

RESOLUTION NO. 99-3
EFFECTIVE DATE: 12/13/99, 1999

A RESOLUTION OF THE COUNCIL OF THE COMMISSIONERS OF LEONARDTOWN, A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND, AUTHORIZING THE ISSUANCE AND SALE OF A GENERAL OBLIGATION BOND ANTICIPATION NOTE IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED THREE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS (\$3,250,000) PURSUANT TO THE PROVISIONS OF SECTIONS 31 TO 37, INCLUSIVE, OF ARTICLE 23A OF THE ANNOTATED CODE OF MARYLAND (1998 REPLACEMENT VOLUME, AS REPLACED, SUPPLEMENTED OR AMENDED), SECTION 719 OF THE CHARTER OF THE TOWN OF LEONARDTOWN, AS PUBLISHED IN MUNICIPAL CHARTERS OF MARYLAND, VOLUME 5, 1990 REPLACEMENT EDITION, AS REPLACED, SUPPLEMENTED OR AMENDED, ORDINANCE NO. 87, PASSED BY THE COUNCIL OF THE TOWN ON OCTOBER 11, 1999, APPROVED BY THE MAYOR ON OCTOBER 11, 1999, AND EFFECTIVE ON NOVEMBER 1, 1999, AND SECTION 12 OF ARTICLE 31 OF THE ANNOTATED CODE OF MARYLAND (1997 REPLACEMENT VOLUME, AS REPLACED, SUPPLEMENTED OR AMENDED), THE NOTE TO BE DESIGNATED "THE COMMISSIONERS OF LEONARDTOWN RESORT AT BRETON BAY BOND ANTICIPATION NOTE" WITH A DESIGNATION BY YEAR, THE PROCEEDS OF THE SALE THEREOF TO BE USED AND APPLIED FOR THE PUBLIC PURPOSE OF FINANCING A PORTION OF ONE OR MORE OF THE FOLLOWING: THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, FURNISHING OR EQUIPPING COSTS OF (I) AN 18-HOLE PUBLIC GOLF COURSE, WITH A CLUBHOUSE AND RELATED AMENITIES, AND (II) A HOTEL AND CONFERENCE CENTER CONTAINING APPROXIMATELY 255 GUEST ROOMS AND 25,000 SQUARE FEET OF MEETING SPACE, WITH RELATED AMENITIES AND RECREATIONAL FACILITIES, TOGETHER WITH COSTS RELATING TO THE ACQUISITION OF NECESSARY PROPERTY RIGHTS AND EQUIPMENT, RELATED SITE IMPROVEMENTS AND UTILITIES AND RELATED ARCHITECTURAL, FINANCIAL, LEGAL, PLANNING, DESIGN AND ENGINEERING EXPENSES, COSTS OF ISSUANCE, AND CAPITALIZED INTEREST FOR A PERIOD OF TWELVE MONTHS; PRESCRIBING THE FORM AND TENOR OF THE NOTE AND THE TERMS AND CONDITIONS FOR THE ISSUANCE AND SALE THEREOF BY PRIVATE NEGOTIATION TO THE FIRST NATIONAL BANK OF ST. MARY'S; PRESCRIBING THE TERMS AND CONDITIONS OF THE NOTE AND ALL OTHER DETAILS INCIDENT TO THE ISSUANCE, SALE AND DELIVERY OF THE NOTE; AUTHORIZING AND EMPOWERING THE MAYOR, WITH THE ADVICE OF THE TOWN ADMINISTRATOR AND BOND COUNSEL TO THE TOWN, TO FIX AND DETERMINE CERTAIN DETAILS OF THE NOTE AND THE PAYMENT THEREOF, SUBJECT TO THE LIMITATIONS SET FORTH IN THIS RESOLUTION; PROVIDING FOR THE DISBURSEMENT OF THE PROCEEDS OF THE NOTE; COVENANTING TO PAY THE PRINCIPAL OF AND INTEREST ON THE NOTE NOT PAID FROM OTHER SOURCES FROM THE FIRST PROCEEDS OF THE BONDS IN ANTICIPATION OF WHICH THE NOTE IS ISSUED; COVENANTING TO ISSUE THE BONDS WHEN, AND AS SOON AS, THE REASON FOR DEFERRING THE ISSUANCE

THEREOF NO LONGER EXISTS; PROVIDING THAT PRINCIPAL OF AND INTEREST ON THE NOTE, TO THE EXTENT NOT PAID FROM OTHER SOURCES, WILL BE PAYABLE IN THE FIRST INSTANCE FROM REVENUES RECEIVED BY THE TOWN IN CONNECTION WITH THE ACCOMMODATION TAX IMPOSED BY ST. MARY'S COUNTY; PROVIDING FOR THE LEVY AND COLLECTION OF THE TAXES NECESSARY FOR THE PROMPT PAYMENT OF THE MATURING PRINCIPAL OF AND INTEREST ON THE NOTE, AND PROVIDING THAT THE FULL FAITH AND CREDIT AND TAXING POWER OF THE TOWN SHALL BE IRREVOCABLY PLEDGED TO THE PAYMENT OF SUCH PRINCIPAL AND INTEREST; AND GENERALLY RELATING TO THE ISSUANCE, SALE, DELIVERY AND PAYMENT OF AND FOR THE NOTE.

RECITALS

WHEREAS, The Commissioners of Leonardtown, a municipal corporation of the State of Maryland (the "Town"), is authorized and empowered by Article 23A, Sections 31 to 37, inclusive, of the Annotated Code of Maryland (1998 Replacement Volume, as replaced, supplemented or amended) (the "Enabling Act") and Section 719 of the Charter of the Town of Leonardtown, as published in Municipal Charters of Maryland, Volume 5, 1990 Replacement Edition, 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.

WHEREAS, the Town has created Leonardtown Recreation, Inc., a non-profit, non-stock corporation and an instrumentality of the Town (the "Corporation"), in order to provide for the acquisition, construction, improvement, furnishing and equipping, and the operation, of (i) an 18-hole public golf course, with a clubhouse and related amenities, and (ii) a hotel and conference center containing approximately 255 guest rooms and 25,000 square feet of meeting space, with related amenities and recreational facilities (collectively, the "Facility").

