

BOOK 0010 PAGE 0001

COUNTY COMMISSIONERS OF ST. MARY'S COUNTY
PUBLIC FACILITIES REFUNDING BONDS OF 1996

RECORDING FEE 0.00
TOTAL 0.00
Res#SMB2 Rcr#1999999
EWA LP Bk#1
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Resolution No. R-96-

RESOLUTION OF THE COUNTY COMMISSIONERS OF ST. MARY'S COUNTY (the "County") providing for the issuance and sale of Six Million Nine Hundred Forty Thousand Dollars (\$6,940,000) maximum aggregate principal amount of general obligation refunding bonds pursuant to the provisions of Chapter 451 of the Laws of Maryland of 1987, Chapter 705 of the Laws of Maryland of 1981, Chapter 417 of the Laws of Maryland of 1989, and Section 24 of Article 31 of the Annotated Code of Maryland (1993 Replacement Volume and 1995 Cumulative Supplement)(the "Refunding Act"), the bonds to be designated "County Commissioners of St. Mary's County Public Facilities Refunding Bonds of 1996" (the "Bonds"), to be issued and sold for the public purpose of refunding the callable portion of the County Commissioners of St. Mary's County Public Facilities Bonds of 1987, dated December 1, 1987 (the "1987 Bonds"), the County Commissioners of St. Mary's County Public Facilities Bonds of 1989, dated December 1, 1989 (the "1989 Bonds") and the County Commissioners of St. Mary's County Public Facilities Bonds of 1990, dated December 1, 1990 (the "1990 Bonds"), in order to realize savings to the County in the effective costs of debt service; prescribing the form, tenor and all other matters relating to the issuance of the Bonds; determining that the best interests of the County will be served by selling the Bonds at public sale; prescribing the form of notice of sale in connection with the Bonds and determining all other details in connection with said sale; providing for the disbursement of the proceeds of the Bonds and authorizing the execution and delivery of an Escrow Deposit Agreement; providing for the redemption on January 1, 1997 of the 1987 Bonds which mature on or after January 1, 1998; the redemption on December 1, 1999 of the 1989 Bonds which mature on or after December 1, 2000, and the redemption on December 1, 2000 of the 1990 Bonds which mature on or after December 1, 2001; appointing an escrow deposit agent; providing for the investment of moneys held by the escrow deposit agent; providing for the levy and collection of all taxes necessary for the prompt payment of the maturing principal of and interest on the Bonds; and generally providing for the authorization, issuance, sale and delivery of the Bonds.

RECITALS

1. Pursuant to Chapter 451 of the Laws of Maryland of 1987, and a Resolution adopted by the Board of County Commissioners of St. Mary's County on November 24, 1987 (the "1987 Resolution"), the County issued, sold and delivered \$5,000,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County Public Facilities Bonds of 1987", dated December 1, 1987 (the "1987 Bonds").

2. Pursuant to Chapter 705 of the Laws of Maryland of 1981 and Chapter 451 of the Laws of 1987 and a Resolution adopted by the Board of County Commissioners on November 21, 1989 (the "1989 Resolution"), the County issued, sold and delivered \$2,680,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County Public Facilities Bonds of 1989," dated December 1, 1989 (the "1989 Bonds").

3. Pursuant to Chapter 451 of the Laws of Maryland of 1987, Chapter 417 of the Laws of Maryland of 1989 and a resolution adopted by the Board of County Commissioners of St. Mary's County on November 27, 1990, the County issued, sold and delivered \$6,850,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County Public Facilities Bonds of 1990" dated December 1, 1990 (the "1990 Bonds").

4. The Refunding Act provides that any county may issue Bonds for the purpose of refunding any of its bonds then outstanding, including the payment of any redemption premium and any interest accrued or to accrue to the date of redemption, purchase or maturity of the bonds or other obligations. Proceeds of any refunding bonds may be invested in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America or in certificates of deposit or time deposits secured by direct obligation of, or obligations the principal of and the interest on which are guaranteed by, the United States of America to assure that the principal, interest and redemption premium, if any, on the bonds or other obligations being refunded shall be paid in full on their respective maturity, redemption or interest payment dates.

5. The net proceeds of the Bonds will be deposited in trust with The First National Bank of Maryland, as Escrow Deposit Agent, pursuant to an Escrow Deposit Agreement. Under the terms of the Escrow Deposit Agreement, the net proceeds of the Bonds will be used to purchase direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America or certificates of deposit or time deposits fully collateralized by direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America in such amounts and maturing at stated fixed prices as to principal and interest at such times so that sufficient moneys will be available from such maturing principal and interest (i) to redeem on January 1, 1997, at the redemption price of 102% of the principal amount thereof and to pay interest when due on the \$2,735,000 aggregate principal amount of the 1987 Bonds stated to mature on or after January 1, 1998; (ii) to redeem on December 1, 1999, at the redemption price of 102% of the principal amount thereof and to pay interest when due on the \$1,350,000 aggregate principal amount of the 1989 Bonds stated to mature on or after December 1, 2000; and (iii) to redeem on December 1, 2000, at the redemption price of 102% of the principal amount thereof and to pay interest when due on the \$2,275,000 aggregate principal amount of the 1990 Bonds stated to mature on or after December 1, 2001.

NOW, THEREFORE, BE IT RESOLVED BY COUNTY COMMISSIONERS OF ST. MARY'S COUNTY, that:

Section 1. Issuance of Bonds Authorized. Acting pursuant to the authority of Chapter 451 of the Laws of Maryland of 1987, Chapter 705 of the Laws of Maryland of 1981, Chapter 417 of the Laws of Maryland of 1989 and Section 24 of Article 31 of the Annotated Code of Maryland (1993 Replacement Volume and 1995 Cumulative Supplement) (the "Refunding Act"), County Commissioners of St. Mary's County, a body politic and corporate and political subdivision of the State of Maryland (the "County"), shall issue and sell, upon its full faith and credit, in the manner hereinafter provided, Six Million Nine Hundred Forty Thousand Dollars (\$6,940,000) maximum aggregate principal amount of its general obligation refunding bonds designated as "St. Mary's Public Facilities Refunding Bonds of 1996" (the "Bonds"), the net proceeds of such sale (together with any other funds lawfully available therefor) to be used to purchase direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America ("Government Obligations") or certificates of deposit or time deposits fully collateralized by Government Obligations in such amounts and maturing at stated fixed prices as to principal and interest at such times as will be sufficient, together with other amounts available therefore, (i) to redeem on January 1, 1997, at 102% of the principal amount thereof and to pay interest when due on the \$2,735,000 principal amount of 1987 Bonds maturing on or after January 1, 1998; (ii) to redeem on December 1, 1999, at the redemption price of 102% of the principal amount thereof and to pay interest when due on the \$1,350,000 aggregate principal amount of the 1989 Bonds stated to mature on or after December 1, 2000; and (iii) to redeem on December 1, 2000, at the redemption price of 102% of the principal amount thereof and to pay interest when due on the \$2,275,000 aggregate principal amount of the 1990 Bonds stated to mature on or after December 1, 2001 (the "Refunded Bonds").

Section 2. Denomination and Maturities of Bonds. The Bonds shall be dated March 1, 1996, shall bear interest from the most recent date as to which interest has been paid, or if no interest has been paid, from March 1, 1996 at the rate or rates per annum set forth in the resolution adopted by the Board pursuant to Section 9 of this Resolution, payable on July 1, 1996, and semiannually thereafter on January 1 and July 1 in each year that the Bonds are outstanding, shall be issued only as fully registered bonds in the denomination of Five Thousand Dollars (\$5,000) each or any integral multiple thereof, and shall be numbered from one consecutively upward in the order of their maturities. The Bonds shall mature, subject to prior redemption as hereinafter provided, in preliminary annual serial installments on the first day of July as follows:

Year of Maturity	Principal Amount	Year of Maturity	Principal Amount
1997	\$470,000	2004	\$610,000
1998	520,000	2005	600,000
1999	540,000	2006	140,000
2000	695,000	2007	135,000
2001	1,160,000	2008	135,000
2002	1,180,000	2009	135,000
2003	620,000		

The President of the Board of County Commissioners or her designee is authorized to establish (i) an aggregate principal amount of the Bonds less than the maximum authorized aggregate principal amount provided in this Section and to fix such amount as the Preliminary Aggregate Principal Amount or the Revised Aggregate Principal Amount to be set forth in the Notice of Sale authorized by this Resolution and (ii) the Final Aggregate Principal Amount of the Bonds described in the Notice of Sale authorized by this Resolution, such Final Aggregate Principal Amount to be the aggregate principal amount of Bonds to be issued hereunder. The President of the Board of County Commissioners or her designee is further authorized to establish different maturities and different annual maturing principal amounts from those set forth above to reflect the Final Aggregate Principal Amount of Bonds to be issued, the Preliminary Aggregate Principal Amount of the Bonds in the Notice of Sale and the Revised Aggregate Principal Amount of Bonds upon which bids will be received and to give notice of such changes to bidders by Munifacts News Service ("Munifacts") as provided in the Notice of Sale authorized by this Resolution.

Section 3. Redemption of Bonds. (a) The Bonds which mature on or before July 1, 2006, shall not be subject to redemption prior to their maturities. The Bonds which mature on or after July 1, 2007, shall be subject to redemption, as a whole at any time or in part on any interest payment date, in any order of maturity selected by the County, at the option of the County on or after July 1, 2006, at a redemption price, expressed as percentages of the principal amount of the Bonds to be redeemed, set forth in the table below, together with interest accrued to the date fixed for redemption:

Redemption Period (both dates inclusive)	Redemption Price
July 1, 2006 to June 30, 2007	101.0%
July 1, 2007 to June 30, 2008	100.5
July 1, 2008 and thereafter	100.0

(b) If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds to be redeemed shall be selected by lot by the Bond Registrar in such manner as the Bond Registrar in its sole discretion may determine.

(c) Not less than thirty (30) days prior to the date of redemption of any Bonds the County shall cause notice of such redemption to be mailed, postage prepaid, to all registered

owners of Bonds to be redeemed at their addresses as they appear on the registration books hereinafter provided for; provided, however, that the failure to mail such notice or any defect in the notice so mailed or in the mailing thereof shall not affect the validity of the proceedings for the redemption of the Bonds. The redemption notice shall state: (i) whether the Bonds are to be redeemed in whole or in part and, if in part, the maturities and numbers of the Bonds to be redeemed; (ii) that the interest on the Bonds to be redeemed shall cease to accrue on the date fixed for redemption; (iii) the date fixed for redemption and the redemption price; and (iv) that the Bonds to be redeemed shall be presented for redemption and payment on the date fixed for redemption at the principal corporate trust office of the Bond Registrar.

(d) If less than all of a Bond in a denomination in excess of \$5,000 is redeemed, then, upon the surrender thereof, there shall be issued without charge to the registered owner thereof, for the unredeemed balance of the principal amount of such Bond, of the registered owner, Bonds in any authorized denomination specified by the registered owner, the amount of Bonds so issued shall not exceed the unredeemed balance of the principal amount of the Bonds surrendered, and the Bonds issued shall bear the same interest rate and mature on the same date as the unredeemed balance of the Bond surrendered.

(e) From and after the date fixed for redemption, if funds sufficient for the payment of the redemption price and accrued interest are on deposit with the Bond Registrar, the Bonds called for redemption shall cease to bear interest. Upon presentation for redemption on or after the date fixed for redemption at the principal corporate trust office of the Bond Registrar in Baltimore, Maryland, the Bonds so called for redemption shall be paid by the Bond Registrar at the redemption price, plus accrued interest. If any such Bond is not paid upon presentation in accordance with this Resolution, then such Bonds shall continue to bear interest at the rate stated in such Bond until paid.

Section 4. Manner of Execution of Bonds. The Bonds, when issued, shall be executed in the name of the County and on its behalf by the President of the Board, whose signature may be by facsimile, and a facsimile of the seal of the County shall be imprinted on each of the Bonds, attested to by the signature of the County Administrator whose signature may be by facsimile. The facsimile of the signature of the President of the Board, the facsimile of the signature of the County Administrator and the facsimile of the seal of the County shall be engraved, printed or lithographed on each of the Bonds. Each Bond shall be authenticated by the manual signature of an authorized officer of the Bond Registrar. If any officer whose facsimile signature appears on such Bond shall cease to be such officer before delivery of such Bonds, such signature shall, nevertheless, be valid and sufficient for all purposes as if the officer had remained in office until such delivery. No Bonds issued hereunder shall be valid for any purpose or constitute an obligation of the County unless so authenticated.

Section 5. Place and Medium of Payment. The Bonds shall be payable as to principal or redemption price thereof and interest thereon in lawful money of the United States of America.

The principal of the Bonds shall be payable to the person appearing on the registration books of the County provided for herein as the registered owner thereof, such principal to be payable at the principal corporate trust office of the Bond Registrar in Baltimore, Maryland, upon presentation and surrender of such Bonds, on the date such principal is payable or if such date is not a Business Day (hereinafter defined) then on the next succeeding Business Day.

Payment of the interest on the Bonds shall be made by check mailed on or before each interest payment date (or if such date is not a Business Day, then on the succeeding Business Day) by the Bond Registrar to the persons in whose names such Bonds shall be registered as of the close of business on the Regular Record Date which shall be the fifteenth (15th) day of the month immediately preceding each interest payment date, notwithstanding any transfer or exchange of such Bonds subsequent to such date, at their addresses as they appear on the registration books of the County. Payment of any defaulted interest may be paid to the person in whose name such Bond is registered as of the close of business on the Special Record Date which shall be the date to be fixed by the Bond Registrar for the payment of such defaulted interest, (such Special Record Date shall be not less than ten (10) or more than fifteen (15) days prior to the date set for payment of such defaulted interest), notice whereof being given by letter mailed first class, postage prepaid, to such registered owner not less than 10 days prior to such Special Record Date, at the address of such person appearing on the Bond Register, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Bonds may be listed and upon such notice as may be required by such exchange.

"Business Day" means any day other than a Saturday, Sunday or day on which banking institutions under the laws of the state governing the Bond Registrar are authorized or obligated by law or required by executive order to remain closed.

Section 6. Registration and Exchange of Bonds. The Bonds shall be negotiable instruments for all purposes and shall be transferable by delivery subject only to the provisions for registration and registration of transfer endorsed on the Bonds as hereinafter provided.

The County shall cause books for registration and the registration of transfer of Bonds to be prepared (the "Bond Register"). The registration books shall be kept by the Bond Registrar. The First National Bank of Maryland is hereby designated Bond Registrar for the purpose of registering the Bonds and the transfers of the Bonds. The holder of any Bond may register such Bond only upon such books.

The Bonds shall be transferable only upon the Bond Register, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer in the form attached thereto and satisfactory to the Bond Registrar and duly executed by the registered owner or his duly authorized attorney. Upon surrender of any Bond at the principal corporate trust office of the Bond Registrar in Baltimore, Maryland, together with a written instrument of transfer described above, such Bond may be

exchanged for an equal aggregate principal amount of Bonds of other authorized denominations, bearing interest at the same rate and having the same stated maturity date.

In all cases in which Bonds shall be exchanged hereunder, the County shall execute and the Bond Registrar shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Resolution. All Bonds surrendered in any such exchange shall forthwith be cancelled by the Bond Registrar. The County or the Bond Registrar may make a charge for every such exchange of Bonds sufficient to reimburse it for any tax, fee or other governmental charge, shipping charges and insurance that may be required to be paid with respect to such exchange, but no other charge shall be made to any holder for the privilege of exchanging Bonds under the provisions of this Resolution.

Neither the County nor the Bond Registrar shall be required to register the transfer of any Bond or make any exchange of any Bond after mailing of notice calling such Bond or any portion thereof for redemption; provided, however, that this limitation shall not apply to that portion of a Bond in excess of \$5,000 which is not being called for redemption.

The County and the Bond Registrar may deem and treat the person in whose name any Bond shall be registered as the absolute owner thereof (whether or not such Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon made by anyone other than the County or the Bond Registrar) for the purpose of receiving payment of or on account of the principal or redemption price of such Bond, and for all other purposes, and neither the County nor the Bond Registrar shall be affected by any notice to the contrary. All such payments so made to any such registered owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon any such Bond.

