endorsement on said Refunding Bonds:  
17

1 UNITED STATES OF AMERICA  
2 ABERDEEN, MARYLAND  
3 CITY OF ABERDEEN  
4 REFUNDING BONDS, SERIES 2011  
5

6  
7 Interest Rate                      Dated Date                      Maturity Date                      CUSIP  
8

9  
10 \_\_\_\_\_, 2011                      \_\_\_\_\_,  
11

12 Registered Owner:

13  
14 Principal Sum: \_\_\_\_\_ (Dollars)  
15 (\$ \_\_\_\_\_)  
16

17  
18 CITY OF ABERDEEN, a body politic and corporate, organized and existing under the  
19 Constitution and laws of the State of Maryland (the "City"), hereby acknowledges itself indebted  
20 and, for value received, promises to pay to the Registered 'Owner of this bond as set forth above,  
21 or registered assignee, the Principal Sum shown hereon on the Maturity Date shown hereon (or  
22 earlier as provided herein) upon presentation and surrender of this bond and to pay interest  
23 thereon, from the interest payment date next preceding the date of registration and authentication  
24 of this bond, unless this bond is registered and authenticated as of an interest payment date, in  
25 which case it shall bear interest from such interest payment date, or unless this bond is registered  
26 and authenticated prior to \_\_\_\_\_, 2011, in which event this bond shall bear interest from  
27 \_\_\_\_\_, 2011 unless, as shown by the records of the Bond Registrar (herein defined)  
28 interest on this bond shall be in default, in which event this bond shall bear interest from the date  
29 on which interest was last paid on this bond at the Interest Rate per annum shown hereon until  
30 payment of said principal, such interest to the maturity hereof being payable on \_\_\_\_\_,  
31 2012, and semiannually thereafter on the first days of \_\_\_\_\_ and \_\_\_\_\_ in  
32 each year by check or draft of the Paying Agent hereinafter described mailed to the registered  
33 owners thereof as interest becomes due and payable.  
34

35 Both the principal of and interest and premium, if any on this bond will be paid in lawful  
36 money of the United States of America, at the time of payment. Payment of the principal of and  
37 premium, if any, on this bond shall be made upon presentation and surrender hereof at the  
38 principal office of \_\_\_\_\_, Maryland ("Paying Agent"). Payment of  
39 interest on this bond shall be made by the Paying Agent on each interest payment date to the  
40 person appearing on the registration books of the City maintained by the Bond Registrar as the  
41 registered owner hereof, by check or draft mailed to such registered owner at his or her address  
42 as it appears 'on such registration books.  
43

1 This bond shall be registered as to principal and interest in the name of the owner on the  
2 registration books kept for that purpose at the principal office of \_\_\_\_\_,  
3 Maryland ("Bond Registrar"), and such registration shall be noted on the back of this bond, after  
4 which no transfer hereof shall be valid unless made on the said registration books by the  
5 registered owner hereof in person or by his duly authorized attorney, and similarly noted on this  
6 bond. The City, Bond Registrar and Paying Agent may deem and treat the person in whose  
7 name this bond is registered as the absolute owner hereof for all purposes. This bond, upon  
8 surrender hereof at the principal office of the Bond Registrar with a written instrument of  
9 transfer satisfactory to the Bond Registrar, duly executed by the registered owner hereof or his  
10 duly authorized attorney, may, at the option of the registered owner hereof, be exchanged for an  
11 equal aggregate principal amount of Bonds (hereinafter defined) of authorized denominations  
12 and of the same form and tenor as this bond. For every such exchange or transfer of Bonds, the  
13 City or the Bond Registrar shall make a charge for any tax or other governmental charge required  
14 to be paid with respect to such exchange or transfer as a condition precedent to the exercise of  
15 such privilege. The Bond Registrar shall not be obligated to make any such exchange or transfer  
16 of Bonds during the 15 days next preceding an interest payment date on the Bonds, or in case of  
17 any proposed redemption of the Bonds, during the 15 days next preceding the date of the  
18 publication of notice of such redemption. The Bond Registrar shall not be required to make any  
19 transfer or exchange of any bonds called for redemption.  
20

21 The bond is one of a duly authorized issue or series of bonds aggregating \_\_\_\_\_  
22 Dollars (\$\_\_\_\_\_) in principal amount, all dated as of \_\_\_\_\_, 2011 and known as "City  
23 of Aberdeen Refunding Bonds, Series 2011" (the "Bonds"). The Bonds shall be issued as fully  
24 registered bonds without coupons in denominations of Five Thousand Dollars (\$5,000) or any  
25 integral multiple thereof. The Bonds mature serially in installments on the first day of  
26 \_\_\_\_\_ in each of the years \_\_\_ to \_\_\_, inclusive, as follows: \_\_\_\_\_. The  
27 Bonds are numbered from one (1) consecutively upwards in the order of their maturities, are of  
28 like tenor except as to maturity, number and interest rate, are issued pursuant to and in full  
29 conformity with the provisions of the Charter of the City of Aberdeen, as amended, and by virtue  
30 of due proceedings had and taken by the City Council on Aberdeen, particularly an Ordinance  
31 enacted on \_\_\_\_\_, 2011, entitled Ordinance No. 11-\_\_ and a Resolution adopted on  
32 \_\_\_\_\_.  
33

34 The full faith and credit and unlimited taxing power of the City is pledged to the  
35 punctual payment of the principal of and interest on this bond according to its terms, and the City  
36 covenants and agrees punctually to pay the principal of this bond and the interest thereon, at the  
37 dates and in the manner mentioned herein.  
38

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

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It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened and to be performed precedent to and in the issuance of this bond, does exist, has been done, has happened and has been performed in full and strict compliance with the Constitution and laws of the State of Maryland, the Charter of the City of Aberdeen and the Ordinance and Resolution above referred to, and that the issue of bonds of which this is one, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and laws of said State and the Charter of the City of Aberdeen, and that due provision has been made for the levy and collection, if and when necessary, of an annual *ad valorem* tax or taxes upon all the legally assessable property within the corporate limits of the City, as prescribed by law, in rate and amount sufficient to provide for the payment, when due, of the interest on and the principal of this bond.