WHEREAS, pursuant to the Enabling Act, the Charter and Ordinance No. 87, passed by the Council of the Town on October 11, 1999, approved by the Mayor on October 11, 1999, and effective on November 1, 1999 (the "Ordinance"), and in order to participate directly in the

financing of the costs of the Facility, the Town authorized the issuance and sale, upon its full faith and credit, of general obligation bonds in an aggregate principal amount not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000.00) (the "Bonds"). The Ordinance provides that the Bonds may be issued in one or more than one series.

WHEREAS, the Ordinance provides that the proceeds of the sale of the Bonds are to be used and applied for the public purpose of financing or refinancing one or more of the following: the acquisition, construction, improvement, furnishing, equipping or operating costs related to the Facility (including costs relating to the acquisition of necessary property rights and equipment, related site and utility improvements and related architectural, financial, legal, planning, design and engineering expenses and costs of issuance), and/or the costs of establishment of reserves deemed desirable by the Corporation, including (without limitation) operating reserves, and/or the cost of interest during construction and for a reasonable period thereafter (collectively, "Project Costs").

WHEREAS, pursuant to Section 12 of Article 31 of the Annotated Code of Maryland (1997 Replacement Volume, as replaced, supplemented or amended) (the "Bond Anticipation Note Enabling Act") and Section 8 of the Ordinance, the Town, by resolution, is authorized to issue and sell one or more bond anticipation notes prior to and in anticipation of the sale of the Bonds.

WHEREAS, the Town has determined that it is in the best interests of the Town and its citizens to issue and sell a general obligation bond anticipation note prior to and in anticipation of the sale of the Bonds in accordance with, and pursuant to the authority contained in, the Enabling Act, the Charter, the Ordinance and the Bond Anticipation Note Enabling Act, and upon the terms and conditions set forth in this Resolution, the proceeds of which general obligation bond anticipation note are to be used and applied as herein set forth.

WHEREAS, Section 7 of the Ordinance provides that pursuant to a resolution or resolutions adopted prior to or in connection with the issuance of the Bonds, the Council may provide for or approve any necessary details or documents with any party or parties relating to the Town's participation in the financing or refinancing of the Project Costs. Section 2 of the Ordinance provides that the Council may change the designation of the Bonds from that set forth in the Ordinance by resolution, and the Council desires to so change the name of the bond anticipation note to be issued in anticipation of the Bonds.

WHEREAS, contemporaneously with the issuance of the general obligation bond anticipation note provided for herein, the Maryland Economic Development Corporation ("MEDCO") intends to issue two series of its senior revenue bonds and one series of its subordinate revenue bonds in an aggregate principal amount in excess of approximately \$65,000,000 (the "MEDCO Bonds") and to loan the proceeds of the MEDCO Bonds to the Corporation to finance a portion of the Project Costs. The Trust Indenture (the "Indenture") to be entered into between MEDCO and Allfirst Trust Company, National Association, as trustee (the "Trustee"), relating to the MEDCO Bonds requires that \$3,000,000 of the proceeds of the general obligation bond anticipation note provided for herein be deposited with, and held and disbursed by, the Trustee in accordance with the provisions of the Indenture.

BE IT RESOLVED BY THE COUNCIL OF THE COMMISSIONERS OF LEONARDTOWN, THAT:

Section 1. The Recitals to this Resolution are incorporated herein and deemed a substantive part of this Resolution.

Section 2. Pursuant to the authority of the Enabling Act, the Charter, the Ordinance and the Bond Anticipation Note Enabling Act, the Town hereby determines to issue and sell,

upon its full faith and credit, a bond anticipation note prior to and in anticipation of the sale of the Bonds, for the public purpose of providing interim financing for a portion of the Project Costs other than the funding of operating expenses or operating reserves, but including, without limitation, costs of issuance relating to the Note (as hereinafter defined) and capitalized interest on the Note for a period of 12 months from the date of its issuance. The total portion of the Project Costs to be financed from the proceeds of the Note will not exceed Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000.00). The remaining Project Costs shall be funded from other available sources, including the MEDCO Bonds.

Section 3. To evidence the borrowing and indebtedness authorized in Section 2 of this Resolution, the Town, acting pursuant to the authority of the Enabling Act, the Charter, the Ordinance and the Bond Anticipation Note Enabling Act, hereby determines to issue and sell, upon its full faith and credit, its general obligation bond anticipation note in an aggregate principal amount not to exceed Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000.00), to be designated "The Commissioners of Leonardtown Resort at Breton Bay Bond Anticipation Note" (the "Note"). There shall be added to the title of the Note a designation of the year in which the Note is issued, so that if the Note is issued prior to January 1, 2000, the Note shall be designated "The Commissioners of Leonardtown Resort at Breton Bay Bond Anticipation Note of 1999". The Mayor, on behalf of the Town, with the advice of the Town Administrator and bond counsel to the Town, is hereby authorized and directed to approve the final aggregate principal amount of the Note, which final aggregate principal amount shall not exceed \$3,250,000.00, such approval to be evidenced conclusively by the Mayor's execution and delivery of the Note Purchase Agreement (as hereinafter defined) prior to or simultaneously with the issuance of the Note.

Section 4. (a) The Note shall be issued and sold upon the full faith and credit of the Town, shall be dated the date of its delivery, and shall be issued in the form of a single, fully-registered bond anticipation note without coupons attached.

(b) The Note shall mature, subject to prior prepayment if so provided for in accordance with Section 5 of this Resolution, on a date which is no later than two years from the date of its issuance. The Mayor, on behalf of the Town, with the advice of the Town Administrator and bond counsel to the Town, is hereby authorized and directed to fix the final maturity date of the Note, which final maturity date shall be a date not later than two years from the date of issuance of the Note, such approval to be evidenced conclusively by the Mayor's execution and delivery of the Note Purchase Agreement prior to or simultaneously with the issuance of the Note.

(c) The Purchaser of the Note (as hereinafter defined) shall make advances of the principal amount of the Note to the Town (each such advance, hereinafter, an "Advance"). Once Advances totaling the aggregate principal amount of the Note approved by the Mayor in accordance with Section 3 of this Resolution have been made, no further Advances may be made under the Note.