Section 7. Form of Bonds. Except as provided hereinafter or in a resolution or resolutions of the Board adopted prior to the issuance of the Bonds, the Bonds shall be in substantially the following form, with necessary or appropriate variations, omissions and exceptions as permitted or required by this Resolution, which form, together with all of the covenants and conditions therein contained, is hereby adopted by the County as and for the form of obligation to be incurred by the County and said covenants and conditions, including the promise to pay therein contained, are hereby made binding upon the County:

BOOK 0010 PAGE 0008

(Form of Bond)
[BOND FACE]

UNITED STATES OF AMERICA
STATE OF MARYLAND

No. _____ \$

COUNTY COMMISSIONERS OF ST. MARY'S COUNTY
PUBLIC FACILITIES REFUNDING BOND OF 1996

Maturity Date	Interest Rate	Dated Date	CUSIP
		March 1, 1996	

Registered Owner:

Principal Amount: Dollars

County Commissioners of St. Mary's County, a body politic and corporate organized and existing under the Constitution and laws of the State of Maryland (the "County"), hereby acknowledges itself indebted for value received, and promises to pay to the registered owner shown above or registered assigns or legal representative, on the Maturity Date shown above (unless this bond shall be redeemable, shall have been called for prior redemption and payment of the redemption price made or provided for), in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts, upon presentation and surrender of this bond on the date such principal is payable or, if such date is not a Business Day (hereinafter defined) then on the next succeeding Business Day, at the principal corporate trust office of The First National Bank of Maryland, in Baltimore, Maryland (the "Bond Registrar"), and to pay to the registered owner hereof by check or draft payable in like coin or currency, mailed to such registered owner at his address as it appears on the bond registration books maintained by the Bond Registrar (the "Bond Register") interest on such principal amount at the Interest Rate per annum shown above until payment of such principal amount, or until the prior redemption hereof, such interest being payable semi-annually on the first days of January and July in each year (each, an "Interest Payment Date") commencing on July 1, 1996, accounting from the most recent date to which interest has been paid or, if no interest has been paid, from April 1, 1996. All interest due on this bond shall be payable to the registered owner in whose name this bond is registered on the Bond Register as of the close of business on the regular record date, which shall be the fifteenth day of the month preceding each regular interest payment date (the "Regular Record Date"), and shall be made by check mailed by the Bond Registrar on the Interest Payment Date (or if such date is not a Business Day, on the next succeeding Business Day) to such person at his address as it appears on the Bond Register. Any

such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Regular Record Date, and may be paid to the person in whose name this bond is registered as of the close of business on a date for the payment of such defaulted interest to be fixed by the Bond Registrar (the "Special Record Date") (such Special Record Date shall be not less than 10 or more than 15 days prior to the date set for payment of such defaulted interest), notice whereof being given by letter mailed first class, postage prepaid, to the registered owners not less than 10 days prior to such Special Record Date, at the addresses of such registered owners appearing on the Bond Register, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the bonds of this series may be listed and upon such notice as may be required by such exchange.

"Business Day" means a day other than a Saturday, Sunday or day on which banking institutions under the laws of the state governing the Bond Registrar are authorized or obligated by law or required by executive order to remain closed.

This bond is one of a duly authorized issue of bonds of the County aggregating \$_____ in principal amount, all dated March 1, 1996 (the "Bonds"). The Bonds are issued pursuant to and in full conformity with the provisions of Chapter 451 of the Laws of Maryland of 1987, Chapter 705 of the Laws of Maryland of 1981, Chapter 417 of the Laws of Maryland of 1989 and Section 24 of Article 31 of the Annotated Code of Maryland (1993 Replacement Volume and 1995 Cumulative Supplement) and by virtue of due proceedings had and taken by the Board of County Commissioners, particularly a resolution adopted by the Board of County Commissioners of St. Mary's County on _____, 1996 (the "Resolution").

The Bonds mature and are payable on July 1 in the following years and amounts and bear interest at the following rates per annum:

Year of Maturity	Principal Amount	Year of Maturity	Principal Amount
1997	\$470,000	2004	\$610,000
1998	520,000	2005	600,000
1999	540,000	2006	140,000
2000	695,000	2007	135,000
2001	1,160,000	2008	135,000
2002	1,180,000	2009	135,000
2003	620,000		

The Bonds which mature on or after July 1, 2007 are subject to redemption beginning July 1, 2006, as a whole at any time or in part on any interest payment date, in any order of maturity selected by the County, at the option of the County, at the following redemption prices, expressed as percentages of the principal amount of the Bonds to be redeemed, together with interest accrued to the date fixed for redemption:

Redemption Period (both dates inclusive)	Redemption Price
July 1, 2006 to June 30, 2007	101.0%
July 1, 2007 to June 30, 2008	100.5
July 1, 2008 and thereafter	100.0

If less than all of the Bonds of any one maturity are called for redemption, the particular Bonds or portion of Bonds to be redeemed from such maturity will be selected by lot by the Bond Registrar in such manner as the Bond Registrar in its sole discretion may determine.

When less than all of a Bond in a denomination in excess of \$5,000 is so redeemed, then, upon the surrender thereof, there shall be issued without charge to the registered owner thereof, for the unredeemed balance of the principal amount of such Bond, at the option of such owner, Bonds in any of the authorized denominations as specified by the registered owner, the aggregate face amount of such Bonds not to exceed the unredeemed balance of the principal amount of the Bond surrendered, and to bear the same interest rate and to mature on the same date as the unredeemed balance of the Bond surrendered.

If the County elects to redeem all or a portion of the Bonds outstanding, it will give a redemption notice to the registered owners of the Bonds to be redeemed by letter mailed first class, postage prepaid, at least thirty (30) days prior to the date fixed for redemption to the addresses of such registered owners appearing on the registration books kept by the Bond Registrar; provided, however, that the failure to mail the redemption notice or any defect in the notice mailed, or in the mailing thereof, shall not affect the validity of the redemption proceedings. The redemption notice shall state (i) whether the Bonds are redeemed in whole or in part and, if in part, the maturities and numbers of the Bonds to be redeemed, (ii) that the interest on the Bonds to be redeemed shall cease on the date fixed for redemption, (iii) the date fixed for redemption and the redemption price, and (iv) that the Bonds to be redeemed shall be presented for redemption and payment on the date fixed for redemption at the principal corporate trust office of the Bond Registrar, in Baltimore, Maryland. From and after the date fixed for redemption, if notice has been duly and properly given, and if funds sufficient for the payment of the redemption price and accrued interest are available on such date, the Bonds designated for redemption shall cease to bear interest. Upon presentation and surrender for redemption in compliance with the redemption notice, the Bonds to be redeemed shall be paid by the Bond Registrar at the redemption price. If they are not paid upon presentation, the Bonds designated for redemption shall continue to bear interest at the rates stated therein until paid.

The County has appointed The First National Bank of Maryland as Bond Registrar (the "Bond Registrar") to keep books for the registration and for the transfer of Bonds (the "Bond Register"). This bond will be transferable only upon the registration books kept at the principal corporate trust office of the Bond Registrar in Baltimore, Maryland, by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender hereof, together with a written instrument of transfer in the form attached hereto and satisfactory to the Bond Registrar and duly executed by the registered owner or his duly authorized attorney.

This bond is transferable only upon the Bond Register. Upon any transfer or exchange, the County shall issue and the Bond Registrar shall authenticate and deliver a new registered bond or bonds of any of the authorized denominations in an aggregate principal amount equal to the principal amount of the bond exchanged or transferred and maturing on the same date and bearing interest at the same rate. In each case, the Bond Registrar may require payment by the registered owner of this bond requesting the exchange or transfer hereof of any tax, fee or other 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 hereof for the exchange or transfer.

Neither the County nor the Bond Registrar shall not be required to transfer or exchange this bond after mailing of notice of calling this bond or any portion hereof for redemption; provided, however, that this limitation shall not apply to any portion of this bond in excess of \$5,000 which is not being called for redemption.

The County may deem and treat the person in whose name this bond is registered as the absolute owner hereof (whether or not this bond is overdue and notwithstanding any notation hereon made by anyone other than the County or the Bond Registrar) for the purpose of receiving payment of or on account of the principal or redemption price of this bond, and for all other purposes, and neither the County nor the Bond Registrar shall be affected by any notice to the contrary. All payments made to the registered owner hereof, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon this bond.

The full faith and credit and unlimited taxing power of County Commissioners of St. Mary's County are hereby unconditionally pledged to the payment of this bond and of the interest payable hereon according to its terms, and the County does hereby covenant and agree to pay punctually the principal of this bond and the interest hereon on the dates and in the manner prescribed herein, according to the true intent and meaning hereof.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened, 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 and the Resolution (as defined on the reverse hereof), and that the issue of bonds, of which this bond is one, together with all other indebtedness of the County, is within every debt and other limit prescribed by the Constitution and laws of the State of Maryland and that due provision has been made for the levy and collection of an annual ad valorem tax or taxes upon all the legally assessable property within the corporate limits of the County in rate and amount sufficient to provide for the payment, when due, of the principal of and interest on this bond.

BOOK 0010 PAGE 0012

This bond shall not become obligatory for any purpose or be entitled to any benefit under the above-mentioned laws until this bond shall have been authenticated by an authorized officer of the Bond Registrar.

IN WITNESS WHEREOF, County Commissioners of St. Mary's County has caused this bond to be executed in its name by the facsimile signature of the President of the Board of County Commissioners and by its corporate seal imprinted hereon in facsimile, attested by the facsimile signature of the County Administrator all as of the _____ day of _____, 1996.

COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY

By [Facsimile Signature]
President, Board of County
Commissioners

(SEAL)

ATTEST: [Facsimile Signature]
County Administrator

CERTIFICATE OF AUTHENTICATION

This bond is one of the registered bonds of County Commissioners of St. Mary's County Public Facilities Refunding Bonds of 1996.

The First National Bank of Maryland
as Bond Registrar

By: _____
Authorized Officer

Date of Authentication:

BOOK 0010 PAGE 0013

(Form of Assignment)
ASSIGNMENT

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

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

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

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

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

Dated:

Signature Guaranteed:

Notice: Signatures must be
guaranteed by a member 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
upon the face of the within
bond in every particular, without alteration or
enlargement or any change whatever.

Section 8. Changes in Form of Bonds. The President of the Board of County Commissioners is hereby authorized to make such changes in the form of bond set forth in Section 7 hereof as she shall deem necessary to carry into effect the purposes of this Resolution or to comply with recommendations of legal counsel; provided, however, that the President shall make no change affecting the substance of such form.

Section 9. Sale of Bonds; Application of Good Faith Deposit; Delivery of Bonds. The County shall sell the Bonds by the solicitation of competitive bids at public sale. Bids shall be received until 11:00 a.m. local Baltimore, Maryland time on the date fixed for sale. Upon the recommendation of the financial advisor to the County, the President of the Board of County Commissioners or her designee may establish a different date for the sale of the bonds. The sale will be held at the offices of Piper & Marbury, L.L.P., Conference Room 11A, Eleventh Floor, 36 South Charles Street, Baltimore, Maryland, 21201 on March 5, 1996 or at such other place and on such other date as the President of the Board of County Commissioners shall determine. The Director of Finance shall conduct the sale of the Bonds in the name of the County and on its behalf for cash at par less the underwriting fee to the bidder or bidders therefor whose bid or bids are determined to be the best responsible bid received in compliance with the terms and conditions of the official Notice of Sale. The sale shall be made upon award made by resolution of the Board of County Commissioners. Public notice of the sale shall be given by advertisement which shall be published in one or more daily or weekly newspapers having a general circulation in the County and may also be published in one or more journals having a circulation primarily among banks and investment bankers. At least one publication of the advertisement shall be made not less than ten (10) days before the sale of the Bonds. The notice of sale (which shall also constitute the form of advertisement to be published pursuant to this Section and the Act) and proposal for the Bonds shall be in substantially the form hereinafter set forth. The terms and conditions stated in the notice of sale and proposal are hereby adopted and approved as the terms and conditions under which the Bonds shall be sold, issued and delivered at public sale. Appropriate variations and insertions shall be made to provide dates, numbers and amounts, and modifications not altering its substance may be made by the President of the Board of County Commissioners to carry into effect the purposes of this Resolution or to comply with recommendations of legal counsel. The President of the Board of County Commissioners is hereby authorized to combine the sale of the County Commissioners of St. Mary's County St. Mary's Hospital Refunding Bonds of 1996, the St. Mary's County Metropolitan Commission Refunding Bonds of 1996 and the Bonds by providing for the issuance of a single notice of sale for all such bonds. Any modifications to the notice of sale to accomplish such combined sale are hereby authorized and approved.

ST. MARY'S COUNTY, MARYLAND

NOTICE OF SALE OF

\$6,940,000*

COUNTY COMMISSIONERS OF ST. MARY'S COUNTY
PUBLIC FACILITIES REFUNDING BONDS OF 1996

Dated March 1, 1996

Sealed proposals will be received until 11:00 a.m., local Baltimore, Maryland time on March 5, 1996 by the Director of Finance of St. Mary's County, Maryland, at the offices of Piper & Marbury L.L.P., Conference Room 11A, Eleventh Floor, 36 South Charles Street, Baltimore, Maryland 21201, for the purchase of the above-described general obligation bonds of the County (the "Bonds"), aggregating \$ _____ *, all dated March 1, 1996, maturing, subject to prior redemption, as herein stated, on the first day of July as follows:

Year of Maturity	Principal Amount	Year of Maturity	Principal Amount
1997	\$470,000	2004	\$610,000
1998	520,000	2005	600,000
1999	540,000	2006	140,000
2000	695,000	2007	135,000
2001	1,160,000	2008	135,000
2002	1,180,000	2009	135,000
2003	620,000		

County Commissioners of St. Mary's County will not consider and will reject any proposal for the purchase of less than all of the Bonds for which a proposal is made.

The bonds shall be issued only in fully registered form without coupons. One bond representing each maturity of each series will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust company, New York, New York ("DTC"), as registered owner of the bond each such bond shall be immobilized in the custody of DTC. DTC will act as securities depository for the bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers will not receive physical delivery of certificates representing their interest in the bonds purchased. The winning bidder, as a condition to delivery of the bonds, will be required to deposit the bond certificates representing each maturity with DTC.

The Bonds will be fully registered in form in the denominations of \$5,000 each or any integral multiple thereof and will bear interest payable semiannually on the first days of January and July, commencing July 1, 1996, until maturity or redemption. Principal of the Bonds will be paid to the registered owner at the principal corporate trust office of The First National Bank of Maryland, Baltimore, Maryland (the "Bond Registrar"), upon presentment and surrender of the Bonds. Interest will be paid to the persons in whose names the Bonds are registered on the registration books maintained by the Bond Registrar on the Regular Record Date, which is the fifteenth day of the month immediately preceding the month in which each such interest payment date occurs, by check mailed to each such person's address as it appears on such bond registration books.

The Bonds which mature on or before July 1, 2006, are not subject to redemption prior to their maturities. The Bonds which mature on or after July 1, 2007, are subject to redemption at the option of the County beginning July 1, 2006, as a whole at any time or in part on any interest payment date, in any order of maturity and, with respect to the Bonds of a maturity in any amount, selected by the County, at a redemption price, expressed as a percentage of the principal amount of the Bonds to be redeemed, set forth in the table below, together with interest accrued to the date fixed for redemption:

Redemption Period (both dates inclusive)	Redemption Price
July 1, 2006 to June 30, 2007	101.0%
July 1, 2007 to June 30, 2008	100.5
July 1, 2008 and thereafter	100.0

The purchase price of the Bonds shall be 100% of the principal amount of the Bonds plus accrued interest. Bidders should specify a fee to be paid by the County to the successful bidder upon delivery of the Bonds for services in connection with the bidder's purchase and remarketing of the Bonds. Such fee may not exceed \$_____. This fee shall be treated as a discount for the purposes of calculating the lowest true interest cost as described below.

The Bonds will be awarded to the bidder naming the lowest true interest cost for all the Bonds in any legally acceptable proposal and offering to pay not less than par and accrued interest. The lowest true interest cost will be determined by treating the fee described above as a discount to the initial purchase price of the Bonds, and by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments from the payment dates to the date of the Bonds and to the amount bid, excluding interest accrued to the date of delivery of the Bonds. If two or more responsible bidders offer to purchase the Bonds at the same lowest true interest cost, the Bonds may be apportioned between such bidders, with their consent, or the County may, in its discretion, award the Bonds to one of such bidders. The right is reserved to the County to reject any or all proposals and to waive any irregularity or informality in any proposal. The Director of Finance's judgment shall be final and binding upon

all bidders with respect to the form and adequacy of any proposal received and as to its conformity to the terms of this Notice of Sale.

Bidders shall state in their proposals the rate or rates of interest to be paid on all the Bonds, on which rate or rates their proposals are based and submitted. The rates so named must be in multiples of 1/8 or 1/20 of 1%, and the highest rate may not exceed the lowest rate by more than 3%. Bidders may specify more than one rate of interest to be borne by the Bonds but may not specify more than one rate for the Bonds of any single maturity. A zero rate may not be named for any maturity. As promptly as reasonably practicable after the bids are opened, the County will notify the bidder to whom the Bonds will be awarded, if and when such award is made, and such bidder, upon such notice, shall advise the County of the initial reoffering prices to the public of each maturity of the Bonds (the "Initial Reoffering Prices").

Each proposal must be submitted on the form accompanying the Preliminary Official Statement and must be enclosed in a sealed envelope addressed to the Director of Finance, St. Mary's County, Maryland c/o Piper & Marbury, L.L.P., Conference Room 11A, Eleventh Floor, 36 South Charles Street, Baltimore, Maryland 21201, and marked on the outside "Bid for Bonds."

ALL BIDDERS SUBMITTING A PROPOSAL FOR THE BONDS MUST ALSO SUBMIT A PROPOSAL FOR THE ST. MARY'S COUNTY METROPOLITAN COMMISSION REFUNDING BONDS OF 1996 (THE "COMMISSION REFUNDING BONDS"). NO PROPOSAL FOR THE BONDS WILL BE ACCEPTED BY THE COUNTY UNLESS THE BIDDER HAS ALSO SUBMITTED A PROPOSAL FOR THE COMMISSION REFUNDING BONDS. SEPARATE AWARDS MAY BE MADE TO DIFFERENT BIDDERS FOR THE COMMISSION BONDS AND THE BONDS.