In any case where any date of payment of principal of, premium (if any), or interest on this bond, or the date fixed for any redemption of this bond, shall be a Saturday, Sunday or legal holiday observed by the City, then payment of such principal, premium (if any), or interest need not be made on such date but may be made on this next succeeding day which is not a Saturday, Sunday or legal holiday observed by the City with the same force and effect as if made on the date of payment or the date fixed for redemption.

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

IN WITNESS WHEREOF the City of Aberdeen, has caused this bond to be executed in its name by the facsimile signature of the Mayor, which signature has been imprinted hereon, and has also caused a facsimile of its corporate seal to be imprinted hereon, attested by the facsimile signature of the Clerk, all as of the \_\_\_\_\_ day of \_\_\_\_\_, 2011.

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Attest:

CITY OF ABERDEEN

\_\_\_\_\_  
Clerk

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

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

CERTIFICATE OF AUTHENTICATION

This bond is one of the registered bond of City of Aberdeen  
Refunding Bonds, Series 2011

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

[Form of Registration]

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

<u>Date of Registry</u>	<u>Name of Registered Holder</u>	<u>Registered By</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

ASSIGNMENT

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

\_\_\_\_\_ (please insert name and address of the assignee)

(Tax Identification or Social Security No. \_\_\_\_\_) the within bond, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: \_\_\_\_\_

Signature guaranteed:

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

1 NOTICE: Signature must be guaranteed  
2 by a member firm of the New York  
3 Stock Exchange or a commercial bank  
4 or trust company  
5  
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8

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

9 [Form of Certification of Legal Opinion  
10 to appear on panel to left of Filing Back]  
11  
12

13 IT IS HEREBY CERTIFIED that the following is a true and correct copy of the complete  
14 approving legal opinion of Royston, Mueller, McLean & Reid, LLP, Towson, Maryland, with  
15 respect to the issue of bonds, of which this bond is one, that the original of said opinion was  
16 manually executed, dated and issued as of the date of delivery of, and payment for, said issue of  
17 bonds and that an executed copy thereof is on file with the Paying Agent.  
18

19  
20 (Here insert text of legal opinion  
21 relating to this issue of bonds.)  
22  
23  
24

1 SECTION 5. Be it further enacted by the City Council of Aberdeen, that the Refunding  
2 Bonds shall bear interest at the rate or rates for such Refunding Bonds to be established by public  
3 sale, approved by Executive Order of the Mayor in accordance with Section 11 of this  
4 Ordinance, and such interest shall be payable semi annually or annually in each year until  
5 maturity, and on the maturity or redemption date thereof, until and including the date of maturity  
6 or earlier redemption; provided that such interest payment dates may be changed by  
7 Administrative Resolution of the City Council.

8 Each Refunding Bond shall bear interest from the interest payment date next preceding  
9 the date of registration and authentication of such Refunding Bond, unless such Refunding Bond  
10 is registered and authenticated on an interest payment date, in which case it shall bear interest  
11 from such interest payment date, or, unless authenticated prior to the first interest payment date,  
12 in which case it shall bear interest from the date of issuance of the Refunding Bonds, or unless,  
13 as shown by the records of the Bond Registrar, interest on such Refunding Bond shall be in  
14 default, in which event such Refunding Bond shall bear interest from the date to which interest  
15 was last paid on such Refunding Bond. Interest shall accrue from the date of issuance of the  
16 Refunding Bonds until the maturity date thereof at the interest rate or rates for such Refunding  
17 Bonds to be established by negotiation (unless the Refunding Bonds are sold at public sale  
18 and/or by competitive bid) in accordance with Section 11 of this Ordinance, and shall be  
19 compounded semiannually each year until maturity, and shall be payable on the maturity date  
20 thereof; provided that such dates may be changed by the Resolution.

21 SECTION 6. Be it further enacted by the City Council of Aberdeen, that prior to the  
22 issuance, sale and delivery of any bonds, bond anticipation notes, or any other evidences of

1 indebtedness, pursuant to this Ordinance, the Mayor of the City by Executive Order or the City  
2 Council of Aberdeen shall (without limitation) determine administratively in the Resolution:

3 (a) the substantially final form of instruments or agreements by which the debt or  
4 financing authorized herein shall be evidenced (including, but not limited to, bonds, bond  
5 anticipation notes, trust agreements and trust indentures;

6 (b) the manner, if any, by which any indebtedness or financing shall be secured in  
7 addition to a pledge of the full faith and credit and unlimited taxing power of the City;

8 (c) the principal amounts, rate or rates of interest or method of determining such rate  
9 or rates, date, denominations, maturity payment provisions and prepayment, tender and/or  
10 redemption provisions (if any) and other terms and conditions thereof;

11 (d) the maturities and amounts of the Outstanding Bonds to be redeemed;

12 (e) the substantially final form and contents and consent to the distribution (and shall