(d) The Note shall bear interest on the outstanding principal amount from its date of delivery at an annual fixed rate not to exceed five and seven-tenths percent (5.7%). The Mayor, on behalf of the Town, with the advice of the Town Administrator and bond counsel to the Town, is hereby authorized and directed to approve the interest rate to be borne by the Note, which interest rate shall not exceed five and seven-tenths percent (5.7%) per annum, such approval to be evidenced conclusively by the Mayor's execution and delivery of the Note Purchase Agreement prior to or simultaneously with the issuance of the Note.

(e) Interest on the outstanding principal amount of the Note shall be payable annually on the anniversary of the date of issuance of the Note, or more frequently if so determined by the Mayor (or on the next succeeding Business Day [as hereinafter defined] if a scheduled date for payment of interest is not a Business Day) until the outstanding principal amount of the Note is paid in full; provided that, the last installment of interest shall be paid on the date that the outstanding principal amount of the Note is retired or, if so provided for in accordance with Section 5 of this Resolution, prepaid in full. The Mayor, on behalf of the Town, with the advice of the Town Administrator and bond counsel to the Town, is hereby authorized and directed to fix and determine the periodic dates for payment of interest on the Note, such approval to be evidenced conclusively by the Mayor's execution and delivery of the Note Purchase Agreement prior to or simultaneously with the issuance of the Note.

(f) As used herein, "Business Day" means any date other than a Saturday, Sunday or day on which banking institutions in St. Mary's County, Maryland are authorized or obligated by law to close. Interest shall be computed on the basis of a 360-day year consisting of twelve 30-day months or as otherwise required by the Purchaser. For purposes of calculating the interest due on the Note, unpaid outstanding principal on any day shall be an amount equal to the aggregate Advances made under the Note as of such date, less any principal prepaid if such prepayment is provided for in accordance with Section 5 of this Resolution. The registered owner of the Note shall provide written notice to the Clerk-Treasurer of the Town of the interest due on the Note on each interest payment date at least fifteen (15) days prior to such interest payment date, or such fewer number of days as is acceptable to the Clerk-Treasurer, but failure to provide such notice shall not affect the amount of, or the Town's obligation to pay, interest due on the Note.

(g) Principal of and interest on the Note shall be payable in lawful money of the United States of America at the time of payment. The Clerk-Treasurer of the Town shall serve as paying agent and as registrar for the Note. The outstanding principal amount of the Note, at maturity or, if so provided for in accordance with Section 5 of this Resolution, upon prior prepayment, shall be payable by check or draft at the office of the Clerk-Treasurer of the Town, unless the Clerk-Treasurer and the registered owner agree on a different place or manner of payment. The interest on the Note shall be payable by check or draft mailed to the registered owner thereof at the address designated by the registered owner in writing to the Clerk-Treasurer of the Town, unless the Clerk-Treasurer and the registered owner agree on a different manner of payment.

(h) The Mayor, on behalf of the Town, with the advice of the Town Administrator and bond counsel to the Town, is hereby authorized and empowered to negotiate, prepare or cause to be prepared, execute and deliver any loan agreement, line of credit agreement or similar agreement relating to the Note as required by the Purchaser and containing reasonable and customary provisions with regard to obligations such as the Note including, without limitation, a provision increasing the yield on the Note and providing for additional payments by the Town to the Purchaser in the event that interest on the Note is determined to be includable in the gross income of the holder thereof for federal income tax purposes.

Section 5. (a) The outstanding principal amount of the Note shall not be subject to prepayment at the option of the Town prior to the stated maturity date of the Note unless the Mayor, with the advice of the Town Administrator and bond counsel to the Town, shall determine and provide for the prepayment of the Note prior to its stated maturity at the option of the Town by his execution and delivery of the Note Purchase Agreement; provided that, in no

event shall the Town be required to pay a premium in excess of two percent (2%) in connection with any prepayment of the Note. The Mayor, on behalf of the Town, with the advice of the Town Administrator and bond counsel to the Town, is hereby authorized and empowered to determine and provide for the prepayment of the Note prior to its stated maturity at the option of the Town, and all terms and conditions relating thereto, subject to the further provisions of this Section 5, such determination and provision to be evidenced conclusively by the Mayor's execution and delivery of the Note Purchase Agreement prior to or simultaneously with the issuance of the Note; provided that, in no event shall the Town be required to pay a premium in excess of two percent (2%) in connection with any prepayment of the Note.

(b) If the Mayor shall determine and provide for the prepayment of the Note prior to its stated maturity at the option of the Town in accordance with the provisions of Section 5(a) of this Resolution, notice of optional prepayment shall be given by the Town at least ten (10) days prior to the date fixed for prepayment (or such fewer number of days as is acceptable to the registered owner) by mailing to the registered owner a notice fixing the prepayment date and indicating the amount of the outstanding principal of the Note to be prepaid. If the Mayor shall determine and provide for the prepayment of the Note prior to its stated maturity in accordance with this Section 5, any optional prepayment of the Note in part, and the then outstanding principal amount of the Note, shall be noted on Schedule A to the Note by the registered owner thereof, and on the registration books for the Note maintained by the Clerk-Treasurer of the Town, and the registered owner shall provide a copy of such Schedule A to the Clerk-Treasurer within fifteen (15) days after each such entry shall have been made, but failure to provide a copy of such Schedule A shall not affect the amount of, or the Town's obligation to pay, principal of and interest due on the Note.

Section 6. The Note shall be executed in the name of the Town and on its behalf by the Mayor of the Town. The corporate seal of the Town shall be affixed or imprinted on the Note, attested by the signature of the Town Secretary or the Town Administrator of the Town. In the event that any official of the Town whose signature appears on the Note shall cease to be such official prior to delivery of the Note, or in the event that any such official whose signature shall appear on the Note shall have taken office subsequent to the date of issue thereof, his or her signature, in either event, shall nevertheless be valid for the purposes intended.