Bids must be submitted on the prescribed form accompanying the Preliminary Official Statement and must be enclosed in a sealed envelope marked "Proposal for Bonds" and addressed to County Commissioners of St. Mary's County, c/o Piper & Marbury L.L.P., 36 South Charles Street, Conference Room 11A, Eleventh Floor, Baltimore, Maryland 21201, each bid to be accompanied by a good faith deposit in the form of a certified check upon, or a cashier's, treasurer's or official check of, a responsible banking institution, payable to the order of "County Commissioners of St. Mary's County" or a financial surety bond (a "Surety Bond") from an insurance company acceptable to the County and licensed to issue such a bond in the State of Maryland, in the amount of \$_____ (the "Deposit"). If a Surety Bond is used, it must be submitted to the County prior to the opening of the bids and must be in form and substance acceptable to the County, including (without limitation) identifying the bidder whose Deposit is guaranteed by such Surety Bond. If the Bonds are awarded to a bidder utilizing a Surety Bond, then such successful bidder is required to submit its Deposit to the County in the form of a wire transfer not later than 12:00 p.m. Baltimore time on the next business day following the award. If such Deposit is not received by that time, the Surety Bond may be drawn by the County to satisfy the Deposit requirement. The Deposit of the successful bidder will be collected and the

proceeds thereof retained by the County to be applied in part payment for the Bonds, and no interest will be allowed or paid upon the amount thereof, but in the event the successful bidder shall fail to comply with the terms of his bid, the proceeds thereof will be retained as and for full liquidated damages. The checks of the unsuccessful bidders will be returned promptly after the Bonds are awarded. THE SUCCESSFUL BIDDER SHALL MAKE A BONA FIDE PUBLIC OFFERING OF THE BONDS AT OR BELOW PAR PLUS ACCRUED INTEREST (THE "INITIAL OFFERING PRICES") AND SHALL PROVIDE THE RELATED CERTIFICATION DESCRIBED BELOW. THE SUCCESSFUL BIDDER SHALL PURCHASE THE BONDS AT PAR PLUS ACCRUED INTEREST, AND IN LIEU OF A DISCOUNT, SHALL RECEIVE A FEE AS DESCRIBED BELOW.

The Bonds are authorized by Chapter 451 of the Laws of Maryland of 1987, Chapter 705 of the Laws of Maryland of 1981, Chapter 417 of the Laws of Maryland of 1989, and Section 24 of Article 31 of the Annotated Code of Maryland (1993 Replacement Volume and 1995 Cumulative Supplement) and a resolution adopted by the Board of County Commissioners of St. Mary's County, on _____, 1996.

The proceeds of the Bonds for which proposals are solicited herein will be used to refund the callable maturities of the County Commissioners of St. Mary's County Public Facilities Bonds of 1987, the County Commissioners of St. Mary's County Public Facilities Bonds of 1989, and the County Commissioners of St. Mary's County Public Facilities Bonds of 1990.

The full faith and credit and unlimited taxing power of County Commissioners of St. Mary's County are unconditionally pledged to the payment of the Bonds and of the interest to accrue thereon.

The issuance of the Bonds will be subject to legal approval by Piper & Marbury, L.L.P. Baltimore, Maryland, whose opinion shall be substantially in the form set forth as an exhibit to the Preliminary Official Statement concerning the Bonds and to verification of the escrow deposit calculation by an independent certified public accountant. The opinion and verification report will be delivered upon request, without charge to the successful bidder for the Bonds, and the certified text of the opinion will be printed on each Bond.

When delivered, the Bonds shall be duly executed and authenticated and registered in such names and in such denominations as the successful bidder shall have requested in writing not less than seven (7) business days prior to the closing; and the remaining aggregate principal amount of the Bonds of each maturity for which no instructions have been received by such date will be issued as one bond of such maturity in the denomination of such remaining aggregate principal amount, or as bonds in such denominations as may be mutually agreed upon by the successful bidder and the County, and registered in the name of the successful bidder.

In order to assist bidders in complying with SEC Rule 15c2-12(b)(5), the County will execute and deliver a continuing disclosure agreement on or before the date of issuance of the bonds pursuant to which it will undertake to provide certain information annually and notices of certain events. A description of this agreement is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print any such number on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Sale.

As promptly as reasonably possible after the bids are opened, the President of the Board or his designee will notify the bidder to whom the bonds will be awarded, if and when such award is made, and such bidder, upon such notice, shall advise the President of the Board or his designee of the initial reoffering prices to the public of each maturity of the bonds (the "Initial Reoffering Prices"). THE SUCCESSFUL BIDDER MUST SELL TO THE PUBLIC 10% OR MORE IN PAR AMOUNT OF THE BONDS FROM EACH MATURITY AT THE INITIAL REOFFERING PRICES. Such Initial Reoffering Prices, among other things, will be used by the County to calculate the final aggregate principal amount of the bonds and the final principal amount of each annual payment on the bonds (the "Final Aggregate Principal Amount" and the "Final Principal Amount" of each annual payment, respectively; collectively, the "Final Amounts"). In determining the Final Amounts, the County expects that the Revised Amounts will be changed as necessary to effect the greatest, economic advantage of the refunding, or to accommodate other refunding objectives of the County, but the County will not reduce or increase the Revised Aggregate Principal Amount of the bonds by more than ___% from the amount bid upon or change the principal amount of the maturities by more than \$ _____. THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE REVISED AMOUNTS WITHIN THESE LIMITS. The dollar amount bid for principal by the successful bidder will be adjusted proportionately to reflect any reduction or increase in the aggregate principal amount of the bonds. The dollar amount specified in the bid of the successful bidder will be adjusted proportionately to reflect any reduction or increase in the aggregate principal amount of the Bonds. The interest rates specified by the successful bidder for each maturity in its bid for bonds will not change. ALL BIDS SHALL REMAIN FIRM FOR FIVE (5) HOURS AFTER THE TIME SPECIFIED FOR THE OPENING OF BIDS. An award of the bonds, if made, will be made by the President of the Board or his designee within such five (5) hour period of time. The Final Amounts will be communicated to the successful bidder as soon as possible, but not later than 4:00 p.m. the day the bonds are awarded.

As soon as practicable after the award of the Bonds to the successful bidder therefor on the day of sale, the County will authorize its Official Statement, which is expected to be substantially in the form of the Preliminary Official Statement referred to above. If so requested

by the purchaser or purchasers at or before the close of business on the date of the sale, the County will include in the Official Statement such pricing and other information with respect to the terms of the reoffering of the Bonds by the successful bidder therefor ("Reoffering Information"), if any, as may be specified and furnished in writing by such bidder. If no Reoffering Information is specified and furnished by the successful bidder, the Official Statement will include the interest rates on the Bonds resulting from the bid of the successful bidder and the other statements with respect to reoffering contained in the Preliminary Official Statement. The successful bidder shall be responsible to the County and its officials for the Reoffering Information furnished by such bidder and for all decisions made by such bidder with respect to the use or omission of the Reoffering Information in any reoffering of the Bonds including the presentation or exclusion of any Reoffering Information in any documents, including the Official Statement. The successful bidder will also be furnished, without cost, with up to 200 copies of the Official Statement (and any amendments or supplements thereto).

SIMULTANEOUSLY WITH OR BEFORE DELIVERY OF THE BONDS THE SUCCESSFUL BIDDER SHALL FURNISH TO THE COUNTY A CERTIFICATE ACCEPTABLE TO BOND COUNSEL TO THE EFFECT THAT (i) THE SUCCESSFUL BIDDER HAS MADE A BONA FIDE PUBLIC OFFERING OF THE BONDS AT THE INITIAL REOFFERING PRICES OF NOT MORE THAN PAR PLUS ACCRUED INTEREST; AND (ii) THAT A SUBSTANTIAL AMOUNT OF THE BONDS WAS SOLD TO THE PUBLIC (EXCLUDING BOND HOUSES, BROKERS AND OTHER INTERMEDIARIES) AT SUCH INITIAL REOFFERING PRICES. Bond Counsel advises that (i) such certificate must be made on the best knowledge, information and belief of the successful bidder, (ii) the sale to the public of 10% or more in par amount of the Bonds of each maturity at (or below) the Initial Reoffering Prices would be sufficient to certify as to the sale of a substantial amount of the Bonds, and (iii) reliance on other facts as a basis for such certification would require evaluation by Bond Counsel to assure compliance with the statutory requirement to avoid the establishment of an artificial price for the Bonds.

The Bonds shall be delivered on or about April 3, 1996, at the expense of the County, at such place in Baltimore, Maryland, or New York, New York, as shall be mutually agreed upon by the County and the successful bidder, or at such other date or place as shall be mutually agreed upon by the County and the successful bidder (provided that delivery other than in Baltimore, Maryland, or New York, New York, shall be at the expense of the successful bidder), upon payment of the principal amount of the Bonds less the underwriting fee set forth in the Proposal for Bonds, plus accrued interest to the date of delivery, less the amount of the good faith deposit. Such payment shall be made in Federal funds.

The Bonds will be accompanied by the customary closing documents, including a no-litigation certificate, effective as of the date of delivery, stating that there is no litigation pending affecting the validity of the Bonds.

It shall be a condition to the obligation of the successful bidder to accept delivery of and pay for the Bonds that simultaneously with or before delivery and payment for the Bonds such successful bidder shall be furnished a certificate of the appropriate County officials to the effect that, to the best of their knowledge and belief, the Official Statement (and any amendment or supplement thereto) (except for the Reoffering Information, as to which no view will be expressed) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and that between the date of sale and the date of delivery of the Bonds there has been no material adverse change in the financial position or revenues of the County, except as reflected or contemplated in the Official Statement.

In the event that all or any part of the Bonds are initially reoffered with bond insurance secured by the successful bidder, the successful bidder shall be required to notify promptly the Director of Finance of the County at the time of sale of such event and shall provide the Director of Finance with any information he reasonably requests regarding such bond insurance including the amounts paid for such insurance. The County will, at the request and expense of the successful bidder, include customary language in the official statement and the form of bond regarding the insurance policy upon receipt of such opinions or certificates as the County reasonably may request regarding the accuracy of any information to be included in the Official Statement and binding nature of the obligations contained in the insurance policy with respect to the Bonds. The County shall have no obligation to provide the successful bidder or the bond insurance company with any other document or opinions relating to the Bonds.

The Preliminary Official Statement, which is in a form "deemed final" as of its date by the County for purposes of SEC Rule 15c2-12 but is subject to revision, amendment and completion in the Official Statement, together with this Notice of Sale and the required form of proposal may be obtained from the office of the Director of Finance, St. Mary's County, Maryland, Governmental Center, Leonardtown, Maryland 20650, or H. C. Wainwright & Co., Incorporated, 100 East Pratt Street, Baltimore, Maryland 21202, (410) 347-3900, financial advisor to the County.

By order of
COUNTY COMMISSIONERS OF ST. MARY'S
COUNTY

(Form of Proposal for Bonds)

PROPOSAL FOR BONDS

March 5, 1996

Director of Finance
 St. Mary's County, Maryland
 c/o Piper & Marbury L.L.P.
 Conference Room 11A
 Eleventh Floor
 36 South Charles Street
 Baltimore, Maryland 21201

Dear Sir:

Subject to the provisions and in accordance with the terms of the annexed Notice of Sale which is incorporated by reference herein and made a part of this Proposal for Bonds, we offer to purchase the obligations of County Commissioners of St. Mary's County described in such Notice of Sale, being \$ _____ aggregate principal amount of County Commissioners of St. Mary's County Public Facilities Refunding Bonds of 1996, such bonds to be dated April 1, 1996, to mature in the several years shown in the table below (subject to prior redemption as provided in such Notice of Sale), and to bear interest at the rates per annum set opposite such years, respectively.

We will pay an amount equal to the Revised
 Aggregate Principal Amount of the Bonds \$ _____

We will receive an underwriting fee (not to exceed
 \$ _____) in the amount of \$ _____

We will pay accrued interest on the Bonds from March 1, 1996 to the date of delivery in accordance with the Notice of Sale.

Maturing July 1	Interest Rate	Maturing July 1	Interest Rate
1997	_____ %	2004	_____
1998	_____	2005	_____
1999	_____	2006	_____
2000	_____	2007	_____
2001	_____	2008	_____
2002	_____	2009	_____
2003	_____		

We submit the following form of good faith deposit (check one):

_____ We enclose herewith a certified check drawn upon, or a bank cashier's, treasurer's or official check of, a responsible banking institution, payable to the order of "County Commissioners of St. Mary's County" in the amount of \$ _____ which check is to be returned to us if this proposal is not accepted.

_____ We have enclosed herewith a surety bond in the amount of \$ _____ in accordance with the Official Notice of Sale.

WE UNDERSTAND THAT (A) WE ARE TO PROVIDE A CERTIFICATION REGARDING THE PUBLIC SALE OF THE BONDS AS DESCRIBED IN THE NOTICE OF SALE ON OR PRIOR TO THE CLOSING DATE AND (B) IF NOTIFIED THAT WE ARE THE SUCCESSFUL BIDDER, WE WILL BE REQUIRED TO ADVISE THE COUNTY OF THE INITIAL REOFFERING PRICES (AS DESCRIBED IN THE NOTICE OF SALE) FOR EACH MATURITY OF THE BONDS AT THE TIME OF SUCH NOTIFICATION. In this regard, you may contact and rely on the information provided by _____, whose telephone number is _____.

For your information you will find attached a list of underwriters associated with us in this proposal.

and Associates (See List Attached)

NOTE: Not part of proposal. The following information is requested to expedite and facilitate prompt determination of the best bid. The omission or inaccuracy of these figures will not affect the validity of the proposal. For your information you will find attached a list of the group of underwriters associated with us in this proposal.

Aggregate amount of interest from
date of bonds to final maturity \$ _____
True interest cost _____ %

BOOK 3010 PAGE 0025

The above good faith check has been returned and receipt thereof is fully acknowledged.

Bidder

By: _____

Title: _____

Section 10. As soon as may be practicable after the sale hereinabove provided for has been held, the Bonds shall be suitably prepared in definitive form, executed and delivered to the purchaser upon receipt of the purchase price therefor, plus interest accrued to the date of delivery, less the good faith deposit accompanying the proposal. The President of the Board of County Commissioners, the County Administrator and the Director of Finance and all other officers and employees of the County are expressly authorized, empowered and directed to take any and all action necessary to complete and close the award, sale and delivery of the Bonds to the purchaser thereof.

Section 11. Escrow Deposit Agreement. The First National Bank of Maryland is hereby appointed as Escrow Deposit Agent (the "Escrow Deposit Agent"). The President of the Board of County Commissioners shall execute on behalf of the County an Escrow Deposit Agreement with the Escrow Deposit Agent with such changes, additions or modifications as may be required or deemed appropriate by him to accomplish the purposes of the transaction authorized by this Resolution.

Section 12. Accountant's Certificate. Prior to the delivery of the Bonds, the County shall have received a certificate of a firm of independent certified public accountants, nationally recognized in the field of advance refunding of tax exempt obligations, verifying that the maturing principal amounts of the obligations held in the Escrow Deposit Fund and interest earned thereon, together with other amounts provided by the County, will be sufficient (i) to redeem on January 1, 1997, at 102% of the principal amount thereof and to pay interest when due on the \$2,735,000 principal amount of 1987 Refunded Bonds; (ii) to redeem on December 1, 1999, at the redemption price of 102% of the principal amount thereof and to pay interest when due on the \$1,350,000 aggregate principal amount of the 1989 Refunded Bonds stated to mature on or after December 1, 2000; and (iii) to redeem on December 1, 2000, at the redemption price of 102% of the principal amount thereof and to pay interest when due on the \$2,275,000 aggregate principal amount of the 1990 Refunded Bonds stated to mature on or after December 1, 2001.

Section 13. Application of Bonds Proceeds: Bond Not to be Arbitrage Bonds. Immediately after the sale of the Bonds, the Bonds shall thereupon be suitably printed and delivered to the purchasers thereof in accordance with the conditions of delivery set forth in the Notice of Sale. The Director of Finance may deduct from the total gross proceeds from the sale of the Bonds all expenses incurred in the issuance of the Bonds. The Director of Finance shall use the balance of said proceeds to purchase or shall deposit said balance with the Escrow Deposit Agent to purchase direct obligations of the United States of America or time deposits secured by direct obligations or obligations the principal of and interest on which are guaranteed by the United States of America, or such other investments permitted by applicable law, the principal of and interest on which will be sufficient to (i) to redeem on January 1, 1997, at 102% of the principal amount thereof and to pay interest when due on the \$2,735,000 principal amount of 1987 Refunded Bonds stated to mature on or after January 1, 1998; (ii) to redeem on December 1, 1999, at the redemption price of 102% of the principal amount thereof and to pay

interest when due on the \$1,350,000 aggregate principal amount of the 1989 Refunded Bonds stated to mature on or after December 1, 2000; and (iii) to redeem on December 1, 2000, at the redemption price of 102% of the principal amount thereof and to pay interest when due on the \$2,275,000 aggregate principal amount of the 1990 Refunded Bonds stated to mature on or after December 1, 2001. The President of the Board of County Commissioners may enter into a contract with any bank, investment bank or other financial institution to purchase such direct obligations of the United States of America or time deposits secured by the United States of America.

(b) The President of the Board (the "Section 148 Certifying Official") shall be responsible for the execution and delivery (on the date of issuance of the Bonds) of a certificate of the County (the "Section 148 Certificate") which complies with the requirements of Section 148 of the Internal Revenue Code of 1986 ("Section 148") and the applicable regulations thereunder (the "Arbitrage Regulations"), and the Section 148 Certifying Official is hereby authorized and directed to execute the Section 148 Certificate and to deliver the same to counsel rendering an opinion on the validity of the Bonds on the date of the issuance of the Bonds.

(c) The County shall set forth in the Section 148 Certificate its reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of the Bonds, or of any moneys, securities or other obligations on deposit to the credit of any of the funds created or established by this Resolution or held by the Bond Registrar pursuant to the Loan Agreement or of any other moneys, securities or other obligations which may be deemed to be proceeds of the Bonds pursuant to Section 148 or the Arbitrage Regulations (collectively, the "Bond Proceeds"). The County covenants with each of the holders of any of the Bonds that the facts, estimates and circumstances set forth in the Section 148 Certificate will be based on the County's reasonable expectations on the date of issuance of the Bonds and will be, to the best of the Section 148 Certifying Official's knowledge, true, correct and complete as of that date.