13 authorize the execution and delivery, where applicable) of various agreements and documents as  
14 are necessary to implement the financing authorized herein, including, but not limited to, a  
15 Preliminary Official Statement and/or an Official Statement, a Notice of Sale, a solicitation of  
16 offers for purchase of the Refunding Bonds by prospective purchasers of the Refunding Bonds, a  
17 Purchase Contract with the underwriter(s) selected, and if any indebtedness is determined by the  
18 Resolution, to be issued in book entry form, securities depository agreements (collectively the  
19 "Documents"), required for the issuance, sale and delivery of any evidence of indebtedness or  
20 the completion of the financing authorized herein, which Documents shall contain such  
21 provisions as may be required by law or to consummate the financing authorized herein;

1 (f) the details of a public sale of the Refunding Bonds after competitive bid, if the  
2 Mayor of the City, by Executive Order, or the City Council of Aberdeen shall determine that  
3 such public sale (rather than the manner of sale set forth in Section 11 of this Ordinance) is in the  
4 best interests of the City;

5 (g) the manner in which any evidence of indebtedness authorized for issuance by this  
6 Ordinance shall be executed, sealed and attested (which may be by facsimile signature and/or  
7 seal) if different from the provisions of this Ordinance;

8 (h) provision for the payment of all necessary expenses of preparing, printing and  
9 selling any evidence of indebtedness and the Documents including, without limitation, any and  
10 all costs, fees and expenses incurred by or on behalf of the City in connection with the  
11 authorization, issuance, sale and delivery of any bonds or notes, and all costs incurred in  
12 connection with the development of the Documents, including the fees of counsel to the City and

13 compensation to any persons (other than full-time employees of the City) or entities performing  
14 services for or on behalf of the City in connection therewith and in connection with all other  
15 transactions contemplated by this Ordinance regardless of whether the proposed financing is  
16 consummated;

17 (i) the manner in which the payment of the purchase price of the Refunding Bonds  
18 deposited with the Director of Finance shall be transferred for deposit in trust with a trust  
19 company or other banking institution as trustee (the "Escrow Deposit Agent") as determined in  
20 the Resolution; such Escrow Deposit Agent to apply all or part of the funds so deposited to the  
21 purchase of direct obligations of, or obligations the timely payment of the principal of and the  
22 interest on which is unconditionally guaranteed by, the United States of America, or,

1 alternatively, if approved by bond counsel and the City's Financial Advisor, the open market  
2 purchase of tax exempt bonds, the principal of and interest on which shall be sufficient to pay in  
3 a timely manner all or a part of the principal of and redemption premium, if any, and interest on,  
4 such of the Outstanding Bonds as may be identified in the Resolution.

5 (j) such other matters in connection with the consummation of the financing  
6 transactions contemplated by this Ordinance as may be deemed appropriate by the City Council  
7 of Aberdeen, including (without limitation) the appointment of agents (including, but not limited  
8 to, trustees, paying agents, indexing agents and/or registrars) in connection with the financing,  
9 the execution, acknowledgment, sealing and delivery of such other and further agreements,  
10 documents and instruments, and the authorization of the officials of the City to take any and all  
11 actions as are or may be necessary or appropriate to consummate the transactions contemplated  
12 by this Ordinance in accordance with the terms hereof and of the Resolution. The Resolution

13 shall be deemed to be of an administrative nature and shall be effective upon the date specified in  
14 the Resolution.

15 (k) Provide for sale of the Bonds at a future date pursuant to a forward purchase  
16 agreement to be entered into by the City and appropriate underwriter and/or investment banking  
17 firm or financial institution as determined by the Mayor in his sole and absolute discretion.

18 SECTION 7. Be it further enacted by the City Council of Aberdeen, that the term  
19 "Outstanding Bonds" as described in this Ordinance shall be deemed to refer to the (a) the  
20 outstanding Infrastructure Bond, 2000 Series A, (b) outstanding The Ripken Complex  
21 Infrastructure Bond, 2001 Series A, (c) outstanding The Ripken Complex Infrastructure Bond,  
22 2001 Series B (Taxable), (d) outstanding Infrastructure Bond 2002, Series B-1 and (e)

1 outstanding Infrastructure Bond 2002, Series B-2, and such additional issues of the City's bonds  
2 (if any) as the Resolution may specify to be redeemed with the proceeds of the Refunding Bonds,  
3 including payment of redemption premiums and interest accrued, or to accrue to the date of  
4 redemption, purchase, or maturity of such additional issues of the City's bonds.

5 SECTION 8. Be it further enacted by the City Council of Aberdeen, that authority is  
6 hereby conferred respectively on the Mayor of the City, the City Manager, the Director of  
7 Finance, and the City Attorney, or any of them, and they are hereby directed to take the  
8 following actions on behalf of the City:

9 (a) to execute, acknowledge, seal and deliver the Documents substantially in the  
10 forms determined administratively by the City Council of Aberdeen in the Resolution; and

11 (b) to execute, acknowledge, seal and deliver such other and further certificates,  
12 certifications, agreements, documents and instruments and take such other actions as they or any

13 one or more of them may deem necessary or appropriate to consummate the transactions  
14 contemplated by this Ordinance in accordance with the provisions hereof and of the Resolution.

15 SECTION 9. Be it further enacted by the City Council of Aberdeen, that the Director of  
16 Finance, or his authorized deputy, is hereby authorized and empowered to prepare and distribute  
17 copies of the Documents to any person who may, in his judgment, be interested in participating  
18 in the financing described in this Ordinance or who may request the same or information with  
19 respect thereto; provided, however, that any preliminary official statement and related material  
20 shall be clearly marked to indicate that they are subject to completion and amendment.