Section 7. The Note shall be transferable only upon the books kept for that purpose by the Clerk-Treasurer of the Town at Leonardtown, Maryland, by the registered owner thereof in person or by the registered owner's attorney duly authorized in writing, upon surrender thereof, together with (i) a written instrument of transfer in a form satisfactory to the Clerk-Treasurer of the Town and duly executed by the registered owner or the registered owner's duly authorized attorney and (ii) the covenant and agreement described in Section 9(c) hereof duly executed by the transferee. Upon any transfer or exchange, the Town shall, at the expense of the transferor, issue and deliver within a reasonable time a new registered Note in the name of the transferee in an aggregate principal amount equal to the outstanding and unpaid principal amount of the Note surrendered, and with the same maturity date and bearing interest at the same rate. In each case, the Clerk-Treasurer of the Town may require payment by any registered owner requesting the exchange or transfer of any tax, fee, governmental charge, shipping charges and insurance that may be required to be paid with respect thereto, but otherwise no charge shall be made to the registered owner for the exchange or transfer.

Section 8. Except as provided hereinafter or in a resolution or resolutions of the Town adopted prior to the issuance of the Note, the Note shall be issued in substantially the form

attached hereto as Exhibit A and incorporated by reference herein. Appropriate variations and insertions may be made to the Note by the Mayor to provide dates, numbers and amounts, and modifications not altering its substance to carry into effect the purposes of this Resolution or to comply with recommendations of legal counsel, including, without limitation, to set forth any requirements for the mechanics of requisitioning Advances under the Note as required by the Purchaser. All of the covenants contained in the form attached hereto as Exhibit A are hereby adopted by the Town as and for the form of obligation to be incurred by the Town, and the covenants and conditions contained therein are hereby made binding upon the Town, including the promise to pay therein contained. The execution and delivery of the Note by the Mayor in accordance with this Resolution shall be conclusive evidence of the approval by the Mayor of the form of the Note and any variations, insertions, omissions, notations, legends, or endorsements made to reflect those matters determined by the Mayor's execution and delivery of the Note Purchase Agreement in accordance with the provisions of this Resolution.

Section 9. (a) The Town hereby determines to sell the Note by private negotiation, which sale by private negotiation is hereby deemed by the Town to be in its best interest and in the interest of its citizens due, in part, to the benefit of the negotiated flexible terms and beneficial interest rate. Therefore, and pursuant to the authority of the Ordinance and the Bond Anticipation Note Enabling Act, the Note shall be sold by private negotiation to The First National Bank of St. Mary's, Leonardtown, Maryland, at a price at, above or below par. The Mayor, on behalf of the Town, with the advice of the Town Administrator and bond counsel to the Town, is hereby authorized and empowered to determine the purchase price for the Note, such determination to be evidenced conclusively by the Mayor's execution and delivery of the Note Purchase Agreement prior to or simultaneously with the issuance of the Note.

(b) The Note Purchase Agreement to be entered into between the Town and the Purchaser relating to the purchase of the Note by the Purchaser (the "Note Purchase Agreement"), substantially in the form attached hereto as Exhibit B, is hereby approved, and the Mayor is hereby authorized and directed to execute and deliver the Note Purchase Agreement on behalf of the Town, substantially in the form attached hereto as Exhibit B, with such changes, corrections, deletions, insertions and additions as the Mayor shall approve, upon the recommendation of the Town Administrator and bond counsel to the Town, not inconsistent with the Enabling Act, the Charter, the Bond Anticipation Note Enabling Act, the Ordinance or this Resolution, including, without limitation, to reflect matters determined in accordance with Sections 3, 4, 5 and 9 of this Resolution, or to reflect the mechanics of requisitioning Advances under the Note, or to reflect any additional conditions to issuance of the Note, such approval to be evidenced conclusively by the Mayor's execution and delivery of the Note Purchase Agreement. The Note Purchase Agreement provides that issuance of the Note is contingent upon the contemporaneous issuance of the MEDCO Bonds. The Mayor is hereby expressly authorized and empowered, through his completion, execution and delivery of the Note Purchase Agreement, upon the advice of the Town Administrator and bond counsel to the Town, to agree to terms for the issuance of the Note different from those reflected in Exhibit A and Exhibit B hereto in order to obtain the most flexible terms and beneficial interest rate for the Note, subject to the provisions of Sections 3, 4, 5 and 9 of this Resolution, and if so required by the Purchaser, to provide for any gross-up provision of the type described in Section 4(h) of this Resolution, any commitment fee or similar payments to the Purchaser and the payments of the fees and expenses of the Purchaser's counsel so long as such payments are reasonable and customary in accordance with industry standards.

(c) The Note shall be sold for investment purposes only and not for resale to the general public. Accordingly, as a condition to delivery of the Note and prior to the issuance of the Note, the Purchaser shall furnish to the Town a certificate acceptable to bond counsel to the Town to the effect that (i) the Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Note; (ii) the Purchaser has made its own independent and satisfactory inquiry of the financial condition of the Town, including inquiry into financial statements and other information relating to the financial condition of the Town to which a reasonable investor would attach significance in making investment decisions, and of any other matters deemed to be relevant to a reasonably informed decision to purchase the Note; (iii) the Purchaser has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Town and the Note, all so that as a reasonable investor the Purchaser has been able to make a reasonable informed decision to purchase the Note; (iv) the Purchaser is purchasing the Note for investment purposes only (and not as an “underwriter” or “Participating Underwriter” as defined in Securities and Exchange Commission Rule 15c2-12, as amended, replaced or supplemented) and does not intend to sell the Note to the general public; and (v) if the Note is subsequently sold or transferred, such sale or transfer will be made only on the condition that the purchaser or transferee covenant and agree to and with the Town that the Note is being acquired for investment purposes only and without intention to sell the Note to the general public.

Section 10. As provided for in the Note Purchase Agreement, the Note shall be suitably prepared in definitive form, executed and delivered to the Purchaser contemporaneously

with the first Advance of proceeds of the Note. The Mayor, the Town Administrator, the Town Secretary, the Clerk-Treasurer and all other officers and employees of the Town are expressly authorized, empowered and directed to take any and all action necessary to complete and close the award, sale and delivery of the Note to the Purchaser thereof, and to execute and deliver all documents, certificates and instruments necessary and appropriate in connection therewith, including, without limitation, requisitions for Advances under the Note.