(d) The County covenants with each of the holders of any of the Bonds that it will not make, or (to the extent it exercises control or direction) permit to be made, any use of the Bond Proceeds which would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 and the Arbitrage Regulations.

(e) The County further covenants that it will comply with Section 148 and the Arbitrage Regulations which are applicable to the Bonds on the date of issuance of the Bonds and which may subsequently lawfully be made applicable to the Bonds.

(f) The Section 148 Certifying Official may execute a certificate or certificates supplementing or amending the Section 148 Certificate, and actions taken by the County subsequent to the execution of such certificate and the filing of the same with the Bond Registrar shall be in accordance with the Section 148 Certificate as amended or supplemented; provided, however, that the County shall execute or file any such certificate only upon delivery to the Bond Registrar of an opinion of Bond Counsel addressed to the County and the Bond Registrar to the

effect that actions taken by the County in accordance with the amending or supplementing certificate will not adversely affect the exemption from federal income taxation of interest on the Bonds.

Section 14. Covenant to Pay Principal and Interest; Pledge of Full Faith and Credit. The full faith and credit and unlimited taxing power of the County are hereby irrevocably pledged to the payment of the maturing principal of and interest on the Bonds as and when they become payable. In each and every fiscal year that any of the Bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes in rate and amount sufficient to provide for or assure the payment, when due, of the principal of and interest on all the Bonds maturing in each such fiscal year as and when such taxes become necessary in order to provide sufficient funds to meet the debt service requirements on the Bonds. If the proceeds of the taxes so levied in any such fiscal year prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any deficiency. The County may apply to the payment of the principal of and interest on any of the Bonds any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality of either, or from any other source, if such funds are granted for the purpose of assisting the County in the financing and, to the extent of any such funds received or receivable in any fiscal year, taxes that might otherwise be required to be levied hereunder may be reduced or need not be levied.

Section 15. Bond Registrar. (a) The County shall provide an adequate inventory of Bond certificates to facilitate transfers. The Bond Registrar covenants that it will maintain Bond certificates in safekeeping and will use reasonable care in maintaining such Bond in safekeeping, which shall be not less than the care it maintains for debt securities of other governments or corporations for which it serves as Bond Registrar, or which it maintains for its own Bond.

(b) The Bond Registrar will maintain the records of the Bond Register in accordance with the Bond Registrar's general practices and procedures in effect from time to time. The Bond Registrar shall not be obligated to maintain such Bond Register in any form other than those which the Bond Registrar has currently available and currently utilizes at the time. The Bond Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 16. Severability of Invalid Provision. If any one or more of the covenants or agreements provided in this Resolution on the part of the County or the Bond Registrar to be performed should be contrary to law, then such covenant or covenants, agreement or agreements shall be null and void and shall in no way affect the validity of the other provisions of this Resolution or of the Bonds.

Section 17. Notices. Any notice or other instrument delivered to the County pursuant to this Resolution shall be in writing and shall be sent by registered or certified mail to it at its offices in Leonardtown, Maryland, or such other address as it shall designate to the Bond Registrar in writing, and any notice or other instrument delivered to the Bond Registrar pursuant

to this Resolution shall be in writing and shall be sent by registered or certified mail to it at the principal corporate trust office of the Bond Registrar in Baltimore, Maryland.

Section 18. Section Headings. The section headings have been prepared for convenience only and are not part of this Resolution and shall not be taken as an interpretation of any provision of this Resolution.

Section 19. Official Statement. The distribution of an Official Statement pertaining to the Bonds is hereby authorized, the final form of such Official Statement to be approved by the President of the Board of County Commissioners as evidenced by her signature thereon. The distribution of a Preliminary Official Statement with respect to the Bonds is hereby approved. The Official Statement shall be in substantially the form of such Preliminary Official Statement, with such changes, modifications, additions and deletions as the President of the Board of County Commissioners may approve.

Section 20. Continuing Disclosure Agreement. The President of the Board or any other member of the Board of County Commissioners is expressly authorized to approve the form of, and execute and deliver and on behalf of the County, a continuing disclosure agreement to assist bidders in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).


Section 21. Effective Date. This Resolution shall take effect immediately.

ADOPTED this 20th day of February, 1996.

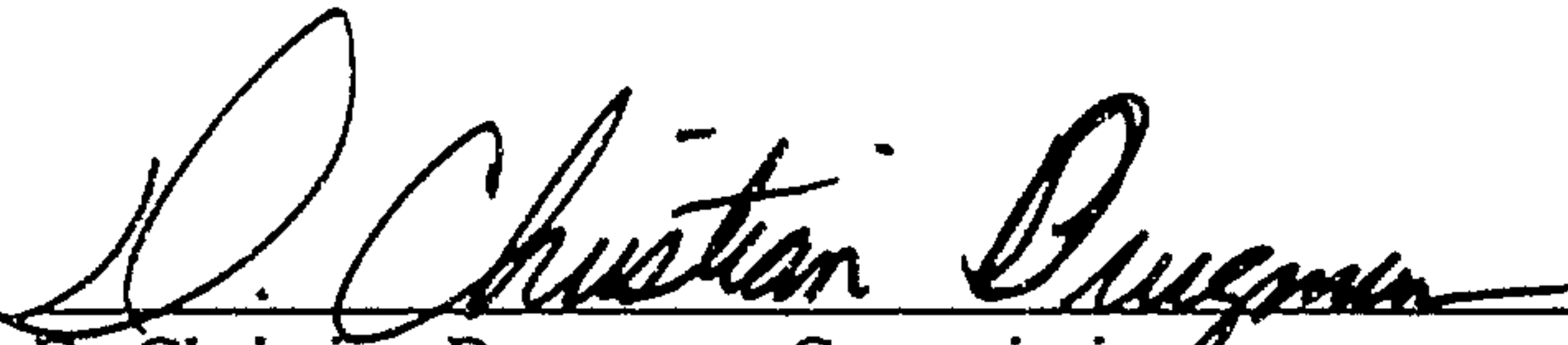
(SEAL)

COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY

Attest:


Barbara R. Thompson, President


W. Aleck Loker, County Administrator


D. Christian Brugman, Commissioner


Paul W. Chesser, Commissioner

Frances P. Eagan, Commissioner


Lawrence D. Jarboe, Commissioner

COUNTY COMMISSIONERS OF ST. MARY'S COUNTY
APPROVAL OF RESOLUTION OF ST. MARY'S COUNTY
METROPOLITAN COMMISSION

RECORDING FEE 0.00
TOTAL 0.00
Res#5402 Rcr#1999999
ENA LP Bk#1
Feb 29, 1996 04:08 PM

Resolution of the County Commissioners of St. Mary's County, approving the passage and the adoption of a Resolution adopted on February 8, 1996 by the St. Mary's County Metropolitan Commission, which Resolution authorized and provided for the issuance and sale of not to exceed Two Million Four Hundred Seventy-Five Thousand Dollars (\$2,475,000) St. Mary's County Metropolitan Commission Refunding Bonds of 1996" (the "Bonds"); approving and concurring in the form of the Bonds; authorizing the County to execute the form of endorsement which evidences the guarantee of the Bonds; pledging the full faith and credit of the County to the payment of the principal of and interest on such Bonds, when due; and generally relating to the issuance of such Bonds and the form thereof.

RECITALS

On February 8, 1996, St. Mary's County Metropolitan Commission (the "Commission") adopted a resolution (the "Commission Resolution") entitled as follows:

RESOLUTION OF ST. MARY'S COUNTY METROPOLITAN COMMISSION providing for the issuance and sale, upon the full faith and credit of County Commissioners of St. Mary's County, of not to exceed Two Million Four Hundred Seventy-Five Thousand Dollars (\$2,475,000) aggregate principal amount of bonds (the "Bonds") under the provisions of Sections 113-1 to 113-28, inclusive, of the Code of Public Local Laws of St. Mary's County (1978 Edition, as amended, being Article 19 of the Code of Public Local Laws of Maryland), as enacted by Chapter 369 of the Laws of Maryland of 1978 and amended by various Laws of Maryland, including Chapter 417 of the Laws of Maryland of 1979 and Chapters 84 and 87 of the Laws of Maryland of 1981, and Section 24 of Article 31 of the Annotated Code of Maryland (1993 Replacement Volume and 1995 Cumulative Supplement) the Bonds to be designated "St. Mary's County Metropolitan Commission Refunding Bonds of 1996," and to be issued and sold for the purpose of refunding the St. Mary's County Metropolitan Commission Bonds of 1986; prescribing the form and tenor of the Bonds and the terms and

conditions for the issuance and sale thereof at public sale, including the form of the notice of sale; prescribing the terms and conditions of the Bonds and all other details incident to the issuance, sale and delivery of the Bonds; providing for the disbursement of the proceeds of the Bonds; authorizing the preparation and distribution of a preliminary and final official statement in connection with the sale of the Bonds; providing for the levy and collection of assessments, taxes and charges to the extent necessary to provide for the payment of the interest on the Bonds and to pay the principal when due on the Bonds; providing for any necessary action by the Commission in connection with the levy and collection of taxes by the County in accordance with the guarantee of the County to be endorsed on the Bonds; appointing a Paying Agent, a Bond Registrar and an Escrow Deposit Agent for the Bonds; and generally relating to the issuance, sale, delivery and payment of the Bonds.

The Commission Resolution authorized and provided for the issuance and sale of Bonds, in fully registered form to be designated "St. Mary's County Metropolitan Commission Refunding Bonds of 1996" in the aggregate principal amount of not to exceed \$2,475,000.

The Board of County Commissioners of St. Mary's County, Maryland has considered the Commission Resolution and has determined that this Board approves and concurs in the passage of the Commission Resolution.

The Board of County Commissioners desires to authorize its officers to execute the form of endorsement which evidences the guarantee of County Commissioners of St. Mary's County to pay the principal of and interest on the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY COUNTY COMMISSIONERS OF ST. MARY'S COUNTY:

Section 1: Acting pursuant to Section 113-6 of the Code of Public Local Laws of St. Mary's County (1978 Edition, as amended, being Article 19 of the Code of Public Local Laws of Maryland), County Commissioners of St. Mary's County, a body politic and corporate and a political subdivision of the State of Maryland (the "County"), hereby concurs in the judgment of the Commission as set forth by the terms of the Commission Resolution.

The County accordingly approves the issuance and sale of Bonds of the Commission designated St. Mary's County Metropolitan Commission Refunding Bonds of 1996

in an aggregate principal amount of not to exceed \$2,475,000 upon the terms and conditions set forth in the Commission Resolution, all of which terms, conditions, covenants and undertakings are hereby approved by the County and are adopted by the County as and for its own.

Section 2: The form of endorsement which evidences the guarantee by the County, on the full faith and credit of the County, of the payment of the principal of and interest on the St. Mary's County Metropolitan Commission Refunding Bonds of 1996 shall be as set forth in Section 8 of the Commission Resolution. The endorsement shall be signed and executed in the manner set forth in Section 5 of the Commission Resolution.

Section 3: The full faith and credit and unlimited taxing power of the County are hereby irrevocably pledged to the levy and collection of ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for the payment of the principal of and interest on the St. Mary's County Metropolitan Commission Refunding Bonds of 1996 issued in the aggregate principal amount of not to exceed \$2,475,000 as and when such taxes may become necessary in order to provide sufficient funds to meet the debt service requirements on the Bonds. If the ad valorem taxes prescribed in Section 113-7 of the Code of Public Local Laws of St. Mary's County described in the Commission Resolution are insufficient to pay the principal of and interest on the Bonds, when due, the County hereby covenants and agrees with each of the owners or holders, from time to time, of the Bonds, in each and every fiscal year in which any such Bonds are outstanding, to levy and collect ad valorem taxes upon all the assessable property within the corporate limits of the County in rate and amount sufficient to provide for the payment of such principal and interest, when due, together with accrued interest to the date of payment.

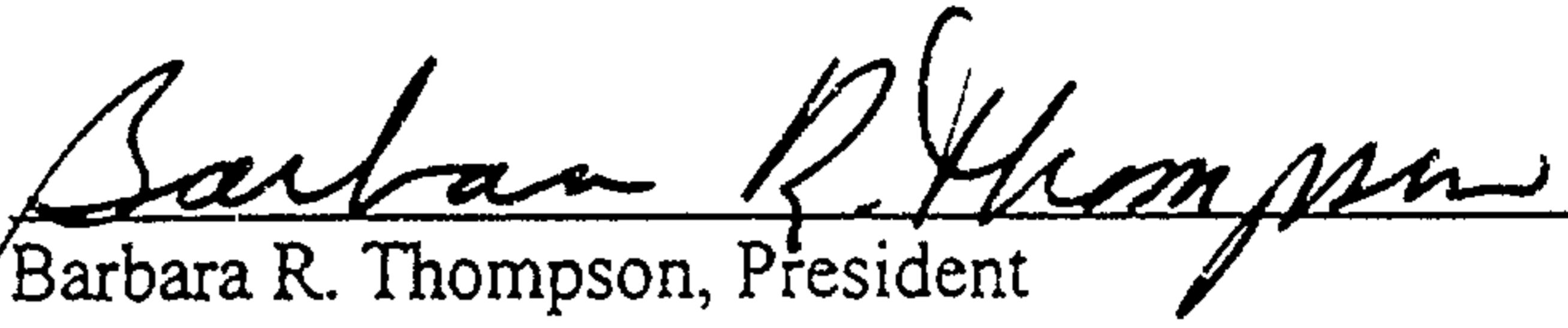
Section 4: This Resolution shall take effect on the date of its adoption.

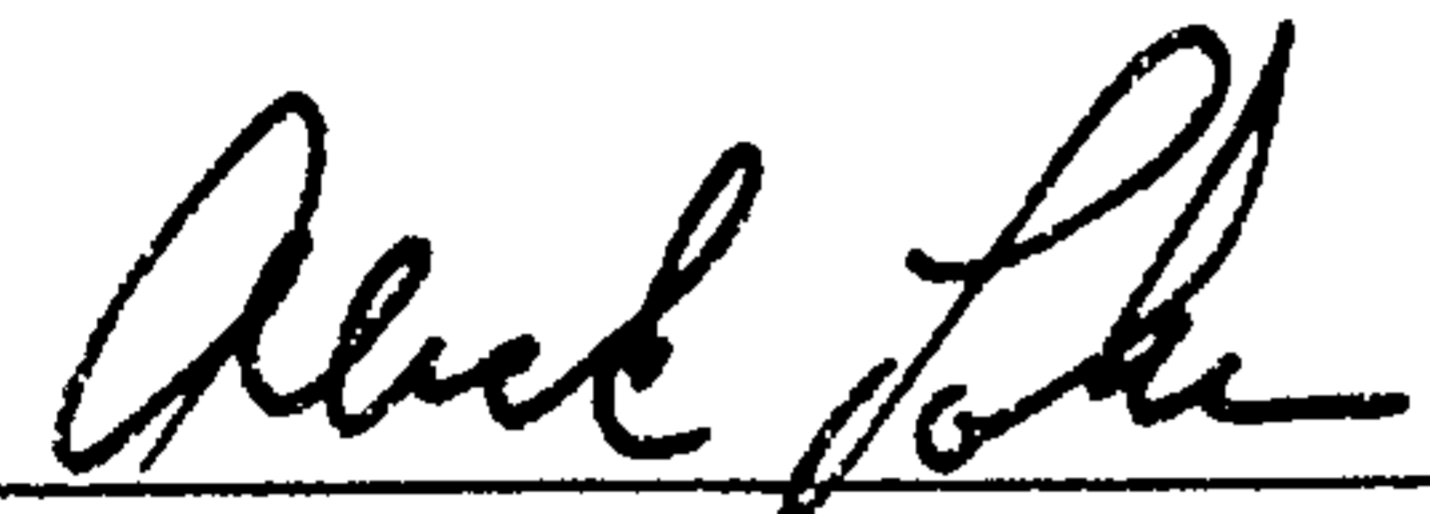
Adopted: 2-20, 1996


(SEAL)

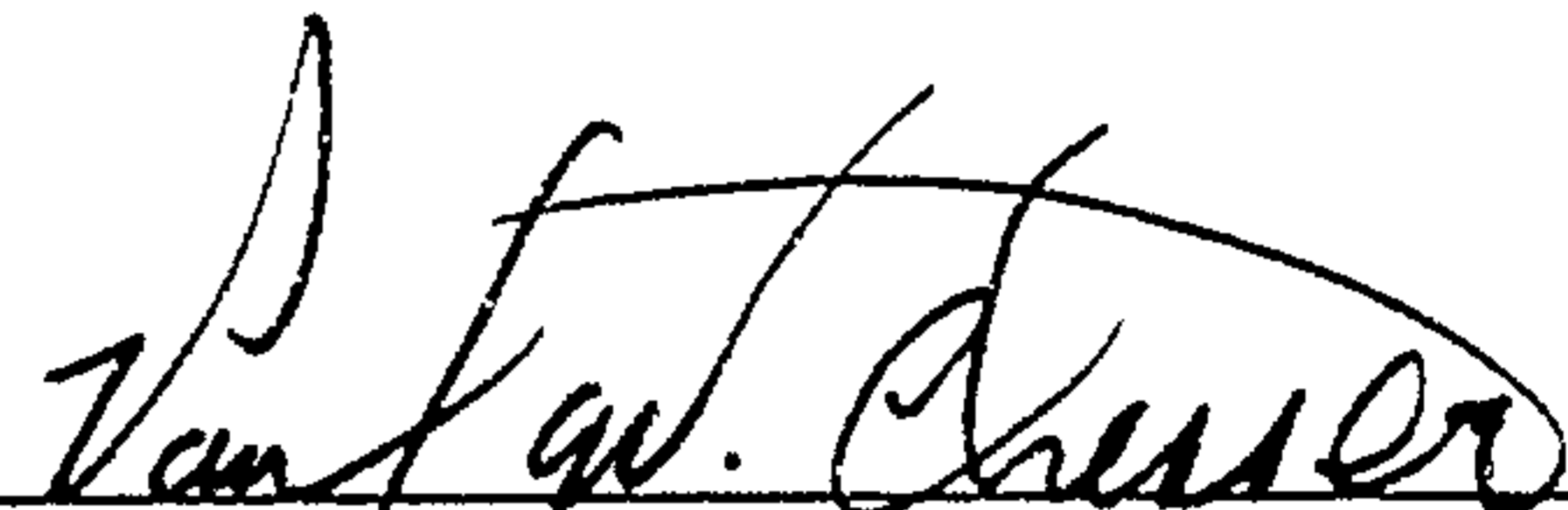
COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY

Attest:



Barbara R. Thompson, President


W. Aleck Loker, County
Administrator


D. Christian Brugman, Commissioner


Paul W. Chesser, Commissioner

Frances P. Eagan, Commissioner


Lawrence D. Jarboe, Commissioner

BOOK 0010 PAGE 0035

COUNTY COMMISSIONERS OF ST. MARY'S COUNTY
ST. MARY'S HOSPITAL REFUNDING BONDS OF 1996

RECORDING FEE 0.00
TOTAL 0.00
Res#5802 Rcr#1999999
EWA LP BIK#1
Feb 29, 1996 04:09 PM

Resolution No. R-96-

RESOLUTION OF THE COUNTY COMMISSIONERS OF ST. MARY'S COUNTY (the "County") providing for the issuance and sale of Eleven Million Nine Hundred Sixty Thousand Dollars (\$11,960,000) maximum aggregate principal amount of general obligation refunding bonds pursuant to the provisions of Chapter 475 of the Laws of Maryland of 1980 (as supplemented and amended by Chapter 711 of the Laws of Maryland of 1981) and Section 24 of Article 31 of the Annotated Code of Maryland (1993 Replacement Volume and 1995 Cumulative Supplement)(the "Refunding Act"), the bonds to be designated "County Commissioners of St. Mary's County St. Mary's Hospital Refunding Bonds of 1996" (the "Bonds"), to be issued and sold for the public purpose of refunding the callable portion of the County Commissioners of St. Mary's County St. Mary's Hospital Refunding Bonds of 1986, dated December 1, 1986 (the "1986 Bonds") in order to realize savings to the County and the Hospital in the effective costs of debt service; prescribing the form, tenor and all other matters relating to the issuance of the Bonds; determining that the best interests of the County will be served by selling the Bonds at public sale; prescribing the form of notice of sale in connection with the Bonds and determining all other details in connection with said sale; providing for the disbursement of the proceeds of the Bonds and authorizing the execution and delivery of an Escrow Deposit Agreement; providing for the redemption on July 1, 1996 of the 1986 Bonds which mature on or after July 1, 1997; authorizing the execution and delivery of an amendment to the Loan Agreement dated as of June 29, 1982, between the County and the St. Mary's Hospital of St. Mary's County (the "Institution") as amended by the First Supplemental Loan Agreement dated June 17, 1983, the Second Supplemental Loan Agreement dated December 1, 1986 and the Third Supplemental Loan Agreement dated September 1, 1993, to provide that the Institution will pay as and when due from its own sources of revenues the maturing principal of and interest on the Bonds and an amendment to the Mortgage dated as of June 29, 1982, as amended by the First Supplemental Mortgage dated June 17, 1983, a Second Supplemental Mortgage dated December 1, 1986 and a Third Supplemental Mortgage dated September 1, 1993 securing the Institution's obligations under the Loan Agreement, as amended; appointing a Bond Registrar under this Resolution; appointing an escrow deposit agent; providing for the investment of moneys held by the escrow deposit agent; providing for the levy and collection of all taxes necessary for the prompt payment of the maturing principal of and interest on the Bonds; and generally providing for the authorization, issuance, sale and delivery of the Bonds.

RECITALS

1. Pursuant to Chapter 475 of the Laws of Maryland of 1980, as supplemented and amended by Chapter 711 of the Laws of Maryland of 1981 (collectively, the "St. Mary's Hospital Bond Enabling Act") and Resolution No. R-82-7 adopted by the Board of County Commissioners of St. Mary's County on June 15, 1982 (the "1982 Resolution"), the County issued, sold and delivered \$13,915,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County St. Mary's Hospital Bonds of 1982", dated July 1, 1982 (the "1982 Bonds"), the proceeds of which were loaned to, or expended for the benefit of, the Institution pursuant to a Loan Agreement dated as of June 29, 1982 (the "1982 Loan Agreement"), to finance a portion of the cost of acquiring, constructing and equipping a 114-bed replacement hospital facility for the Institution in Leonardtown, Maryland. The Loan Agreement obligated the Institution to provide funds to pay when due the debt service on the 1982 Bonds.

2. Pursuant to Resolution R-83-12 adopted by the County on June 17, 1983 (the "1983 Resolution"), the County issued, sold and delivered \$17,150,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County, St. Mary's Hospital Refunding Bonds of 1983", dated July 1, 1983 (the "1983 Refunding Bonds"), the proceeds of which were used to advance refund all of the 1982 Bonds. In addition, the County and Institution amended the 1982 Loan Agreement to provide that the Institution is obligated to provide funds to pay when due the debt service on the 1983 Refunding Bonds. The proceeds of the 1983 Refunding Bonds have been applied to the payment of the 1982 Bonds, and the 1982 Bonds are no longer outstanding.

3. Pursuant to Resolution No. R-86-31 adopted by the County on December 10, 1986 (the "1986 Resolution"), the County issued, sold and delivered \$15,835,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County St. Mary's Hospital Refunding Bonds of 1986," dated December 1, 1986 (the "1986 Refunding Bonds"), the proceeds of which were used to advance refund the 1983 Refunding Bonds maturing on or after July 1, 1994. In addition, the County and the Institution amended the 1982 Loan Agreement to provide that the Institution is obligated to provide funds to pay when due the debt service on the 1986 Refunding Bonds. The proceeds of the 1986 Refunding Bonds together with other moneys provided by the Institution have been applied to the payment of the 1983 Refunding Bonds, and the 1983 Refunding Bonds are no longer outstanding. \$11,935,000 of the 1986 Refunding Bonds remains outstanding.

4. Pursuant to Chapter 358 of the Laws of Maryland of 1992 and Resolution 93-34 adopted by the County on August 31, 1993 (the "1993 Resolution"), the County issued, sold and delivered \$6,000,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County St. Mary's Hospital Bonds of 1993," dated September 1, 1993, to finance improvements and renovations to the hospital facility.

5. The St. Mary's Hospital Bond Enabling Act authorizes and empowers the County, at any time and from time to time, to issue bonds for the purpose of refunding any bonds previously issued thereunder. In addition, the Refunding Act provides that any county may issue Bonds for the purpose of refunding any of its bonds then outstanding, including the payment of any redemption premium and any interest accrued or to accrue to the date of redemption, purchase or maturity of the bonds or other obligations. Proceeds of any refunding bonds may be invested in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America or in certificates of deposit or time deposits secured by direct obligation of, or obligations the principal of and the interest on which are guaranteed by, the United States of America to assure that the principal, interest and redemption premium, if any, on the bonds or other obligations being refunded shall be paid in full on their respective maturity, redemption or interest payment dates.

6. The net proceeds of the 1996 Refunding Bonds will be deposited in trust with The First National Bank of Maryland, as Escrow Deposit Agent, pursuant to an Escrow Deposit Agreement. Under the terms of the Escrow Deposit Agreement, the net proceeds of the 1996 Refunding Bonds will be used to purchase direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America or certificates of deposit or time deposits fully collateralized by direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America in such amounts and maturing at stated fixed prices as to principal and interest at such times so that sufficient moneys will be available from such maturing principal and interest to redeem on July 1, 1996, at the redemption price of 102% of the principal amount thereof and to pay interest when due on the \$11,935,000 aggregate principal amount of the Refunded Bonds stated to mature on or after July 1, 1997.

NOW, THEREFORE, BE IT RESOLVED BY COUNTY COMMISSIONERS OF ST. MARY'S COUNTY, that:

Section 1. Issuance of Bonds Authorized. Acting pursuant to the authority of Chapter 475 of the Laws of Maryland of 1980 (as supplemented and amended by Chapter 711 of the Laws of Maryland of 1981) and Section 24 of Article 31 of the Annotated Code of Maryland (1993 Replacement Volume and 1995 Cumulative Supplement), County Commissioners of St. Mary's County, a body politic and corporate and political subdivision of the State of Maryland (the "County"), shall issue and sell, upon its full faith and credit, in the manner hereinafter provided, Eleven Million Nine Hundred Sixty Thousand Dollars (\$11,960,000) maximum aggregate principal amount of its general obligation refunding bonds designated as "St. Mary's Hospital Refunding Bonds of 1996" (the "Bonds"), the net proceeds of such sale (together with any other funds lawfully available therefor) to be used to purchase direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America ("Government Obligations") or certificates of deposit or time deposits fully collateralized by Government Obligations in such amounts and maturing at stated fixed prices as to principal and interest at such times as will be sufficient, together with other amounts available

therefore, to redeem on July 1, 1996, at 102% of the principal amount thereof and to pay interest when due on the \$11,935,000 principal amount of 1986 Bonds maturing on or after July 1, 1997 (the "Refunded Bonds").

Section 2. Denomination and Maturities of Bonds. The Bonds shall be dated March 1, 1996, shall bear interest from the most recent date as to which interest has been paid, or if no interest has been paid, from March 1, 1996 at the rate or rates per annum set forth in the resolution adopted by the Board pursuant to Section 9 of this Resolution, payable on July 1, 1996, and semiannually thereafter on January 1 and July 1 in each year that the Bonds are outstanding, shall be issued only as fully registered bonds in the denomination of Five Thousand Dollars (\$5,000) each or any integral multiple thereof, and shall be numbered from one consecutively upward in the order of their maturities. The Bonds shall mature, subject to prior redemption as hereinafter provided, in preliminary annual serial installments on the first day of July as follows:

Year of Maturity	Principal Amount	Year of Maturity	Principal Amount
1996	\$ 10,000	2001	\$1,310,000
1997	1,130,000	2002	1,375,000
1998	1,180,000	2003	1,435,000
1999	1,225,000	2004	1,480,000
2000	1,270,000	2005	1,545,000

The President of the Board of County Commissioners or her designee is authorized to establish (i) an aggregate principal amount of the Bonds less than the maximum authorized aggregate principal amount provided in this Section and to fix such amount as the Preliminary Aggregate Principal Amount or the Revised Aggregate Principal Amount to be set forth in the Notice of Sale authorized by this Resolution and (ii) the Final Aggregate Principal Amount of the Bonds described in the Notice of Sale authorized by this Resolution, such Final Aggregate Principal Amount to be the aggregate principal amount of Bonds to be issued hereunder. The President of the Board of County Commissioners or her designee is further authorized to establish different maturities and different annual maturing principal amounts from those set forth above to reflect the Final Aggregate Principal Amount of Bonds to be issued, the Preliminary Aggregate Principal Amount of the Bonds in the Notice of Sale and the Revised Aggregate Principal Amount of Bonds upon which bids will be received and to give notice of such changes to bidders by Munifacts News Service ("Munifacts") as provided in the Notice of Sale authorized by this Resolution.

Section 3. Redemption of Bonds. (a) The Bonds which mature on or before July 1, 2006, shall not be subject to redemption prior to their maturities. The Bonds which mature on or after July 1, 2007, shall be subject to redemption, as a whole at any time or in part on any interest payment date, in any order of maturity selected by the County, at the option of the County on or after July 1, 2006, at a redemption price, expressed as percentages of the principal amount of the

Bonds to be redeemed, set forth in the table below, together with interest accrued to the date fixed for redemption:

Redemption Period (both dates inclusive)	Redemption Price
July 1, 2006 to June 30, 2007	101.0%
July 1, 2007 to June 30, 2008	100.5
July 1, 2008 and thereafter	100.0

(b) If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds to be redeemed shall be selected by lot by the Bond Registrar in such manner as the Bond Registrar in its sole discretion may determine.

(c) Not less than thirty (30) days prior to the date of redemption of any Bonds the County shall cause notice of such redemption to be mailed, postage prepaid, to all registered owners of Bonds to be redeemed at their addresses as they appear on the registration books hereinafter provided for; provided, however, that the failure to mail such notice or any defect in the notice so mailed or in the mailing thereof shall not affect the validity of the proceedings for the redemption of the Bonds. The redemption notice shall state: (i) whether the Bonds are to be redeemed in whole or in part and, if in part, the maturities and numbers of the Bonds to be redeemed; (ii) that the interest on the Bonds to be redeemed shall cease to accrue on the date fixed for redemption; (iii) the date fixed for redemption and the redemption price; and (iv) that the Bonds to be redeemed shall be presented for redemption and payment on the date fixed for redemption at the principal corporate trust office of the Bond Registrar.

(d) If less than all of a Bond in a denomination in excess of \$5,000 is redeemed, then, upon the surrender thereof, there shall be issued without charge to the registered owner thereof, for the unredeemed balance of the principal amount of such Bond, of the registered owner, Bonds in any authorized denomination specified by the registered owner, the amount of Bonds so issued shall not exceed the unredeemed balance of the principal amount of the Bonds surrendered, and the Bonds issued shall bear the same interest rate and mature on the same date as the unredeemed balance of the Bond surrendered.

(e) From and after the date fixed for redemption, if funds sufficient for the payment of the redemption price and accrued interest are on deposit with the Bond Registrar, the Bonds called for redemption shall cease to bear interest. Upon presentation for redemption on or after the date fixed for redemption at the principal corporate trust office of the Bond Registrar in Baltimore, Maryland, the Bonds so called for redemption shall be paid by the Bond Registrar at the redemption price, plus accrued interest. If any such Bond is not paid upon presentation in accordance with this Resolution, then such Bonds shall continue to bear interest at the rate stated in such Bond until paid.

Section 4. Manner of Execution of Bonds. The Bonds, when issued, shall be executed in the name of the County and on its behalf by the President of the Board, whose

signature may be by facsimile, and a facsimile of the seal of the County shall be imprinted on each of the Bonds, attested to by the signature of the County Administrator whose signature may be by facsimile. The facsimile of the signature of the President of the Board, the facsimile of the signature of the County Administrator and the facsimile of the seal of the County shall be engraved, printed or lithographed on each of the Bonds. Each Bond shall be authenticated by the manual signature of an authorized officer of the Bond Registrar. If any officer whose facsimile signature appears on such Bond shall cease to be such officer before delivery of such Bonds, such signature shall, nevertheless, be valid and sufficient for all purposes as if the officer had remained in office until such delivery. No Bonds issued hereunder shall be valid for any purpose or constitute an obligation of the County unless so authenticated.

Section 5. Place and Medium of Payment. The Bonds shall be payable as to principal or redemption price thereof and interest thereon in lawful money of the United States of America.

The principal of the Bonds shall be payable to the person appearing on the registration books of the County provided for herein as the registered owner thereof, such principal to be payable at the principal corporate trust office of the Bond Registrar in Baltimore, Maryland, upon presentation and surrender of such Bonds, on the date such principal is payable or if such date is not a Business Day (hereinafter defined) then on the next succeeding Business Day.

Payment of the interest on the Bonds shall be made by check mailed on or before each interest payment date (or if such date is not a Business Day, then on the succeeding Business Day) by the Bond Registrar to the persons in whose names such Bonds shall be registered as of the close of business on the Regular Record Date which shall be the fifteenth (15th) day of the month immediately preceding each interest payment date, notwithstanding any transfer or exchange of such Bonds subsequent to such date, at their addresses as they appear on the registration books of the County. Payment of any defaulted interest may be paid to the person in whose name such Bond is registered as of the close of business on the Special Record Date which shall be the date to be fixed by the Bond Registrar for the payment of such defaulted interest, (such Special Record Date shall be not less than ten (10) or more than fifteen (15) days prior to the date set for payment of such defaulted interest), notice whereof being given by letter mailed first class, postage prepaid, to such registered owner not less than 10 days prior to such Special Record Date, at the address of such person appearing on the Bond Register, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Bonds may be listed and upon such notice as may be required by such exchange.

"Business Day" means any day other than a Saturday, Sunday or day on which banking institutions under the laws of the state governing the Bond Registrar are authorized or obligated by law or required by executive order to remain closed.

Section 6. Registration and Exchange of Bonds. The Bonds shall be negotiable instruments for all purposes and shall be transferable by delivery subject only to the provisions for registration and registration of transfer endorsed on the Bonds as hereinafter provided.

The County shall cause books for registration and the registration of transfer of Bonds to be prepared (the "Bond Register"). The registration books shall be kept by the Bond Registrar, which is hereby designated "Bond Registrar" for the purpose of registering the Bonds and the transfers of the Bonds. The holder of any Bond may register such Bond only upon such books.