21 SECTION 10. Be it further enacted by the City Council of Aberdeen, that, all evidences  
22 of indebtedness issued pursuant to this Ordinance shall be secured by the pledge of the full faith

1 and credit and unlimited taxing power of the City, and the City shall levy or cause to be levied in  
2 all fiscal years in which any such evidences of indebtedness are outstanding, upon all legally  
3 assessable property within its corporate limits, *ad valorem* taxes in rate and amount sufficient to  
4 provide or the payment, when due, of all payments due with respect to such financing in each  
5 such fiscal year. If the proceeds from the taxes so levied in any such fiscal year are inadequate  
6 for such payment, additional taxes shall be levied in the succeeding fiscal year to make up such  
7 deficiency. The City covenants and agrees with the holders or obligees, from time to time, of any  
8 Refunding Bond or any other evidences of indebtedness issued pursuant to this Ordinance to levy  
9 and collect the taxes hereinabove described and to take any further action that may be  
10 appropriate from time to time during the period that such financing obligations remain  
11 outstanding and unpaid to provide the funds necessary to pay the same promptly when due.

12 SECTION 11. Be it further enacted by the City Council of Aberdeen that the Refunding  
13 Bonds may each be sold for a price at par, plus accrued interest to the date of delivery. The  
14 Refunding Bonds shall each be sold by competitive bid at public sale, unless the City Council  
15 approves by Administrative Resolution, the sale of the Refunding Bonds on a negotiated basis  
16 without solicitation of bids pursuant to the City's authority under the Refunding Act, and such  
17 procedure for the sale of the Refunding Bonds is hereby determined to be in the public interest.

18 SECTION 12. Be it further enacted by the City Council of Aberdeen, that the City  
19 Council of Aberdeen hereby declares that it is in the public interest of the City that the issuance,  
20 sale and delivery of the Refunding Bonds be exempt from the provisions of Section 9, 10 and 11  
21 of Article 31 of the Annotated Code of Maryland, as amended.

1 SECTION 13. And be it further enacted by the City Council of Aberdeen that the City  
2 intends to provide funds for payment of principal of, premium (if any) and interest on the City  
3 Bonds Subject to Refunding to the extent the proceeds thereof were used to finance water and  
4 sewer projects (collectively the “Maturities of the City’s Bonds Subject to Refunding Issued to  
5 Finance Water and Sewerage Systems”), or other indebtedness from certain funds related to  
6 operation of the water and sewerage systems of the City. These funds include area connection  
7 charges, special assessments, user surcharges, certain depreciation reserves relating to  
8 depreciation of the water and sewerage systems, a portion of the recordation tax levied by the  
9 City with respect to recordation of interests in real property located within the City, and earnings  
10 on the above-described funds.

11 To the extent any of the above-described funds are specifically designated for payment of  
12 debt service on Maturities of the City’s Bonds Subject to Refunding Issued to Finance Water and  
13 Sewerage Systems by the legislation or resolution establishing the tax, assessment, surcharge or  
14 other source of revenue so designated, and so long as such tax, assessment, surcharge or other  
15 revenue source remains so designated and levied by the City, the City hereby covenants to apply  
16 all such designated revenues to payments of debt service on Maturities of the City’s Bonds  
17 Subject to Refunding Issued to Finance Water and Sewer Systems.

18 In the event that the funds described in this Section related to the operation of the Water  
19 and Sewer Systems of the City are insufficient to pay the principal of, premium (if any) and  
20 interest on the portion of the Refunding Bonds, the proceeds of which are used to redeem the  
21 Bonds Subject to Refunding Issued to Finance Water and Sewerage Systems, the full faith and  
22 credit and unlimited taxing power of the City of Aberdeen are irrevocably pledged to the

1 payment of such principal, premium (if any) and interest on the Refunding Bonds as hereinafter  
2 provided.

3 SECTION 14. Be it further enacted by the Mayor and the City Council of Aberdeen  
4 hereby authorizes (a) the appointment of an underwriter (the "Underwriter") to be determined by  
5 executive order of the Mayor in connection with the sale of the Refunding Bonds, and (b) the  
6 payment by the City to the Underwriter out of the proceeds of the sale thereof or otherwise for  
7 services rendered in connection therewith, in an amount not to exceed a percentage of the  
8 principal amount of such financing, such percentage to be determined in the Resolution.

9 SECTION 15. Be it further enacted by the City Council of Aberdeen, that the Mayor is  
10 hereby authorized and empowered for and on behalf of the City:

11 (a) to determine whether the City Bonds Subject to Refunding, shall be refunded  
12 currently or in advance and to select the maturities of the bonds to be refunded, at anytime before  
13 or prior to the closing for the sale of the Refunding Bonds;

14 (b) to cause the preparation, printing, execution and delivery of the Documents, each  
15 substantially in the form presented to the City Council of Aberdeen, with such modifications,  
16 supplements or amendments thereto as may be recommended by counsel; and

17 (c) to do all such things as may be necessary or desirable in the opinion of the Mayor  
18 in connection therewith.

19 SECTION 16. Be it further enacted by the City Council of Aberdeen, that, upon written  
20 recommendation of the Mayor, the City Council of Aberdeen may, at any time, prior to the  
21 execution of a purchase agreement with the Underwriter for the purchase of the Refunding  
22 Bonds, by resolution(s) of the City Council of Aberdeen, administrative in nature, change the

1 date of sale, the date of bid opening, the dates of maturity or redemption of the Refunding Bonds,  
2 the amount of the Refunding Bonds to be sold (so long as the principal amount does not exceed  
3 the maximum principal amount of the Refunding Bonds permitted under this Ordinance) and the  
4 amount(s) of Refunding Bonds maturing in each year, the years of maturity of the Outstanding  
5 Bonds to be, refunded, the interest payment dates of the Refunding Bonds, appoint paying agents  
6 and/or registrars for the bonds, the solicitation for sale, whether ownership of the Refunding  
7 Bonds shall be maintained in book entry or certificated bond form, and the terms of sale of the  
8 Refunding Bonds.