Section 11. In accordance with Section 7 of the Ordinance, the Mayor, on behalf of the Town, with the advice of the Town Administrator and bond counsel to the Town, is hereby authorized and empowered to negotiate, prepare or cause to be prepared, execute and deliver, any documents with any party, including the Purchaser, relating to the Town's participation in the financing of the Project Costs.

Section 12. Each Advance of the proceeds of the Note shall be paid to or at the direction of the Clerk-Treasurer or any other appropriate Town official. Advances under the Note shall be used and applied solely for the purposes described in this Resolution. Contemporaneously with the issuance of the MEDCO Bonds, an Advance in the amount of \$3,000,000.00 shall be paid to the Trustee and shall be deposited with, and held and disbursed by, the Trustee in accordance with the Indenture in order to pay Project Costs.

Section 13. (a) For the purpose of paying the principal of and interest on the Note, and for the purpose of permanently financing the Project Costs financed on an interim basis from proceeds of the Note, the Town shall issue the Bonds on or before the date of maturity of the Note, in an amount not less than that necessary (together with any other funds legally available

for the purpose) for the payment of the outstanding principal amount of and interest due on the Note on the date of maturity of the Note.

(b) The Town covenants with the registered owner of the Note that the Town shall pay the Note and the interest thereon not paid from other sources out of the first proceeds of the sale of the Bonds in anticipation of which the Note was issued.

(c) If the Town shall be unable, for reasons beyond its control, to issue and sell the Bonds as aforesaid, or if the proceeds from the sale of the Bonds shall be insufficient to pay the principal of and interest on the Note when due, then the principal of and interest on the Note shall be paid from tax or other revenues which the Town previously has determined to apply to the payment of the principal of the Bonds and the interest thereon. The interest on and principal of the Note will be payable in the first instance from revenues received by the Town from the "accommodation tax" imposed by County Commissioners of St. Mary's County pursuant to Article 24, Sections 9-301 through 9-326 of the Annotated Code of Maryland (1998 Replacement Volume, as replaced, supplemented or amended) and Ordinance No. 99-09, approved by the Board of County Commissioners for St. Mary's County on July 20, 1999 and effective on August 1, 1999, each as the same may be replaced, supplemented or amended from time to time. In the event such moneys are insufficient to provide for the prompt payment, when due, of the principal of and interest on the Note, the Town shall levy or cause to be levied, for each and every fiscal year during which the Note may be outstanding, upon all real and tangible personal property within its corporate limits subject to assessment for unlimited Town taxation, ad valorem taxes in rate and amount sufficient to provide for the payment, when due, of the principal of and interest on the Note in each such fiscal year; and, if the proceeds from the taxes so levied in any fiscal year are inadequate for such payment, additional taxes shall be levied in

the succeeding fiscal year to make up such deficiency. The full faith and credit and unlimited taxing power of the Town are hereby irrevocably pledged to the prompt payment of the principal of and interest on the Note, as and when they become due and payable, and to the levy and collection of the taxes hereinabove described as and when such taxes may become necessary in order to provide sufficient funds to meet the debt service requirements of the Note. The Town hereby covenants and agrees with the registered owner of the Note to levy and collect the taxes hereinabove prescribed and to take any further action that may be appropriate from time to time during the period that the Note remains outstanding and unpaid to provide the funds necessary to pay promptly the principal thereof and the interest due thereon.

(d) The foregoing provisions shall not be construed so as to prohibit the Town from paying the principal of and interest on the Note from the proceeds of the sale of any other obligations of the Town or from any other funds legally available for that purpose. The Town may apply to the payment of the principal of or interest on the Note any funds received by it from the State of Maryland or the United States of America, or any governmental agency or instrumentality, or from any other source, if such funds are granted or paid to the Town for the purpose of assisting the Town in accomplishing the type of project or projects which the Note is issued to finance, 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 14. (a) The Town Administrator and the Clerk-Treasurer shall be the officers of the Town responsible for the issuance of the Note within the meaning of Section 1.148-2(b)(2) of the Arbitrage Regulations (defined herein). The Town Administrator and the Clerk-Treasurer shall also be the officers of the Town responsible for the execution and delivery (on the date of the issuance of the Note) of a certificate of the Town (the "Section 148

Certificate”) which complies with the requirements of Section 148 (“Section 148”) of the Internal Revenue Code of 1986, as amended (the “Code”), and the applicable regulations thereunder (the “Arbitrage Regulations”). Such officers are hereby authorized and directed to execute and deliver the Section 148 Certificate to counsel rendering an opinion on the validity of the tax-exempt status of the Note on the date of issuance of the Note.

(b) The Town shall set forth in the Section 148 Certificate its reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of the Note or of any moneys, securities or other obligations to the credit of any account of the Town which may be deemed to be proceeds of the Note pursuant to Section 148 or the Arbitrage Regulations (collectively, the “Note Proceeds”). The Town covenants and agrees with the Purchaser of the Note that the facts, estimates and circumstances set forth in the Section 148 Certificate will be based on the Town’s reasonable expectations on the date of the issuance of the Note and will be, to the best of the certifying officers’ knowledge, true and correct as of that date.

(c) The Town covenants and agrees with the registered owner of the Note that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the Note Proceeds that would cause the Note to be an “arbitrage bond” within the meaning of Section 148 and the Arbitrage Regulations. The Town further covenants that it will comply with Section 148 and the regulations thereunder which are applicable to the Note on the date of issuance of the Note, and which may subsequently lawfully be made applicable to the Note, so long as the Note remains outstanding and unpaid.

(d) The Town specifically covenants that it will comply with the provisions of the Code applicable to the Note, including, without limitation, compliance with provisions regarding the timing of the expenditure of the proceeds of the Note, the use of such proceeds and

the facilities financed with such proceeds, the restriction on 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 Note. The Town further covenants that it shall make such use of the proceeds of the Note, 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 payable on the Note. All officers, employees and agents of the Town are hereby authorized and directed to take such actions, and to provide such certifications of facts and estimates regarding the amount and use of the proceeds of the Note, as may be necessary or appropriate from time to time to comply with, or to evidence the Town's compliance with, the covenants set forth in this Section.