The Bonds shall be transferable only upon the Bond Register, by the registered owner thereof in person or by his attorney duly authorized in writing, upon surrender thereof together with a written instrument of transfer in the form attached thereto and satisfactory to the Bond Registrar and duly executed by the registered owner or his duly authorized attorney. Upon surrender of any Bond at the principal corporate trust office of the Bond Registrar in Baltimore, Maryland, together with a written instrument of transfer described above, such Bond may be exchanged for an equal aggregate principal amount of Bonds of other authorized denominations, bearing interest at the same rate and having the same stated maturity date.

In all cases in which Bonds shall be exchanged hereunder, the County shall execute and the Bond Registrar shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this Resolution. All Bonds surrendered in any such exchange shall forthwith be cancelled by the Bond Registrar. The County or the Bond Registrar may make a charge for every such exchange of Bonds sufficient to reimburse it for any tax, fee or other governmental charge, shipping charges and insurance that may be required to be paid with respect to such exchange, but no other charge shall be made to any holder for the privilege of exchanging Bonds under the provisions of this Resolution.

Neither the County nor the Bond Registrar shall be required to register the transfer of any Bond or make any exchange of any Bond after mailing of notice calling such Bond or any portion thereof for redemption; provided, however, that this limitation shall not apply to that portion of a Bond in excess of \$5,000 which is not being called for redemption.

The County and the Bond Registrar may deem and treat the person in whose name any Bond shall be registered as the absolute owner thereof (whether or not such Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon made by anyone other than the County or the Bond Registrar) for the purpose of receiving payment of or on account of the principal or redemption price of such Bond, and for all other purposes, and neither the County nor the Bond Registrar shall be affected by any notice to the contrary. All such payments so made to any such registered owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon any such Bond.

Section 7. Form of Bonds. Except as provided hereinafter or in a resolution or resolutions of the Board adopted prior to the issuance of the Bonds, the Bonds shall be in substantially the following form, with necessary or appropriate variations, omissions and exceptions as permitted or required by this Resolution, which form, together with all of the covenants and conditions therein contained, is hereby adopted by the County as and for the form of obligation to be incurred by the County and said covenants and conditions, including the promise to pay therein contained, are hereby made binding upon the County:

BOOK 0010 PAGE 0043

(Form of Bond)
[BOND FACE]

UNITED STATES OF AMERICA
STATE OF MARYLAND

No. _____ \$

COUNTY COMMISSIONERS OF ST. MARY'S COUNTY
ST. MARY'S HOSPITAL REFUNDING BOND OF 1996

Maturity Date	Interest Rate	Dated Date	CUSIP
		March 1, 1996	

Registered Owner:

Principal Amount: Dollars

County Commissioners of St. Mary's County, a body politic and corporate organized and existing under the Constitution and laws of the State of Maryland (the "County"), hereby acknowledges itself indebted for value received, and promises to pay to the registered owner shown above or registered assigns or legal representative, on the Maturity Date shown above (unless this bond shall be redeemable, shall have been called for prior redemption and payment of the redemption price made or provided for), in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts, upon presentation and surrender of this bond on the date such principal is payable or, if such date is not a Business Day (hereinafter defined) then on the next succeeding Business Day, at the principal corporate trust office of The First National Bank of Maryland, in Baltimore, Maryland (the "Bond Registrar"), and to pay to the registered owner hereof by check or draft payable in like coin or currency, mailed to such registered owner at his address as it appears on the bond registration books maintained by the Bond Registrar (the "Bond Register") interest on such principal amount at the Interest Rate per annum shown above until payment of such principal amount, or until the prior redemption hereof, such interest being payable semi-annually on the first days of January and July in each year (each, an "Interest Payment Date") commencing on July 1, 1996, accounting from the most recent date to which interest has been paid or, if no interest has been paid, from March 1, 1996. All interest due on this bond shall be payable to the registered owner in whose name this bond is registered on the Bond Register as of the close of business on the regular record date, which shall be the fifteenth day of the month preceding each regular interest payment date (the "Regular Record Date"), and shall be made by check mailed by the Bond Registrar on the Interest Payment Date (or if such date is not a Business Day, on the next succeeding Business Day) to such person at his address as it appears on the Bond Register. Any

such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Regular Record Date, and may be paid to the person in whose name this bond is registered as of the close of business on a date for the payment of such defaulted interest to be fixed by the Bond Registrar (the "Special Record Date") (such Special Record Date shall be not less than 10 or more than 15 days prior to the date set for payment of such defaulted interest), notice whereof being given by letter mailed first class, postage prepaid, to the registered owners not less than 10 days prior to such Special Record Date, at the addresses of such registered owners appearing on the Bond Register, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the bonds of this series may be listed and upon such notice as may be required by such exchange.

"Business Day" means a day other than a Saturday, Sunday or day on which banking institutions under the laws of the state governing the Bond Registrar are authorized or obligated by law or required by executive order to remain closed.

This bond is one of a duly authorized issue of bonds of the County aggregating \$_____ in principal amount, all dated March 1, 1996 (the "Bonds"). The Bonds are issued pursuant to and in full conformity with the provisions of Chapter 475 of the Laws of Maryland of 1980 as amended by Chapter 711 of the Laws of 1981 and Section 24 of Article 31 of the Annotated Code of Maryland (1993 Replacement Volume and 1995 Cumulative Supplement) and by virtue of due proceedings had and taken by the Board of County Commissioners, particularly a resolution adopted by the Board of County Commissioners of St. Mary's County on _____, 1996 (the "Resolution").

The Bonds mature and are payable on July 1 in the following years and amounts and bear interest at the following rates per annum:

Year of Maturity	Principal Amount	Year of Maturity	Principal Amount
1996	\$ 10,000	2001	\$1,310,000
1997	1,130,000	2002	1,375,000
1998	1,180,000	2003	1,435,000
1999	1,225,000	2004	1,480,000
2000	1,270,000	2005	1,545,000

The Bonds which mature on or after July 1, 2007 are subject to redemption beginning July 1, 2006, as a whole at any time or in part on any interest payment date, in any order of maturity selected by the County, at the option of the County, at the following redemption prices, expressed as percentages of the principal amount of the Bonds to be redeemed, together with interest accrued to the date fixed for redemption:

Redemption Period (both dates inclusive)	Redemption Price
July 1, 2006 to June 30, 2007	101.0%
July 1, 2007 to June 30, 2008	100.5
July 1, 2008 and thereafter	100.0

If less than all of the Bonds of any one maturity are called for redemption, the particular Bonds or portion of Bonds to be redeemed from such maturity will be selected by lot by the Bond Registrar in such manner as the Bond Registrar in its sole discretion may determine.

When less than all of a Bond in a denomination in excess of \$5,000 is so redeemed, then, upon the surrender thereof, there shall be issued without charge to the registered owner thereof, for the unredeemed balance of the principal amount of such Bond, at the option of such owner, Bonds in any of the authorized denominations as specified by the registered owner, the aggregate face amount of such Bonds not to exceed the unredeemed balance of the principal amount of the Bond surrendered, and to bear the same interest rate and to mature on the same date as the unredeemed balance of the Bond surrendered.

If the County elects to redeem all or a portion of the Bonds outstanding, it will give a redemption notice to the registered owners of the Bonds to be redeemed by letter mailed first class, postage prepaid, at least thirty (30) days prior to the date fixed for redemption to the addresses of such registered owners appearing on the registration books kept by the Bond Registrar; provided, however, that the failure to mail the redemption notice or any defect in the notice mailed, or in the mailing thereof, shall not affect the validity of the redemption proceedings. The redemption notice shall state (i) whether the Bonds are redeemed in whole or in part and, if in part, the maturities and numbers of the Bonds to be redeemed, (ii) that the interest on the Bonds to be redeemed shall cease on the date fixed for redemption, (iii) the date fixed for redemption and the redemption price, and (iv) that the Bonds to be redeemed shall be presented for redemption and payment on the date fixed for redemption at the principal corporate trust office of the Bond Registrar, in Baltimore, Maryland. From and after the date fixed for redemption, if notice has been duly and properly given, and if funds sufficient for the payment of the redemption price and accrued interest are available on such date, the Bonds designated for redemption shall cease to bear interest. Upon presentation and surrender for redemption in compliance with the redemption notice, the Bonds to be redeemed shall be paid by the Bond Registrar at the redemption price. If they are not paid upon presentation, the Bonds designated for redemption shall continue to bear interest at the rates stated therein until paid.

The County has appointed the Bond Registrar as bond registrar to keep books for the registration and for the transfer of Bonds (the "Bond Register"). This bond will be transferable only upon the registration books kept at the principal corporate trust office of the Bond Registrar in Baltimore, Maryland, by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender hereof, together with a written instrument of transfer in the form attached hereto and satisfactory to the Bond Registrar and duly executed by the registered owner or his duly authorized attorney.

This bond is transferable only upon the Bond Register. Upon any transfer or exchange, the County shall issue and the Bond Registrar shall authenticate and deliver a new registered bond or bonds of any of the authorized denominations in an aggregate principal amount equal to the principal amount of the bond exchanged or transferred and maturing on the same date and bearing interest at the same rate. In each case, the Bond Registrar may require payment by the registered owner of this bond requesting the exchange or transfer hereof of any tax, fee or other 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 hereof for the exchange or transfer.

Neither the County nor the Bond Registrar shall not be required to transfer or exchange this bond after mailing of notice of calling this bond or any portion hereof for redemption; provided, however, that this limitation shall not apply to any portion of this bond in excess of \$5,000 which is not being called for redemption.

The County may deem and treat the person in whose name this bond is registered as the absolute owner hereof (whether or not this bond is overdue and notwithstanding any notation hereon made by anyone other than the County or the Bond Registrar) for the purpose of receiving payment of or on account of the principal or redemption price of this bond, and for all other purposes, and neither the County nor the Bond Registrar shall be affected by any notice to the contrary. All payments made to the registered owner hereof, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon this bond.

The full faith and credit and unlimited taxing power of County Commissioners of St. Mary's County are hereby unconditionally pledged to the payment of this bond and of the interest payable hereon according to its terms, and the County does hereby covenant and agree to pay punctually the principal of this bond and the interest hereon on the dates and in the manner prescribed herein, according to the true intent and meaning hereof.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened, 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 and the Resolution (as defined on the reverse hereof), and that the issue of bonds, of which this bond is one, together with all other indebtedness of the County, is within every debt and other limit prescribed by the Constitution and laws of the State of Maryland and that due provision has been made for the levy and collection of an annual ad valorem tax or taxes upon all the legally assessable property within the corporate limits of the County in rate and amount sufficient to provide for the payment, when due, of the principal of and interest on this bond.

This bond shall not become obligatory for any purpose or be entitled to any benefit under the above-mentioned laws until this bond shall have been authenticated by an authorized officer of the Bond Registrar.

IN WITNESS WHEREOF, County Commissioners of St. Mary's County has caused this bond to be executed in its name by the facsimile signature of the President of the Board of County Commissioners and by its corporate seal imprinted hereon in facsimile, attested by the facsimile signature of the County Administrator all as of the _____ day of _____, 1996.

COUNTY COMMISSIONERS OF
ST MARY'S COUNTY

By [Facsimile Signature]
President, Board of County
Commissioners

(SEAL)

ATTEST: [Facsimile Signature]
County Administrator

CERTIFICATE OF AUTHENTICATION

This bond is one of the registered bonds of County Commissioners of St. Mary's County St. Mary's Hospital Refunding Bonds of 1996.

The First National Bank of Maryland
as Bond Registrar

By: _____
Authorized Officer

Date of Authentication:

BOOK 0010 PAGE 0048

(Form of Assignment)
ASSIGNMENT

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

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

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

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

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

Dated:

Signature Guaranteed:

Notice: Signatures must be
guaranteed by a member 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
upon the face of the within
bond in every particular, without alteration or
enlargement or any change whatever.

Section 8. Changes in Form of Bonds. The President of the Board of County Commissioners is hereby authorized to make such changes in the form of bond set forth in Section 7 hereof as she shall deem necessary to carry into effect the purposes of this Resolution or to comply with recommendations of legal counsel; provided, however, that the President shall make no change affecting the substance of such form.

Section 9. Sale of Bonds; Application of Good Faith Deposit; Delivery of Bonds. The County shall sell the Bonds by the solicitation of competitive bids at public sale. Bids shall be received until 11:00 a.m. local Baltimore, Maryland time on the date fixed for sale. Upon the recommendation of the financial advisor to the County, the President of the Board of County Commissioners or her designee may establish a different date for the sale of the Bonds. The sale will be held at the offices of Piper & Marbury, L.L.P., Conference Room 11A, Eleventh Floor, 36 South Charles Street, Baltimore, Maryland, 21201 on March 5, 1996 or at such other place and on such other date as the President of the Board of County Commissioners shall determine. The Director of Finance shall conduct the sale of the Bonds in the name of the County and on its behalf for cash at no less than par to the bidder or bidders therefor whose bid or bids are determined to be the best responsible bid received in compliance with the terms and conditions of the official Notice of Sale. The sale shall be made upon award made by resolution of the Board of County Commissioners. Public notice of the sale shall be given by advertisement which shall be published in one or more daily or weekly newspapers having a general circulation in the County and may also be published in one or more journals having a circulation primarily among banks and investment bankers. At least one publication of the advertisement shall be made not less than ten (10) days before the sale of the Bonds. The notice of sale (which shall also constitute the form of advertisement to be published pursuant to this Section and the Act) and proposal for the Bonds shall be in substantially the form hereinafter set forth. The terms and conditions stated in the notice of sale and proposal are hereby adopted and approved as the terms and conditions under which the Bonds shall be sold, issued and delivered at public sale. Appropriate variations and insertions shall be made to provide dates, numbers and amounts, and modifications not altering its substance may be made by the President of the Board of County Commissioners to carry into effect the purposes of this Resolution or to comply with recommendations of legal counsel. The President of the Board of County Commissioners is hereby authorized to combine the sale of the County Commissioners of St. Mary's County Public Facilities Refunding Bonds of 1996, the St. Mary's County Metropolitan Commission Refunding Bonds of 1996 and the Bonds by providing for the issuance of a single notice of sale for all such bonds. Any modification to the notice of sale to accomplish such combined sale are hereby authorized and approved. The Bonds and the County Commissioners of St. Mary's County Public Facilities Refunding Bonds of 1996 shall be issued as one series of general obligation bonds of the County to be designated "Public Facilities and Hospital Refunding Bonds of 1996." The President of the Board of County Commissioners is hereby authorized to make any and all changes to the forms of such bonds in order to combine them into one series.

ST. MARY'S COUNTY, MARYLAND

NOTICE OF SALE OF

\$ _____ *

COUNTY COMMISSIONERS OF ST. MARY'S COUNTY
ST. MARY'S HOSPITAL REFUNDING BONDS OF 1996

Dated March 1, 1996

Sealed proposals will be received until 11:00 a.m., local Baltimore, Maryland time on March 5, 1996 by the Director of Finance of St. Mary's County, Maryland, at the offices of Piper & Marbury L.L.P., Conference Room 11A, Eleventh Floor, 36 South Charles Street, Baltimore, Maryland 21201, for the purchase of the above-described general obligation bonds of the County (the "Bonds"), aggregating \$ _____ *, all dated March 1, 1996, maturing, subject to prior redemption, as herein stated, on the first day of July as follows:

Year of Maturity	Principal Amount*	Year of Maturity	Principal Amount*
1996		2001	
1997		2002	
1998		2003	
1999		2004	
2000		2005	

County Commissioners of St. Mary's County will not consider and will reject any proposal for the purchase of less than all of the Bonds for which a proposal is made.

The bonds shall be issued only in fully registered form without coupons. One bond representing each maturity of each series will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust company, New York, New York ("DTC"), as registered owner of the bond each such bond shall be immobilized in the custody of DTC. DTC will act as securities depository for the bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers will not receive physical delivery of certificates representing their interest in the bonds purchased. The winning bidder, as a condition to delivery of the bonds, will be required to deposit the bond certificates representing each maturity with DTC.

* Preliminary, subject to adjustment as described herein.

The Bonds will be fully registered in form in the denominations of \$5,000 each or any integral multiple thereof and will bear interest payable semiannually on the first days of January and July, commencing July 1, 1996, until maturity or redemption. Principal of the Bonds will be paid to the registered owner at the principal corporate trust office of The First National Bank of Maryland, Baltimore, Maryland (the "Bond Registrar"), upon presentment and surrender of the Bonds. Interest will be paid to the persons in whose names the Bonds are registered on the registration books maintained by the Bond Registrar on the Regular Record Date, which is the fifteenth day of the month immediately preceding the month in which each such interest payment date occurs, by check mailed to each such person's address as it appears on such bond registration books.

The Bonds which mature on or before July 1, 2006, are not subject to redemption prior to their maturities. The Bonds which mature on or after July 1, 2007, are subject to redemption at the option of the County beginning July 1, 2006, as a whole at any time or in part on any interest payment date, in any order of maturity and, with respect to the Bonds of a maturity in any amount, selected by the County, at a redemption price, expressed as a percentage of the principal amount of the Bonds to be redeemed, set forth in the table below, together with interest accrued to the date fixed for redemption:

Redemption Period (both dates inclusive)	Redemption Price
July 1, 2006 to June 30, 2007	101.0%
July 1, 2007 to June 30, 2008	100.5
July 1, 2008 and thereafter	100.0

The purchase price of the Bonds shall be 100% of the principal amount of the Bonds plus accrued interest. Bidders should specify a fee to be paid by the County to the successful bidder upon delivery of the Bonds for services in connection with the bidder's purchase and remarketing of the Bonds. Such fee may not exceed \$_____. This fee shall be treated as a discount for the purposes of calculating the lowest true interest cost as described below.