9 SECTION 17. Be it further enacted by the City Council of the City of Aberdeen that,  
10 subsequent to the execution of the purchase agreement between the City and the Underwriter and  
11 upon written recommendation of the Mayor, the interest rate or rates payable thereon shall be  
12 fixed by a Resolution in accordance with the terms and conditions of the sale of the Refunding  
13 Bonds. The Refunding Bonds shall thereupon be suitably printed or engraved and duly executed  
14 and delivered to the Underwriter in accordance with the conditions of delivery as shall be set  
15 forth in the purchase agreement. The proceeds of the sale of the Refunding Bonds, including any  
16 premium and accrued interest received therefore, shall be paid to the Department of the Treasury  
17 of City of Aberdeen and shall be deposited in a special account of the City of Aberdeen. The  
18 City of Aberdeen may, at its option, deduct from the gross proceeds received from the sale of the  
19 Refunding Bonds the cost of issuing the same, including the cost of advertising, printing and  
20 professional fees (including legal) and expenses. There shall be deducted from the total gross  
21 proceeds. received from the sale of the Refunding Bonds the amount received on account of  
22 accrued interest on the Refunding Bonds, which amount shall be set apart by the Director of

1 Finance of the City of Aberdeen in a special fund and applied to the first maturing interest  
2 payment of the Refunding Bonds, The balance of the proceeds of the sale of the Refunding  
3 Bonds shall be expended for the purposes set forth in this Ordinance, and in the Resolution. If  
4 the funds derived from the sale of the Refunding Bonds shall exceed the amount needed to  
5 refund the City Bonds Subject to Refunding, the excess funds so borrowed and not expended by  
6 the City Council of Aberdeen shall be applied by the City in payment of the next principal  
7 maturity of the Refunding Bonds, unless the City Council of Aberdeen shall adopt a resolution or  
8 ordinance allocating said excess funds for such purposes as may be permitted by then applicable  
9 law.

10 SECTION 18. Be it further enacted by the City Council of Aberdeen, that for the purpose  
11 of paying the interest on, premium (if any) and principal of the Refunding Bonds authorized by  
12 this Ordinance, there is hereby levied and there shall hereafter be levied in each fiscal year that  
13 any of the Refunding Bonds are outstanding, *ad valorem* taxes on real and tangible personal  
14 property and intangible property subject to taxation by the City without limitation on rate or  
15 amount; and, in addition, upon such other intangible property as may be subject to taxation by  
16 the City within limitations prescribed by law, in an amount sufficient together with funds  
17 available from other sources, to pay the annual interest on the Outstanding Bonds and to redeem  
18 the Outstanding Bonds maturing during the succeeding year; and the full faith and credit and the  
19 unlimited taxing power of the City are hereby irrevocably pledged to the punctual payment of the  
20 principal of (or accreted amount) premium (if any) and interest on the Refunding Bonds as and  
21 when they mature. The City of Aberdeen, by the passage of this Ordinance hereby covenants and  
22 agrees properly and promptly to perform all of the respective acts and duties defined in this

1 Ordinance for the levy and collection of the aforesaid *ad valorem* tax upon all the assessable  
2 property within the corporate limits of Aberdeen, as the levy and collection of such a tax  
3 becomes necessary in order to meet the debt service requirements of the Refunding Bonds. By  
4 this Ordinance, the City of Aberdeen agrees to take all action it may be legally authorized and  
5 empowered to take in order to enforce, in any year in which any of the Refunding Bonds are  
6 outstanding, the guarantee of such Refunding Bonds by the City of Aberdeen.

7 SECTION 19. Be it further enacted by the City Council of Aberdeen that the City  
8 covenants and agrees with the registered owners from time to time of the Refunding Bonds as  
9 follows:

10 (a) The City covenants that it will not make any use of the proceeds of any of the  
11 Refunding Bonds or any moneys, securities or other obligations on deposit to the credit of the  
12 City or otherwise which may be deemed by the Internal Revenue Service to be proceeds of any  
13 of the Refunding Bonds pursuant to the Internal Revenue Code of 1986, as amended, and Income  
14 Tax Regulations thereunder (collectively, the "Code"), which would cause any of the Refunding  
15 Bonds to be "arbitrage bonds" or "private activity bonds" within the meaning of the Code.

16 (b) The City further covenants that it will comply with those provisions of the Code  
17 which are applicable to the Refunding Bonds on the date of issuance of the Refunding Bonds and  
18 which may subsequently lawfully be made applicable to the Refunding Bonds. To the extent that  
19 provisions of the Code apply to only a portion of the Bonds, proceeds of the Bonds or other  
20 moneys, securities or other obligations deemed to be proceeds, it is intended that the covenants  
21 of the City contained in this Section 19 be construed so as to require the City to comply with the  
22 provisions of the Code only to the extent of such applicability.

1 (c) The City further covenants that it will not (i) take any action, (ii) fail to take any  
2 action, or (iii) make any use of the proceeds of any of the Refunding Bonds which would cause  
3 the interest on any of the Refunding Bonds to be or become subject to federal income taxes in the  
4 hands of the registered holders of any of the Refunding Bonds, unless and except for any  
5 Refunding Bonds which are designated as “taxable”.