(e) Certain of the representations, covenants and agreements to be made by the Town in the Section 148 Certificate will be based on representations, covenants and agreements made by the Corporation pursuant to a tax agreement (the "Tax Agreement") to be entered into between the Town and the Corporation in connection with the issuance of the Note. The Town Administrator and the Clerk-Treasurer are hereby authorized to negotiate, prepare, execute and deliver the Tax Agreement on behalf of the Town, with such provisions as are recommended by bond counsel to the Town, the approval thereof to be evidenced conclusively by the Town Administrator and the Clerk-Treasurer's execution and delivery of the Tax Agreement.

Section 15. The Town hereby designates the Note as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code (relating to the exception from disallowance of the deduction for that portion of a financial institution's interest expense which is allocable to tax-exempt interest) and, in connection therewith, represents and certifies that (i)

the Note is not a “private activity bond” within the meaning of Section 141 of the Code, (ii) the reasonably anticipated amount of tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) which will be issued by the Town (and all subordinate entities of the Town) during the calendar year in which the Note is issued does not exceed an amount in excess of Ten Million Dollars (\$10,000,000), and (iii) not more than Ten Million Dollars (\$10,000,000) of obligations issued by the Town (and all subordinate entities of the Town) during the calendar year in which the Note is issued, including the Note, have been or will be designated qualified tax-exempt obligations of the Town.

Section 16. For purposes of Section 148(f)(4)(D) of the Code (relating to the exception for small governmental units from the arbitrage rebate requirement), the Town hereby represents and certifies that (i) the Town has general taxing powers, (ii) the Note is not a “private activity bond” within the meaning of Section 141 of the Code, (iii) at least ninety-five percent (95%) of the proceeds of the Note are to be used for local governmental activities of the Town, and (iv) the aggregate face amount of all tax-exempt obligations (other than private activity bonds) issued by the Town (and all subordinate entities of the Town) during the calendar year in which the Note is issued is not reasonably expected to exceed Five Million Dollars (\$5,000,000).

Section 17. This Resolution shall become effective immediately upon its approval by the Mayor following its adoption.

ADOPTED this 13th day of DECEMBER, 1999.

THE COMMISSIONERS OF LEONARDTOWN

(SEAL)

Ruth W. Proffitt
Ruth W. Proffitt, Vice-President

ATTEST:

ABSENT
Susan H. Erichsen, Councilmember

Teresa Saulen
Teresa Saulen
Town Secretary

Charles R. Faunce
Charles R. Faunce, Councilmember

Walter R. Gillette
Walter R. Gillette, Councilmember

Walter Wise
Walter Wise, Councilmember

Introduced: 12/13/99

Adopted: 12/13/99

Approved by the Mayor this 12th day of DECEMBER, 1999

J. Harry Norris, III
J. Harry Norris, III, Mayor

Effective: 12/13/99

#31511.4;10007.004;12/10/99:01

EXHIBIT A

FORM OF NOTE

THE COMMISSIONERS OF LEONARDTOWN
HAS DESIGNATED THIS NOTE A
"QUALIFIED TAX-EXEMPT OBLIGATION"
WITHIN THE MEANING OF SECTION 265(b)(3) OF THE
INTERNAL REVENUE CODE OF 1986, AS AMENDED.

No. R- _____

\$ _____

REGISTERED

UNITED STATES OF AMERICA

STATE OF MARYLAND

THE COMMISSIONERS OF LEONARDTOWN

RESORT AT BRETON BAY BOND ANTICIPATION NOTE OF _____

Dated _____, _____

[IT CANNOT BE DETERMINED FROM THE FACE OF THIS NOTE WHETHER ALL OR ANY PORTION OF THE PRINCIPAL AMOUNT HAS BEEN PREPAID. ANY PARTIAL PREPAYMENT OF PRINCIPAL SHALL BE NOTED ON SCHEDULE A HERETO, BUT THE FAILURE OF THE HOLDER OF THIS NOTE TO NOTE SUCH PREPAYMENT SHALL NOT AFFECT THE VALID PAYMENT AND DISCHARGE OF SUCH OBLIGATION EFFECTED BY SUCH PREPAYMENT.]

THE COMMISSIONERS OF LEONARDTOWN, a municipal corporation organized and existing under the Constitution and laws of the State of Maryland (the "Town"), hereby acknowledges itself indebted and for value received promises to pay _____, the registered owner hereof, or registered assigns or legal representatives, the principal amount of _____ Dollars (\$ _____) or so much thereof as may be outstanding, plus interest on the unpaid balance as set forth herein. This note shall mature on

_____, on which date the entire outstanding principal amount hereof shall become due and payable[, subject to prior prepayment of such principal in whole or in part as provided herein].

This note shall bear interest on the unpaid outstanding principal balance from the date of its delivery at an annual rate of _____ percent (_____%).

Interest on this note shall be payable on _____ (or the next succeeding Business Day [as hereinafter defined] if any such interest payment date is not a Business Day) until the outstanding principal of this note is paid in full; provided that, the last installment of interest shall be paid on the date that principal of this note is retired[or prepaid in full]. As used herein, a "Business Day" means any date other than a Saturday, Sunday or a day on which banking institutions in St. Mary's County, Maryland are authorized or obligated by law to close.

Interest shall be computed on the basis of _____. For purposes of calculating the interest due on this note, unpaid outstanding principal on any date shall be an amount equal to the amount advanced to the Town by the holder of this note as of such date[, less any principal prepaid as described herein]. The registered owner of this note shall provide written notice to the Clerk-Treasurer of the Town of the interest due on this note on each interest payment date at least fifteen (15) days prior to such interest payment date, or such fewer number of days as is acceptable to the Clerk-Treasurer, but failure to provide such notice shall not affect the amount of, or the Town's obligation to pay, interest due on this note.

Principal of and interest on this note shall be payable in lawful money of the United States of America at the time of payment. The principal of this note, at maturity[or prior prepayment], shall be payable by check or draft at the office of the Clerk-Treasurer of the Town, in Leonardtown, Maryland, unless the Clerk-Treasurer and the registered owner agree on a different place or manner of payment. The interest on this note will be payable by check or draft mailed to the registered owner at the address designated by the registered owner in writing to the Clerk-Treasurer of the Town, unless the Clerk-Treasurer and the registered owner hereof agree on a different manner of payment. If a principal payment date or interest payment date falls on a day that is not a Business Day, then payment may be made on the next Business Day, and no interest shall accrue for the intervening period.