The Bonds will be awarded to the bidder naming the lowest true interest cost for all the Bonds in any legally acceptable proposal and offering to pay not less than par and accrued interest. The lowest true interest cost will be determined by treating the fee described above as a discount to the initial purchase price of the Bonds, and by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments from the payment dates to the date of the Bonds and to the amount bid, excluding interest accrued to the date of delivery of the Bonds. If two or more responsible bidders offer to purchase the Bonds at the same lowest true interest cost, the Bonds may be apportioned between such bidders, with their consent, or the County may, in its discretion, award the Bonds to one of such bidders. The right is reserved to the County to reject any or all proposals and to waive any irregularity or informality in any proposal. The Director of Finance's judgment shall be final and binding upon

all bidders with respect to the form and adequacy of any proposal received and as to its conformity to the terms of this Notice of Sale.

Bidders shall state in their proposals the rate or rates of interest to be paid on all the Bonds, on which rate or rates their proposals are based and submitted. The rates so named must be in multiples of 1/8 or 1/20 of 1%, and the highest rate may not exceed the lowest rate by more than 3%. Bidders may specify more than one rate of interest to be borne by the Bonds but may not specify more than one rate for the Bonds of any single maturity. A zero rate may not be named for any maturity. As promptly as reasonably practicable after the bids are opened, the County will notify the bidder to whom the Bonds will be awarded, if and when such award is made, and such bidder, upon such notice, shall advise the County of the initial reoffering prices to the public of each maturity of the Bonds (the "Initial Reoffering Prices").

Each proposal must be submitted on the form accompanying the Preliminary Official Statement and must be enclosed in a sealed envelope addressed to the Director of Finance, St. Mary's County, Maryland c/o Piper & Marbury, L.L.P., Conference Room 11A, Eleventh Floor, 36 South Charles Street, Baltimore, Maryland 21201, and marked on the outside "Bid for Bonds."

ALL BIDDERS SUBMITTING A PROPOSAL FOR THE BONDS MUST ALSO SUBMIT A PROPOSAL FOR THE ST. MARY'S COUNTY METROPOLITAN COMMISSION REFUNDING BONDS OF 1996 (THE "COMMISSION REFUNDING BONDS"). NO PROPOSAL FOR THE BONDS WILL BE ACCEPTED BY THE COUNTY UNLESS THE BIDDER HAS ALSO SUBMITTED A PROPOSAL FOR THE COMMISSION REFUNDING BONDS. SEPARATE AWARDS MAY BE MADE TO DIFFERENT BIDDERS FOR THE COMMISSION BONDS AND THE BONDS.

Bids must be submitted on the prescribed form accompanying the Preliminary Official Statement and must be enclosed in a sealed envelope marked "Proposal for Bonds" and addressed to County Commissioners of St. Mary's County, c/o Piper & Marbury L.L.P., 36 South Charles Street, Conference Room 11A, Eleventh Floor, Baltimore, Maryland 21201, each bid to be accompanied by a good faith deposit in the form of a certified check upon, or a cashier's, treasurer's or official check of, a responsible banking institution, payable to the order of "County Commissioners of St. Mary's County" or a financial surety bond (a "Surety Bond") from an insurance company acceptable to the County and licensed to issue such a bond in the State of Maryland, in the amount of \$ _____ (the "Deposit"). If a Surety Bond is used, it must be submitted to the County prior to the opening of the bids and must be in form and substance acceptable to the County, including (without limitation) identifying the bidder whose Deposit is guaranteed by such Surety Bond. If the Bonds are awarded to a bidder utilizing a Surety Bond, then such successful bidder is required to submit its Deposit to the County in the form of a wire transfer not later than 12:00 p.m. Baltimore time on the next business day following the award. If such Deposit is not received by that time, the Surety Bond may be drawn by the County to satisfy the Deposit requirement. The Deposit of the successful bidder will be collected and the

proceeds thereof retained by the County to be applied in part payment for the Bonds, and no interest will be allowed or paid upon the amount thereof, but in the event the successful bidder shall fail to comply with the terms of his bid, the proceeds thereof will be retained as and for full liquidated damages. The checks of the unsuccessful bidders will be returned promptly after the Bonds are awarded. THE SUCCESSFUL BIDDER SHALL MAKE A BONA FIDE PUBLIC OFFERING OF THE BONDS AT OR BELOW PAR PLUS ACCRUED INTEREST (THE "INITIAL OFFERING PRICES") AND SHALL PROVIDE THE RELATED CERTIFICATION DESCRIBED BELOW. THE SUCCESSFUL BIDDER SHALL PURCHASE THE BONDS AT PAR PLUS ACCRUED INTEREST, AND IN LIEU OF A DISCOUNT, SHALL RECEIVE A FEE AS DESCRIBED BELOW.

The Bonds are authorized by Chapter 475 of the Laws of Maryland of 1980 as supplemented and amended by Chapter 711 of the Laws of Maryland of 1981, and Section 24 of Article 31 of the Annotated Code of Maryland (1993 Replacement Volume and 1995 Cumulative Supplement) and a resolution adopted by the Board of County Commissioners of St. Mary's County, on _____, 1996.

The proceeds of the Bonds for which proposals are solicited herein will be used to refund the St. Mary's Hospital of St. Mary's County Refunding Bonds of 1986 maturing on and after July 1, 1997.

The full faith and credit and unlimited taxing power of County Commissioners of St. Mary's County are unconditionally pledged to the payment of the Bonds and of the interest to accrue thereon.

The issuance of the Bonds will be subject to legal approval by Piper & Marbury, L.L.P. Baltimore, Maryland, whose opinion shall be substantially in the form set forth as an exhibit to the Preliminary Official Statement concerning the Bonds and to verification of the escrow deposit calculation by an independent certified public accountant. The opinion and verification report will be delivered upon request, without charge to the successful bidder for the Bonds, and the certified text of the opinion will be printed on each Bond.

When delivered, the Bonds shall be duly executed and authenticated and registered in such names and in such denominations as the successful bidder shall have requested in writing not less than seven (7) business days prior to the closing; and the remaining aggregate principal amount of the Bonds of each maturity for which no instructions have been received by such date will be issued as one bond of such maturity in the denomination of such remaining aggregate principal amount, or as bonds in such denominations as may be mutually agreed upon by the successful bidder and the County, and registered in the name of the successful bidder.

In order to assist bidders in complying with SEC Rule 15c2-12(b)(5), the County will execute and deliver a continuing disclosure agreement on or before the date of issuance of the bonds pursuant to which it will undertake to provide certain information annually and notices of

certain events. A description of this agreement is set forth in the Preliminary Official Statement and will also be set forth in the Official Statement.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print any such number on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Sale.

As promptly as reasonably possible after the bids are opened, the President of the Board or her designee will notify the bidder to whom the bonds will be awarded, if and when such award is made, and such bidder, upon such notice, shall advise the President of the Board or her designee of the initial reoffering prices to the public of each maturity of the bonds (the "Initial Reoffering Prices"). THE SUCCESSFUL BIDDER MUST SELL TO THE PUBLIC 10% OR MORE IN PAR AMOUNT OF THE BONDS FROM EACH MATURITY AT THE INITIAL REOFFERING PRICES. Such Initial Reoffering Prices, among other things, will be used by the County to calculate the final aggregate principal amount of the bonds and the final principal amount of each annual payment on the bonds (the "Final Aggregate Principal Amount" and the "Final Principal Amount" of each annual payment, respectively; collectively, the "Final Amounts"). In determining the Final Amounts, the County expects that the Revised Amounts will be changed as necessary to effect the greatest, economic advantage of the refunding, or to accommodate other refunding objectives of the County, but the County will not reduce or increase the Revised Aggregate Principal Amount of the bonds by more than ___% from the amount bid upon or change the principal amount of the maturities by more than \$_____. THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE TO THE REVISED AMOUNTS WITHIN THESE LIMITS. The dollar amount bid for principal by the successful bidder will be adjusted proportionately to reflect any reduction or increase in the aggregate principal amount of the bonds. The dollar amount of the premium or discount, if any, specified in the bid of the successful bidder will be adjusted proportionately to reflect any reduction or increase in the aggregate principal amount of the Bonds. The interest rates specified by the successful bidder for each maturity in its bid for bonds will not change. ALL BIDS SHALL REMAIN FIRM FOR FIVE (5) HOURS AFTER THE TIME SPECIFIED FOR THE OPENING OF BIDS. An award of the bonds, if made, will be made by the President of the Board or his designee within such five (5) hour period of time. The Final Amounts will be communicated to the successful bidder as soon as possible, but not later than 4:00 p.m. the day the bonds are awarded.

As soon as practicable after the award of the Bonds to the successful bidder therefor on the day of sale, the County will authorize its Official Statement, which is expected to be substantially in the form of the Preliminary Official Statement referred to above. If so requested by the purchaser or purchasers at or before the close of business on the date of the sale, the County will include in the Official Statement such pricing and other information with respect to the terms of the reoffering of the Bonds by the successful bidder therefor ("Reoffering

Information"), if any, as may be specified and furnished in writing by such bidder. If no Reoffering Information is specified and furnished by the successful bidder, the Official Statement will include the interest rates on the Bonds resulting from the bid of the successful bidder and the other statements with respect to reoffering contained in the Preliminary Official Statement. The successful bidder shall be responsible to the County and its officials for the Reoffering Information furnished by such bidder and for all decisions made by such bidder with respect to the use or omission of the Reoffering Information in any reoffering of the Bonds including the presentation or exclusion of any Reoffering Information in any documents, including the Official Statement. The successful bidder will also be furnished, without cost, with up to 200 copies of the Official Statement (and any amendments or supplements thereto).

SIMULTANEOUSLY WITH OR BEFORE DELIVERY OF THE BONDS THE SUCCESSFUL BIDDER SHALL FURNISH TO THE COUNTY A CERTIFICATE ACCEPTABLE TO BOND COUNSEL TO THE EFFECT THAT (i) THE SUCCESSFUL BIDDER HAS MADE A BONA FIDE PUBLIC OFFERING OF THE BONDS AT THE INITIAL REOFFERING PRICES OF NOT MORE THAN PAR PLUS ACCRUED INTEREST; AND (ii) THAT A SUBSTANTIAL AMOUNT OF THE BONDS WAS SOLD TO THE PUBLIC (EXCLUDING BOND HOUSES, BROKERS AND OTHER INTERMEDIARIES) AT SUCH INITIAL REOFFERING PRICES. Bond Counsel advises that (i) such certificate must be made on the best knowledge, information and belief of the successful bidder, (ii) the sale to the public of 10% or more in par amount of the Bonds of each maturity at (or below) the Initial Reoffering Prices would be sufficient to certify as to the sale of a substantial amount of the Bonds, and (iii) reliance on other facts as a basis for such certification would require evaluation by Bond Counsel to assure compliance with the statutory requirement to avoid the establishment of an artificial price for the Bonds.

The Bonds shall be delivered on or about April 3, 1996, at the expense of the County, at such place in Baltimore, Maryland, or New York, New York, as shall be mutually agreed upon by the County and the successful bidder, or at such other date or place as shall be mutually agreed upon by the County and the successful bidder (provided that delivery other than in Baltimore, Maryland, or New York, New York, shall be at the expense of the successful bidder), upon payment of the principal amount of the Bonds less the underwriting fee set forth in the Proposal for Bonds, plus accrued interest to the date of delivery, less the amount of the good faith deposit. Such payment shall be made in Federal funds.

The Bonds will be accompanied by the customary closing documents, including a no-litigation certificate, effective as of the date of delivery, stating that there is no litigation pending affecting the validity of the Bonds.

It shall be a condition to the obligation of the successful bidder to accept delivery of and pay for the Bonds that simultaneously with or before delivery and payment for the Bonds such successful bidder shall be furnished a certificate of the appropriate County officials to the effect that, to the best of their knowledge and belief, the Official Statement (and any amendment

BOOK 0010 PAGE 0057

or supplement thereto) (except for the Reoffering Information, as to which no view will be expressed) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and that between the date of sale and the date of delivery of the Bonds there has been no material adverse change in the financial position or revenues of the County, except as reflected or contemplated in the Official Statement.

In the event that all or any part of the Bonds are initially reoffered with bond insurance secured by the successful bidder, the successful bidder shall be required to notify promptly the Director of Finance of the County at the time of sale of such event and shall provide the Director of Finance with any information he reasonably requests regarding such bond insurance including the amounts paid for such insurance. The County will, at the request and expense of the successful bidder, include customary language in the official statement and the form of bond regarding the insurance policy upon receipt of such opinions or certificates as the County reasonably may request regarding the accuracy of any information to be included in the Official Statement and binding nature of the obligations contained in the insurance policy with respect to the Bonds. The County shall have no obligation to provide the successful bidder or the bond insurance company with any other document or opinions relating to the Bonds.

The Preliminary Official Statement, which is in a form "deemed final" as of its date by the County for purposes of SEC Rule 15c2-12 but is subject to revision, amendment and completion in the Official Statement, together with this Notice of Sale and the required form of proposal may be obtained from the office of the Director of Finance, St. Mary's County, Maryland, Governmental Center, Leonardtown, Maryland 20650, or H. C. Wainwright & Co., Incorporated, 100 East Pratt Street, Baltimore, Maryland 21202, (410) 347-3900, financial advisor to the County.

By order of
COUNTY COMMISSIONERS OF ST. MARY'S
COUNTY

BOOK 0010 PAGE 0058

(Form of Proposal for Bonds)

PROPOSAL FOR BONDS

March 5, 1996

Director of Finance
St. Mary's County, Maryland
c/o Piper & Marbury L.L.P.
Conference Room 11A
Eleventh Floor
36 South Charles Street
Baltimore, Maryland 21201

Dear Sir:

Subject to the provisions and in accordance with the terms of the annexed Notice of Sale which is incorporated by reference herein and made a part of this Proposal for Bonds, we offer to purchase the obligations of County Commissioners of St. Mary's County described in such Notice of Sale, being \$ _____ aggregate principal amount of County Commissioners of St. Mary's County St. Mary's Hospital Refunding Bonds of 1996, such bonds to be dated March 1, 1996, to mature in the several years shown in the table below (subject to prior redemption as provided in such Notice of Sale), and to bear interest at the rates per annum set opposite such years, respectively.

We will pay an amount equal to the Revised
Aggregate Principal Amount of the Bonds \$ _____

We will receive an underwriting fee (not to exceed
\$ _____) in the amount of \$ _____

We will pay accrued interest on the Bonds from March 1, 1996 to the date of delivery in accordance with the Notice of Sale.

Maturing July 1	Interest Rate	Maturing July 1	Interest Rate
1996	_____ %	2001	_____
1997	_____	2002	_____
1998	_____	2003	_____
1999	_____	2004	_____
2000	_____	2005	_____

We submit the following form of good faith deposit (check one):

_____ We enclose herewith a certified check drawn upon, or a bank cashier's, treasurer's or official check of, a responsible banking institution, payable to the order of "County Commissioners of St. Mary's County" in the amount of \$ _____ which check is to be returned to us if this proposal is not accepted.

_____ We have enclosed herewith a surety bond in the amount of \$ _____ in accordance with the Official Notice of Sale.

WE UNDERSTAND THAT (A) WE ARE TO PROVIDE A CERTIFICATION REGARDING THE PUBLIC SALE OF THE BONDS AS DESCRIBED IN THE NOTICE OF SALE ON OR PRIOR TO THE CLOSING DATE AND (B) IF NOTIFIED THAT WE ARE THE SUCCESSFUL BIDDER, WE WILL BE REQUIRED TO ADVISE THE COUNTY OF THE INITIAL REOFFERING PRICES (AS DESCRIBED IN THE NOTICE OF SALE) FOR EACH MATURITY OF THE BONDS AT THE TIME OF SUCH NOTIFICATION. In this regard, you may contact and rely on the information provided by _____, whose telephone number is _____.

For your information you will find attached a list of underwriters associated with us in this proposal.

_____ and Associates (See List Attached)

NOTE: Not part of proposal. The following information is requested to expedite and facilitate prompt determination of the best bid. The omission or inaccuracy of these figures will not affect the validity of the proposal. For your information you will find attached a list of the group of underwriters associated with us in this proposal.

Aggregate amount of interest from
date of bonds to final maturity \$ _____
True interest cost _____ %

BOOK 0010 PAGE 0060

The above good faith check has been returned and receipt thereof is fully acknowledged.

Bidder

By: _____

Title: _____

Section 10. Delivery of Bonds. As soon as may be practicable after the sale hereinabove provided for has been held, the Bonds shall be suitably prepared in definitive form, executed and delivered to the purchaser upon receipt of the purchase price therefor, plus interest accrued to the date of delivery, less the good faith deposit accompanying the proposal. The President of the Board of County Commissioners, the County Administrator and the Director of Finance and all other officers and employees of the County are expressly authorized, empowered and directed to take any and all action necessary to complete and close the award, sale and delivery of the Bonds to the purchaser thereof.

Section 11. Amendment to Loan Agreement and Mortgage. The County shall execute a Loan Agreement between the County and the Institution dated as of April 1, 1996, and an amendment to the Mortgage dated as of June 29, 1982, as amended by the First Supplemental Mortgage dated June 17, 1983, and the Second Supplemental Mortgage dated December 1, 1986, and the Third Supplemental Mortgage dated September 1, 1993 granted by the Institution as security for its obligations under the Loan Agreement in substantially the forms attached hereto as Exhibits A and B, respectively (the Loan Agreement and the Mortgage, together with any amendments or supplements thereto, are hereinafter referred to as the "Loan Agreement" and the "Mortgage", respectively). The President of the Board is hereby authorized, prior to the execution of such agreements, to make such changes or modifications in such agreements as may be required or deemed appropriate by him in order to accomplish the purposes of the transaction authorized by this Resolution. The execution of such agreements by the President of the Board shall be conclusive evidence of the due execution of such instruments on behalf of the County.