6 SECTION 20. Be it further enacted by the City Council of Aberdeen, that the Refunding  
7 Bonds shall be executed and attested in the manner described in this Ordinance. In the event that  
8 any officer whose signature shall appear on the Refunding Bonds shall cease to be such officer  
9 before the delivery of the Refunding Bonds, such signature shall nevertheless be valid and  
10 sufficient for all purposes, the same as if such officer had remained in office until delivery.

11 SECTION 21. Be it further enacted by the City Council of Aberdeen, that the Director of  
12 Finance is hereby designated and appointed as bond registrar, paying agent and authenticating  
13 agent for the Refunding Bonds (the “Bond Registrar”); provided, however, upon Executive  
14 Order of the Mayor and Administration Resolution of the City Council, a bank or trust company  
15 may be appointed as paying agent and/or registrar. The Bond Registrar shall maintain books of  
16 the City for the registration and transfer of the Refunding Bonds. No Refunding Bonds may be  
17 registered to’ bearer. In addition, the City may from time to time, either prior to or following the  
18 issuance of the Refunding Bonds, designate and appoint the Department of the Treasury of the  
19 City, any officer or employee of the City or one or more banks, trust companies, corporations or  
20 other financial institutions to act as a substitute or alternate bond registrar, paying agent or  
21 authenticating agent for the Refunding Bonds, and any such substitute or alternate shall be  
22 deemed to be the Bond Registrar or an alternate Bond Registrar for all purposes specified in the

1 resolution appointing such substitute or alternate. Any such appointment shall be made by the  
2 City Council of Aberdeen by resolution, and the exercise of such power of appointment, no  
3 matter how often, shall not be an exhaustion thereof.

4 SECTION 22. Be it further enacted by the City Council of Aberdeen that the Refunding  
5 Bonds shall be authenticated and shall be subject to registration, exchange and transfer as  
6 follows:

7 (a) No Refunding Bond shall be valid or obligatory for any purpose unless and until  
8 the certificate of authentication therefore shall have been duly executed by the Bond Registrar,  
9 and such executed certificate of the Bond Registrar upon any such Refunding Bond shall be  
10 conclusive evidence that such Refunding Bond has been authenticated and delivered pursuant to  
11 this Ordinance. The Bond Registrar's certificate of authentication on any Refunding Bond shall  
12 be deemed to have been executed by it if manually signed by an authorized signer of the Bond  
13 Registrar, but it shall not be necessary that the same person sign the certificate of authentication  
14 on all of the Refunding Bonds issued hereunder.

15 (b) Each Refunding Bond shall be transferable only upon the books of the City  
16 maintained by the Bond Registrar, at the written request of the registered owner thereof or his  
17 attorney duly authorized in writing. Any such transfer of such Refunding Bond shall be made,  
18 upon surrender thereof, together with a written instrument of transfer satisfactory to the Bond  
19 Registrar duly executed by the registered owner or his attorney duly authorized in writing. Upon  
20 the surrender for transfer of any Refunding Bond, the City shall issue, and the Bond Registrar  
21 shall authenticate, in the name of the transferee, in authorized denominations, a new Refunding  
22 Bond or Refunding Bonds of the same aggregate principal amount and of the same form and

1 tenor as the surrendered Refunding Bond. If any Refunding Bond is presented for such purpose  
2 at the principal office of the Bond Registrar, the Bond Registrar shall register or cause to be  
3 registered in the Bond Registrar and permit to be transferred thereon, under such reasonable  
4 regulations as the City or the Bond Registrar may prescribe, any Refunding Bond entitled to  
5 registration or transfer. So long as any of the Refunding Bonds remain outstanding, the City shall  
6 cooperate in making all necessary provisions to permit the exchange of Refunding Bonds at the  
7 principal office of the Bond Registrar.

8 The City and the Bond Registrar may deem and treat the person in whose name any  
9 Refunding Bond shall be registered upon the books of the City as the absolute owner of such  
10 Refunding Bond, whether such Refunding Bond shall be overdue or not, for the purpose of  
11 receiving payment of, or on account of, the principal or accreted amount of and premium, if any,  
12 and interest on such Refunding Bond and for all other purposes, and all such payments so made  
13 to any such registered owner or, upon his order shall be valid and effectual to satisfy and  
14 discharge the liability upon such Refunding Bond to the extent of the sum or sums so paid, and  
15 neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

16 In all cases in which the privilege of exchanging Refunding Bonds or transferring  
17 Refunding Bonds is exercised, the City shall execute, and the Bond Registrar shall authenticate  
18 and deliver, Refunding Bonds in accordance with the provisions of this Ordinance. All  
19 Refunding Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by  
20 the Bond Registrar. For every such exchange or transfer of Refunding Bonds, the City or the  
21 Bond Registrar shall make a change for any tax or other governmental charge required to be paid  
22 with respect to such exchange or transfer. Such charge shall be paid by the person requesting

1 such exchange or transfer as a condition precedent to the exercise of the privilege of making such  
2 exchange or transfer. The Bond Registrar shall not be obligated to make any such exchange or  
3 transfer of Refunding Bonds during the 15 days next preceding an interest payment date on the  
4 Refunding Bonds, or in case of any proposed redemption of the Refunding Bonds, during the 15  
5 days next preceding the date of the mailing or delivery of notice of such redemption. The Bond  
6 Registrar shall not be required to make any transfer or exchange of any Refunding Bonds called  
7 for redemption.