The full faith and credit and unlimited taxing power of the Town are hereby unconditionally and irrevocably pledged to the prompt payment of the principal of and interest on this note, at the dates and in the manner mentioned herein, according to the true intent and meaning hereof.

This note is the duly authorized bond anticipation note of the Town, designated "Resort at Breton Bay Bond Anticipation Note of _____", dated _____, _____, and is issued pursuant to the authority of Sections 31 through 37, inclusive, of Article 23A of the Annotated Code of Maryland (1998 Replacement Volume, as replaced, supplemented and amended), the Charter of the Town of Leonardtown, as published in Municipal Charters of

Maryland, Volume 5, 1990 Replacement Edition, as replaced, supplemented or amended (the "Charter"), Section 12 of Article 31 of the Annotated Code of Maryland (1997 Replacement Volume, as replaced, supplemented and amended), Ordinance No. 87, passed by the Council of the Town on October 11, 1999, approved by the Mayor on October 11, 1999 and effective on November 1, 1999 (the "Ordinance"), and Resolution No. __, adopted by the Council of the Town on _____, approved by the Mayor on _____ and effective on _____ (the "Resolution").

This note is transferable only upon the books kept for that purpose at the office of the Clerk-Treasurer of the Town in Leonardtown, Maryland, by the registered owner hereof in person, or by the registered owner's duly authorized attorney, upon surrender hereof, together with (i) a written instrument of transfer in the form attached hereto and satisfactory to the Clerk-Treasurer and duly executed by the registered owner or the registered owner's duly authorized attorney and (ii) the covenant and agreement described in Section 9(c) of the Resolution duly executed by the transferee. Upon any such transfer, the Town shall issue a new registered note in denomination equal to the aggregate unpaid principal amount of the note surrendered, and with the same maturity date and bearing interest at the same rate.

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

[This note shall be subject to prepayment _____, with interest accrued to the date of prepayment. Notice of optional prepayment shall be given by the Town at least ten (10) days prior to the date fixed for prepayment (or such fewer number of days as is acceptable to the registered owner) by mailing to the registered owner a notice fixing the prepayment date and indicating the amount of the outstanding principal of this note to be prepaid. Any optional prepayment of this note in part and the then outstanding principal amount of this note shall be noted on Schedule A to this note by the registered owner hereof. The registered owner shall provide a copy of such Schedule A to the Clerk-Treasurer of the Town within fifteen (15) days after each such entry shall have been made, but failure to provide a copy of such Schedule A shall not affect the amount of, or the Town's obligation to pay, principal of and interest due on this note.]

It is hereby certified, recited, and declared by the Town: (a) that this note has been authorized for a valid public purpose which the Town is empowered by law to undertake and perform; (b) that the Town is authorized by law to issue and sell its bonds to provide funds for such public purpose and for the payment of this note and the interest hereon; (c) that the Town has, by adoption of the Resolution, covenanted to issue and sell its bonds in an amount at least equal to the outstanding principal amount of this note, and has provided for the payment of this note and the interest hereon not paid from other sources from the proceeds of the sale of such bonds before expenditure of such proceeds on any other project; (d) that, by the adoption of the Resolution, the Town has also pledged to the payment of this note and the interest hereon, the proceeds of the taxes or other charges levied or imposed for the payment of such bonds and the

interest thereon, until such time as this note and the interest hereon are fully paid; (e) that this note, together with all outstanding indebtedness of the Town, is within every debt and other limit prescribed by the Constitution or statutes of the State of Maryland or the Charter of the Town; and (f) that all other acts, conditions, and things required to exist, to be done, to have happened, and to be performed precedent to or in the issuance of this note do exist, have been done, have happened, and have been performed in full and strict compliance with the Constitution and statutes of the State of Maryland, the Ordinance and the Resolution.

IN WITNESS WHEREOF, The Commissioners of Leonardtown has caused this note to be executed by the manual signature of the Mayor and the corporate seal has been affixed hereto, attested by the manual signature of the Town [Secretary][Administrator], all as of _____,

[SEAL]

ATTEST:

THE COMMISSIONERS OF LEONARDTOWN

Town _____

By: _____
Mayor

FORM OF INSTRUMENT OF TRANSFER

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 note and all rights thereunder and does hereby constitute and appoint _____

attorney to transfer the within note 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
firm of the New York Stock
Exchange or a commercial
bank or trust company.

Notice: The signature to this
assignment must correspond with
the name as it appears on the
face of the within note in every
particular, without alteration
or enlargement or any change
whatever.

[SCHEDULE A

§ _____
THE COMMISSIONERS OF LEONARDTOWN
RESORT AT BRETON BAY BOND ANTICIPATION NOTE OF _____

Schedule of Optional Principal Prepayments

ALL PRINCIPAL PREPAYMENTS OF THIS NOTE SHALL BE NOTED HEREON BY THE REGISTERED OWNER OF THIS NOTE, BUT THE FAILURE TO MAKE ANY SUCH NOTATION SHALL NOT AFFECT THE VALIDITY OR LEGAL EFFECT OF ANY PREPAYMENT MADE.

WITHIN FIFTEEN (15) DAYS AFTER NOTATION IS MADE HEREON, A COPY OF THIS SCHEDULE SHALL BE MAILED TO THE CLERK-TREASURER OF THE TOWN, BUT FAILURE TO PROVIDE SUCH COPY SHALL NOT AFFECT THE AMOUNT OF, OR THE TOWN'S OBLIGATION TO PAY, PRINCIPAL OF AND INTEREST DUE ON THIS NOTE.