8 (c) In the event any Refunding Bond is mutilated, lost, stolen or destroyed, the City  
9 may execute, and the Bond Registrar may authenticate, a new Refunding Bond of like date,  
10 maturity, interest rate and denomination as that of the Refunding Bond mutilated, lost, stolen or  
11 destroyed; provided that, in the case of any mutilated Refunding Bonds, such mutilated  
12 Refunding Bonds shall first be surrendered to the Bond Registrar, and in the case of any lost,  
13 stolen or destroyed Refunding Bond, there shall be first furnished to the City and the Bond  
14 Registrar evidence of such loss, theft or destruction satisfactory to the City and the Bond  
15 Registrar, together with indemnity satisfactory to them In the event any such Refunding Bond  
16 shall be about to mature or have matured or been called for redemption, instead of issuing a  
17 duplicate Refunding Bond, the Bond Registrar may pay the same without surrender thereof. The  
18 City and the Bond Registrar may charge the registered owner of such Refunding Bond their  
19 expenses and reasonable fees, if any, in this connection.

20 SECTION 23. Be it further enacted by the City Council of Aberdeen, that:

21 (a) Certain of the Refunding Bonds may be subject to redemption prior to maturity.  
22 The Refunding Bonds so subject to redemption, if any, the redemption dates, the redemption

1 prices, and the method of choosing Refunding Bonds to be redeemed upon a partial redemption,  
2 shall be specified in an Executive Order of the Mayor, based upon the advice of the City's  
3 Financial Advisor.

4 (b) Unless notice of redemption shall be waived in writing by the registered owners  
5 of the Refunding Bonds to be redeemed, a notice calling for redemption of the Refunding Bonds  
6 to be redeemed shall be mailed by the Bond Registrar, not less than 30 days nor more than 45  
7 days, prior to the date fixed for redemption (the "Redemption Date"), (i) to all registered owners  
8 of the Refunding Bonds to be redeemed (in whole or in part), at their addresses appearing on the  
9 registration books kept by the Bond Registrar, by first-class mail, postage prepaid; and (iii) (A)  
10 to The Depository Trust Company, Midwest Securities Trust Company, Pacific Securities  
11 Depository Trust Company, Philadelphia Depository Trust Company, and any other registered  
12 securities depository hereafter established, and their respective successors and assigns, if any, by  
13 certified or registered mail or overnight delivery service, and (B) to at least two national  
14 information services that disseminate redemption notices, by certified or registered mail or  
15 overnight delivery service; but failure to mail or deliver any such notice or any defect in the  
16 notice so mailed or delivered, or in the mailing or delivery thereof, shall not affect the validity of  
17 any redemption proceedings. Such notice shall specify numbers, CUSIP numbers and maturities  
18 of the Refunding Bonds to be redeemed (in whole or in part), which statement of numbers may  
19 be from one number to another, inclusive, the Redemption Date and redemption price, and shall  
20 further state that, on the Redemption Date, the Refunding Bonds called for redemption will be  
21 due and become payable at the office of the Bond Registrar, and that, from and after the  
22 Redemption Date, interest thereon shall cease to accrue. The Bond Registrar will use its best

1 efforts to mail a second notice of redemption to registered owners of Refunding Bonds who have  
2 not presented their Refunding Bonds for redemption 60 days after the Redemption Date.

3 (c) On the Redemption Date, notice having been mailed or waived, and moneys for  
4 the payment of the redemption price plus accrued interest being held by the Bond Registrar, the  
5 Refunding Bonds (or portions thereof) so called for redemption shall become due and payable at  
6 the redemption price provided for redemption of such Refunding Bonds (or such portions  
7 thereof) on the Redemption Date, interest on such Refunding Bonds so called for redemption  
8 shall cease to accrue and the holders or registered owners of such Refunding Bonds so called for  
9 redemption shall have no rights in respect thereto except to receive payment of the redemption  
10 price thereof, plus accrued interest thereon to the Redemption Date from such moneys held by  
11 the Bond Registrar.

12 (d) If it is determined that a portion, but not all of the principal amount represented by  
13 any Refunding Bond is to be called for redemption, then upon notice of intention to redeem such  
14 portion, the registered owner of such Refunding Bond shall forthwith surrender such Refunding  
15 Bond to the Bond Registrar (i) the payment of the redemption price (including the premium, if  
16 any, and interest to the Redemption Date) of the portion of the principal amount thereof called  
17 for redemption; and (ii) in exchange for a new Refunding Bond of the unredeemed balance of the  
18 principal amount of such Refunding Bond, and having the same form and tenor as such  
19 Refunding Bond. If the Refunding Bond is required to be surrendered to the Bond Registrar, a  
20 new Refunding Bond or Bonds representing the unredeemed balance of the principal amount of  
21 such Refunding Bond shall be issued to the registered owner thereof without charge therefor. If  
22 the registered owner of any such Refunding Bond shall fail to present such Refunding Bond to

1 the Bond Registrar for payment and exchange as aforesaid, such Refunding Bond shall  
2 nevertheless become due and payable on the date fixed for redemption to the extent of the  
3 portion of the principal amount called for redemption (and to that extent only). Interest shall  
4 cease to accrue on the portion of the principal amount of such Refunding Bond called for  
5 redemption on and after the Redemption Date, and no Refunding Bonds shall be thereafter issued  
6 corresponding to such portion.

7 SECTION 24. Be it further enacted by the City Council of Aberdeen, that the provisions  
8 of this Ordinance are severable, and if any provision, sentence, clause, section or part hereof is  
9 held illegal, invalid or unconstitutional or inapplicable to any person or circumstances, such  
10 illegality, invalidity or unconstitutionality, or inapplicability shall not affect or impair any of the  
11 remaining provisions, sentences, clauses, sections or parts of this Ordinance or their application  
12 to other persons or circumstances. It is hereby declared to be the legislative intent that this  
13 Ordinance would have been passed if such illegal, invalid or unconstitutional provision, section,  
14 clause, section or part had not been included herein, as if the person or circumstances to which  
15 this Ordinance or any part here are inapplicable had been specifically exempted therefrom.

16 SECTION 25. Be it further enacted by the City Council of Aberdeen that upon  
17 recommendation of the Mayor, the City Council of Aberdeen may adopt a resolution pursuant to  
18 Sections 31 through 37, inclusive, of Article 23A of the Annotated Code of Maryland (2005  
19 Replacement Volume, 2009 Supplement), as amended, authorizing the Refunding Bonds to be  
20 sold, pursuant to this Ordinance, to be consolidated for sale and issued, sold and delivered as a  
21 single issue of bonds with other bonds authorized to be sold by the City of Aberdeen.

22 EFFECTIVE: October 2, 2011

**EXHIBIT A**

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1.     Name of Issue: City of Aberdeen Infrastructure Bond, 2000 Series A  
Date of Issue: March 27, 2000  
Original Aggregate Principal Amount: \$3,610,700  
Outstanding Principal Amount: \$2,890,700  
Enabling Authority: Resolution No. 565-00, adopted January 24, 2000  
Redemption Date: June 1, 2010  
Redemption Price: 100 ½%, June 1, 2011 through May 31, 2012
  
2.     Name of Issue: City of Aberdeen The Ripken Complex Infrastructure Bond,  
          2001 Series A  
Date of Issue: April 12, 2001  
Original Aggregate Principal Amount: \$4,812,700  
Outstanding Principal Amount: \$3,120,200  
Enabling Authority: Resolution No. 590-01, adopted January 22, 2001  
Redemption Date: June 1, 2011  
Redemption Price: 101%, June 1, 2011 through May 31, 2012
  
3.     Name of Issue: City of Aberdeen The Ripken Complex Infrastructure Bond,  
          2001 Series B, Taxable  
Date of Issue: April 12, 2001  
Original Aggregate Principal Amount: \$1,930,000  
Outstanding Principal Amount: \$1,330,000

1        Enabling Authority: Resolution 589-01, adopted January 22, 2001

2        Redemption Date: June 1, 2011

3        Redemption Price: 101%, June 1, 2011 through May 31, 2012

4    4.    Name of Issue: City of Aberdeen Infrastructure Bond, 2002 Series B-1

5        Date of Issue: October 2, 2002

6        Original Aggregate Principal Amount: \$1,045,700

7        Outstanding Principal Amount: \$681,400

8        Enabling Authority: Resolution 622-02, adopted August 29, 2002

9        Redemption Date: June 1, 2012

10       Redemption Price: Par

11    5.    Name of Issue: City of Aberdeen Infrastructure Bond, 2002 Series B-2

12       Date of Issue: October 2, 2002

13       Original Aggregate Principal Amount: \$2,091,200

14       Outstanding Principal Amount: \$1,366,100

15       Enabling Authority: Resolution 622-02, adopted April 29, 2002

16       Redemption Date: June 1, 2012

17       Redemption Price: Par

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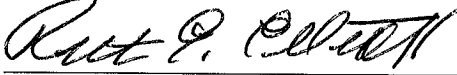
**EXHIBIT B**

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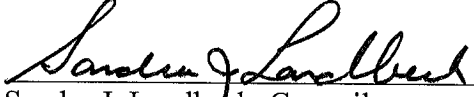
1. Resolution No. 565-00, Infrastructure Bond, 2000 Series A - construction of City Hall
2. Resolution No. 590-01, The Ripken Complex Infrastructure Bonds, 2001 Series A – construction of The Ripken Stadium and associated public water, waste water, road and parking facilities.
3. Resolution No. 589-01, The Ripken Complex Infrastructure Bonds, 2001 Taxable Series A – purchase of land upon which to construct The Ripken Stadium and Ripken Youth Baseball Academy
4. Resolution No. 622-02, Infrastructure Bond, 2002 Series B-1 – completion of infrastructure at Ripken Stadium
5. Resolution No. 622-02, Infrastructure Bond, 2002 Series B-2 – construction of maintenance shop for the Department of Public Works

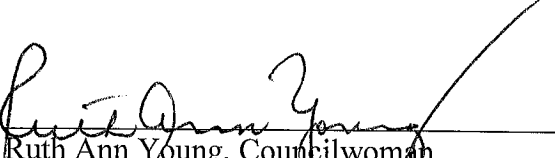
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Adopted by the Council of the City this 12<sup>th</sup> day of September, 2011.

  
Ruth E. Elliott, Councilwoman

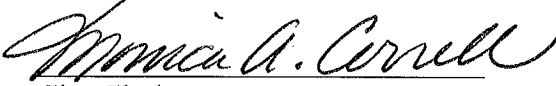
  
Bruce E. Garner, Councilman

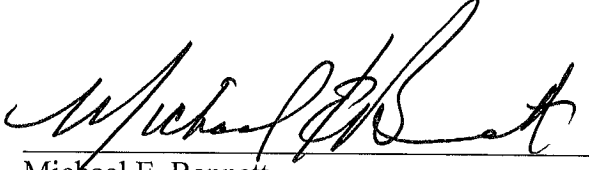
  
Sandra J. Landbeck, Councilwoman

  
Ruth Ann Young, Councilwoman

Approved by the Mayor this 12<sup>th</sup> day of September, 2011.

ATTEST:

  
City Clerk

  
Michael E. Bennett  
Mayor