<u>Date of Prepayment</u>	<u>Principal Amount Prepaid</u>	<u>Principal Balance Outstanding</u>	<u>Authorized Signature</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

]

EXHIBIT B

FORM OF NOTE PURCHASE AGREEMENT

\$ _____
THE COMMISSIONERS OF LEONARDTOWN
RESORT AT BRETON BAY BOND ANTICIPATION NOTE OF _____

NOTE PURCHASE AGREEMENT

The Commissioners of Leonardtown
P.O. Box 1
41680 Tudor Place
Leonardtown, Maryland 20650
Attention: Robert O. Guyther, Town Administrator
Phone: (301) 475-9791
Fax: (301) 475-5350

Ladies and Gentlemen:

Upon satisfaction of the terms and conditions contained in this Note Purchase Agreement (the "Agreement"), _____, _____, Maryland (the "Purchaser") hereby agrees to purchase from The Commissioners of Leonardtown (the "Town") and the Town hereby agrees to sell to the Purchaser its \$ _____ The Commissioners of Leonardtown Resort at Breton Bay Bond Anticipation Note of _____ (the "Note") for a price of _____ Dollars (\$ _____) (the "Purchase Price"). The first advance of the Purchase Price shall be paid by the Purchaser to the Town by wire transfer of immediately available federal funds on the Closing Date (as hereinafter defined).

The Note shall be issued as a single general obligation bond anticipation note, shall be dated the date of its issuance, and shall bear interest from the date of its issuance at the rate of _____ percent (___%) per annum, payable _____ until maturity [or prior prepayment in full], commencing _____.

The Note shall mature[, subject to prior prepayment as provided below,] on the date which is _____ from the date of its issuance.

[Upon ten (10) days' prior written notice (or such fewer number of days as is acceptable to the registered owner thereof), the Note shall be subject to prepayment prior to maturity at the option of the Town, _____, with accrued interest to the date of prepayment.]

The Note shall have such other provisions as are set forth in Ordinance No. 87, passed by the Council of the Town on October 11, 1999, approved by the Mayor on October 11, 1999 and effective on November 1, 1999 (the "Ordinance"), and Resolution No. ____, adopted by the Council of the Town on _____, approved by the Mayor on _____ and effective on _____ (the "Resolution").

In connection with its purchase of the Note, the Purchaser agrees to deliver to the Town on the Closing Date a letter or certificate satisfactory to bond counsel to the Town containing a certification as to its intention to hold the Note for its own investment purposes.

The Town's obligation to issue the Note and the Purchaser's obligation to purchase the Note is contingent upon the contemporaneous issuance by the Maryland Economic Development Corporation of two series of its senior revenue bonds and one series of its subordinate revenue bonds to finance costs of the project for which the Note is issued (the "MEDCO Bonds").

The Purchaser's obligation to purchase the Note as described above is further subject to satisfaction of the following terms and conditions:

1. The Note shall be issued and delivered on _____, or such earlier or later date as the Purchaser shall agree to in writing in its sole discretion (the "Closing Date"); provided that, in the event the closing date for the MEDCO Bonds is scheduled for a date earlier or later than the indicated Closing Date, the Closing Date for the Note shall be deemed to be the same date as the closing date for the MEDCO Bonds, the Town shall give the Purchaser prompt written notice of such changed Closing Date, and the Purchaser shall be deemed to have agreed to such rescheduled Closing Date;

2. On the Closing Date the Purchaser shall receive the approving tax and legal opinion of Funk & Bolton, P.A., bond counsel to the Town, with respect to the Note, dated the Closing Date and addressed to the Town, together with a reliance letter of such bond counsel addressed to the Purchaser to the effect that the Purchaser may rely on such opinion as though addressed to it; and

3. On the Closing Date the Purchaser shall receive such other closing documents and certificates as are customarily delivered in connection with the issuance of a general obligation bond anticipation note in Maryland the sale of which is privately negotiated, in form and substance satisfactory to the Purchaser, including, without limitation, certified copies of the Ordinance and the Resolution, a tax and section 148 certificate and a fully-executed Form 8038-G, a no-litigation certificate, and signature and incumbency certificates.

If the conditions to the obligation of the Purchaser to purchase, accept delivery of and pay for the Note contained in this Agreement are not satisfied on _____ (or such

earlier or later date as to which the Purchaser has agreed in writing), the Purchaser (1) may terminate this Agreement by faxing a written notice addressed to the Town Administrator at the address set forth above, and neither the Town nor the Purchaser shall be under any further obligation hereunder, or (2) may extend the Closing Date by faxing a written notice addressed to the Town Administrator at the address set forth above; provided that, the Purchaser shall not be entitled to terminate this Agreement if the Town's failure to satisfy the conditions provided for in this Agreement on _____ is due to a change in the scheduled closing date for the MEDCO Bonds. Any such extension by the Purchaser of the Closing Date will not operate to change any of the terms and conditions of the Note or the terms and conditions precedent to the Purchaser's obligation to take delivery of and make payment for the Note as provided herein, other than the Closing Date.

If the Purchaser fails to deliver to the Town on the Closing Date the Purchase Price and/or a letter or certificate satisfactory to bond counsel to the Town containing the investment certification, the Town may terminate this Agreement by faxing to the Purchaser a written notice as follows: _____, (____) _____ [phone], (____) _____ [fax], and neither the Town nor the Purchaser shall be under any further obligation hereunder.

On the Closing Date, closing shall occur at the offices of Funk & Bolton, P.A., 100 Light Street, Suite 1000, Baltimore, Maryland 21202, or such other place as the Town and the Purchaser shall mutually agree.

Either party to this Agreement may designate a different party, address, phone or fax number for notice or demand purposes by faxing written notice to the other party in accordance with the provisions of this Agreement (followed by telephonic confirmation of receipt).

This Agreement shall be binding upon the parties hereto and their successors and shall inure to the benefit of the parties hereto and their successors. Neither party hereto may assign its right, title or interest in this Agreement to any other person or entity without the prior written consent of the other party hereto; provided that, no such consent shall be required for any assignment to a successor entity determined in accordance with the preceding sentence in connection with effecting such succession.

This Agreement shall be governed and construed in accordance with the laws of the State of Maryland. This Agreement may be executed in one or more counterparts, each of which shall be regarded as an original but all of which together shall constitute one and the same instrument.

Very truly yours,

By: _____

Name: _____

Title: _____

(Authorized Officer)

Accepted as of the date first above written:

THE COMMISSIONERS OF LEONARDTOWN

By: _____

J. Harry Norris, III

Mayor

(Authorized Officer)