Section 12. Escrow Deposit Agreement; Disbursement of Proceeds of 1996 Refunding Bonds; Notice of Refunding; Subscription for Government Obligations. The First National Bank of Maryland is hereby appointed as Bond Registrar and as Escrow Deposit Agent (the "Escrow Deposit Agent"). The President of the Board of County Commissioners shall execute on behalf of the County a Bond Registrar Agreement and an Escrow Deposit Agreement with the Bond Registrar and the Escrow Deposit Agent with such changes, additions or modifications as may be required or deemed appropriate by him to accomplish the purposes of the transaction authorized by this Resolution.

Section 13. Accountant's Certificate. Prior to the delivery of the Bonds, the County shall have received a certificate of a firm of independent certified public accountants, nationally recognized in the field of advance refunding of tax exempt obligations, verifying that the maturing principal amounts of the obligations held in the Escrow Deposit Fund and interest earned thereon, together with other amounts provided by the County, will be sufficient to redeem on July 1, 1996, at 102% of the principal amount thereof and to pay interest when due on the \$11,935,000 principal amount of Refunded Bonds.

Section 14. Application of Bonds Proceeds; Bond Not to be Arbitrage Bonds. Immediately after the sale of the Bonds, the interest rate or rates payable thereon shall be fixed by order of the President of the Board of County Commissioners, or her designee, in accordance

with the terms and conditions of the sale of the Bonds, and said Bonds shall thereupon be suitably printed and delivered to the purchasers thereof in accordance with the conditions of delivery set forth in the Notice of Sale. The Director of Finance shall use the balance of the proceeds of the Bonds (after deducting accrued interest, if any) to purchase or shall deposit said balance with the Escrow Deposit Agent to purchase direct obligations of the United States of America or time deposits secured by direct obligations or obligations the principal of and interest on which are guaranteed by the United States of America, or such other investments permitted by applicable law, the principal of and interest on which will be sufficient to redeem on July 1, 1996, at a price of 102% of the principal amount thereof, the County Commissioners of St. Mary's County St. Mary's Hospital Refunding Bonds of 1986 maturing on and after July 1, 1997. The President of the Board of County Commissioners or the Director of Finance may enter into a contract with any bank, investment bank or other financial institution to purchase such direct obligations of the United States of America or time deposits secured by the United States of America.

(b) The President of the Board (the "Section 148 Certifying Official") shall be responsible for the execution and delivery (on the date of issuance of the Bonds) of a certificate of the County (the "Section 148 Certificate") which complies with the requirements of Section 148 of the Internal Revenue Code of 1986 ("Section 148") and the applicable regulations thereunder (the "Arbitrage Regulations"), and the Section 148 Certifying Official is hereby authorized and directed to execute the Section 148 Certificate and to deliver the same to counsel rendering an opinion on the validity of the Bonds on the date of the issuance of the Bonds.

(c) The County shall set forth in the Section 148 Certificate its reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of the Bonds, or held by the County pursuant to the Loan Agreement or of any other moneys, securities or other obligations which may be deemed to be proceeds of the Bonds pursuant to Section 148 or the Arbitrage Regulations (collectively, the "Bond Proceeds"). The County covenants with each of the holders of any of the Bonds that the facts, estimates and circumstances set forth in the Section 148 Certificate will be based on the County's reasonable expectations on the date of issuance of the Bonds and will be, to the best of the Section 148 Certifying Official's knowledge, true, correct and complete as of that date.

(d) The County covenants with each of the holders of any of the Bonds that it will not make, or (to the extent it exercises control or direction) permit to be made, any use of the Bond Proceeds which would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 and the Arbitrage Regulations.

(e) The County further covenants that it will comply with Section 148 and the Arbitrage Regulations which are applicable to the Bonds on the date of issuance of the Bonds and which may subsequently lawfully be made applicable to the Bonds.

(f) The County will hold and shall invest Bond Proceeds within its control (if such proceeds are invested) in accordance with the expectations of the County set forth in the Section 148 Certificate.

(g) The Section 148 Certifying Official may execute a certificate or certificates supplementing or amending the Section 148 Certificate, and actions taken by the County subsequent to the execution of such certificate and the filing of the same with the Bond Registrar shall be in accordance with the Section 148 Certificate as amended or supplemented; provided, however, that the County shall execute or file any such certificate only upon delivery to the Bond Registrar of an opinion of Bond Counsel addressed to the County and the Bond Registrar to the effect that actions taken by the County in accordance with the amending or supplementing certificate will not adversely affect the exemption from federal income taxation of interest on the Bonds.

Section 15. Covenant to Pay Principal and Interest; Pledge of Full Faith and Credit.

The full faith and credit and unlimited taxing power of the County are hereby irrevocably pledged to the payment of the maturing principal of and interest on the Bonds as and when they become payable. In each and every fiscal year that any of the Bonds are outstanding, the County shall levy or cause to be levied ad valorem taxes in rate and amount sufficient to provide for or assure the payment, when due, of the principal of and interest on all the Bonds maturing in each such fiscal year as and when such taxes become necessary in order to provide sufficient funds to meet the debt service requirements on the Bonds. If the moneys received by the County or by the Bond Registrar from the Institution or the proceeds of the taxes so levied in any such fiscal year prove inadequate for such payment, additional taxes shall be levied in the succeeding fiscal year to make up any deficiency. The County may apply to the payment of the principal of and interest on any of the Bonds any funds received by it from the State of Maryland, the United States of America, any agency or instrumentality of either, or from any other source, if such funds are granted for the purpose of assisting the County or the Institution in financing the Project and, to the extent of any such funds received or receivable in any fiscal year, taxes that might otherwise be required to be levied hereunder may be reduced or need not be levied.

Section 16. Bond Registrar. (a) The County shall provide an adequate inventory of Bond certificates to facilitate transfers. The Bond Registrar covenants that it will maintain Bond certificates in safekeeping and will use reasonable care in maintaining such Bond in safekeeping, which shall be not less than the care it maintains for debt securities of other governments or corporations for which it serves as registrar, or which it maintains for its own Bond.

(b) The Bond Registrar as Bond Registrar will maintain the records of the Bond Register in accordance with the Bond Registrar's general practices and procedures in effect from time to time. The Bond Registrar shall not be obligated to maintain such Bond Register in any form other than those which the Bond Registrar has currently available and currently utilizes at the time. The Bond Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

Section 17. Severability of Invalid Provision. If any one or more of the covenants or agreements provided in this Resolution on the part of the County or the Bond Registrar to be performed should be contrary to law, then such covenant or covenants, agreement or agreements shall be null and void and shall in no way affect the validity of the other provisions of this Resolution or of the Bonds.

Section 18. Notices. Any notice or other instrument delivered to the County pursuant to this Resolution shall be in writing and shall be sent by registered or certified mail to it at its offices in Leonardtown, Maryland, or such other address as it shall designate to the Bond Registrar in writing, and any notice or other instrument delivered to the Bond Registrar pursuant to this Resolution shall be in writing and shall be sent by registered or certified mail to it at the principal corporate trust office of the Bond Registrar in Baltimore, Maryland.

Section 19. Section Headings. The section headings have been prepared for convenience only and are not part of this Resolution and shall not be taken as an interpretation of any provision of this Resolution.

Section 20. Official Statement. The distribution of an Official Statement pertaining to the Bonds is hereby authorized, the final form of such Official Statement to be approved by the President of the Board of County Commissioners as evidenced by her signature thereon. The distribution of a Preliminary Official Statement with respect to the Bonds is hereby approved. The Official Statement shall be in substantially the form of such Preliminary Official Statement, with such changes, modifications, additions and deletions as the President of the Board of County Commissioners may approve.

Section 21. Continuing Disclosure Agreement. The President of the Board or any other member of the Board of County Commissioners is expressly authorized to approve the form of, and execute and deliver and on behalf of the County, a continuing disclosure agreement to assist bidders in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

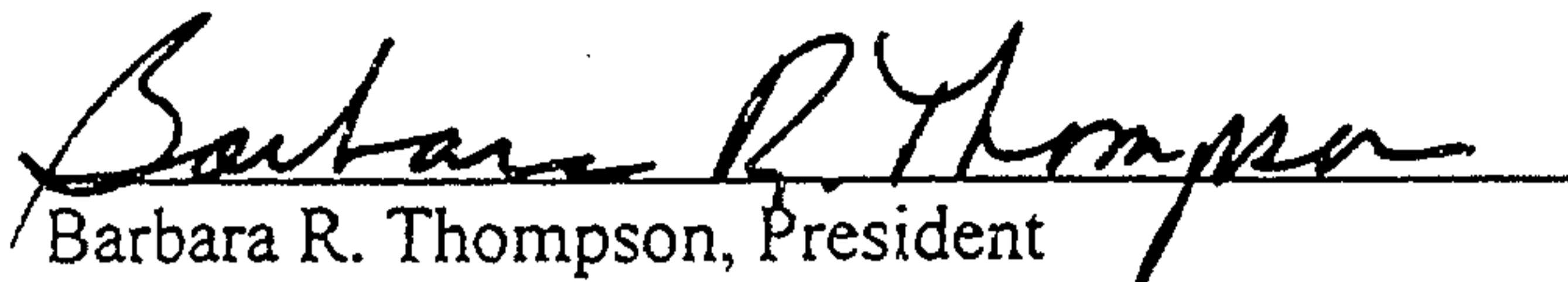
Section 22. Effective Date. This Resolution shall take effect immediately.

ADOPTED this 20th day of February 1996.

(SEAL)

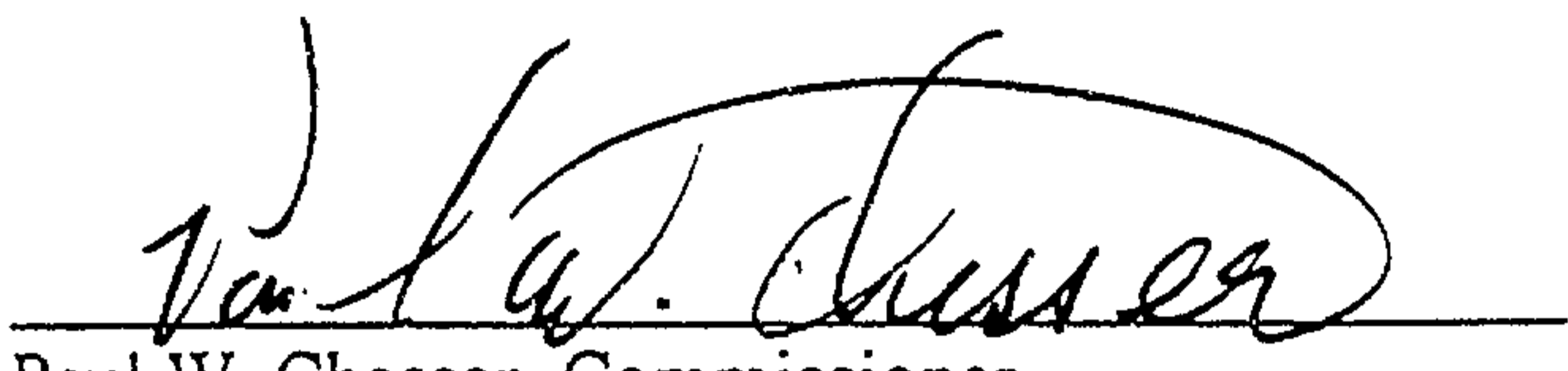
COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY

Attest:



Barbara R. Thompson, President


W. Aleck Loker, County Administrator


D. Christian Brugman, Commissioner


Paul W. Chesser, Commissioner

Frances P. Eagan, Commissioner


Lawrence D. Jarboe, Commissioner

Exhibits to Resolution

Exhibit A - Loan Agreement

Exhibit B - Fourth Supplemental Mortgage

MASTER LOAN AGREEMENT

THIS MASTER LOAN AGREEMENT, dated as of _____, 1996 (the "Loan Agreement"), and effective from the time of its execution and delivery, is by and between COUNTY COMMISSIONERS OF ST. MARY'S COUNTY, a body politic and corporate and a political subdivision of the State of Maryland, organized and existing under and by virtue of the laws of the State of Maryland (the "County"), and ST. MARY'S HOSPITAL OF ST. MARY'S COUNTY, a charitable, nonprofit hospital incorporated and existing under the laws of the State of Maryland (the "Hospital").

RECITALS

1. Pursuant to Chapter 475 of the Laws of Maryland of 1980, as amended by Chapter 711 of the Laws of Maryland of 1981 (the "Enabling Act"), and Resolution No. R-82-7 adopted by the Board of County Commissioners of St. Mary's County on June 15, 1982 (the "1982 Resolution"), the County issued, sold and delivered \$13,915,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County St. Mary's Hospital Bonds of 1982", dated July 1, 1982 (the "1982 Bonds"), the proceeds of which were loaned to, or expended for the benefit of, the Hospital pursuant to a Loan Agreement dated as of June 29, 1982 (the "1982 Loan Agreement"), to finance a portion of the cost of acquiring, constructing and equipping a 114-bed replacement hospital facility for the Hospital in Leonardtown, Maryland. The Loan Agreement obligated the Hospital to provide funds to pay when due the debt service on the 1982 Bonds.

2. Pursuant to Resolution R-83-12 adopted by the County on June 17, 1983 (the "1983 Resolution"), the County issued, sold and delivered \$17,150,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County, St. Mary's Hospital Refunding Bonds of 1983", dated July 1, 1983 (the "1983 Refunding Bonds"), the proceeds of which were used to advance refund all of the 1982 Bonds. In addition, the County and Hospital amended the 1982 Loan Agreement to provide that the Hospital is obligated to provide funds to pay when due the debt service on the 1983 Refunding Bonds. The proceeds of the 1983 Refunding Bonds have been applied to the payment of the 1982 Bonds, and the 1982 Bonds are no longer outstanding.

3. Pursuant to Resolution No. R-86-31 adopted by the County on December 10, 1986 (the "1986 Resolution"), the County issued, sold and delivered \$15,835,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County St. Mary's Hospital Refunding Bonds of 1986", dated December 1, 1986 (the "1986 Refunding Bonds"), the proceeds of which were used to advance refund the 1983 Refunding Bonds maturing on or after July 1, 1994. In addition, the County and the Hospital further amended the 1982 Loan Agreement to provide that the Hospital is obligated to provide funds to pay when due the debt service on the 1986 Refunding Bonds. The proceeds of the 1986

Refunding Bonds together with other moneys provided by the Hospital have been applied to the payment of the 1983 Refunding Bonds, and the 1983 Refunding Bonds are no longer outstanding.

4. Pursuant to Chapter 358 of the Laws of Maryland of 1992, and Resolution No. R-93-34 adopted by the County on August 31, 1993 (the "1993 Resolution"), the County issued, sold and delivered \$6,000,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County St. Mary's Hospital Bonds of 1993", dated September 1, 1993 (the "1993 Bonds"), the proceeds of which were loaned to the Hospital for the purpose of constructing and acquiring certain improvements to the existing hospital facilities of the Hospital. In addition, the County and the Hospital further amended the 1982 Loan Agreement (as amended to the date hereof, the 1982 Master Loan Agreement") to provide that the Hospital is obligated to provide funds to pay when due the debt service on the outstanding 1993 Bonds and the outstanding 1986 Refunding Bonds. \$11,935,000 of the 1986 Refunding Bonds remain outstanding (the "Outstanding 1986 Refunding Bonds") and \$ _____ of the 1993 Bonds remain outstanding (the "Outstanding 1993 Bonds").

5. Pursuant to the Enabling Act, Section 24 of Article 31 of the Annotated Code of Maryland (1993 Replacement Volume and 1995 Cumulative Supplement) (the "Refunding Act") and Resolution No. R-96-__ adopted by the County on February __, 1996 (the "1996 Resolution"), the County will issue, sell and deliver \$ _____ aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County St. Mary's Hospital Refunding Bonds of 1996", dated April 1, 1996 (the "1996 Refunding Bonds"), the proceeds of which will be loaned to the Hospital (the "1996 Loan") pursuant to this Master Loan Agreement and used to advance refund all of the Outstanding 1986 Refunding Bonds.

6. The 1996 Resolution requires that, simultaneously with the making of the 1996 Loan, the Hospital will execute and deliver to the County this Master Loan Agreement, which shall evidence and secure the 1996 Loan. The 1996 Resolution also requires that the payment obligations of the Hospital under this Master Loan Agreement with respect to the 1996 Loan will be evidenced by a Mortgage (the "1982 Mortgage") dated as of June 29, 1982, as amended by the Fourth Supplemental Mortgage (the "Fourth Supplemental Mortgage") dated as of _____, 1996 (the "Mortgage") on the site of the Hospital's existing hospital facilities and on certain other property owned by the Hospital.

COUNTY COMMISSIONERS OF ST. MARY'S COUNTY and ST. MARY'S HOSPITAL OF ST. MARY'S COUNTY intending to be legally bound hereby and in consideration of the mutual covenants hereinafter contained, DO HEREBY AGREE as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01. Definitions. Appendix A sets forth the definitions of certain terms used in this Master Loan Agreement. Terms used in this Master Loan Agreement that are defined in Appendix A shall have the respective meanings set forth therein, unless a different meaning clearly appears from the context.

Section 1.02. Rules of Construction. Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Master Loan Agreement:

(a) words importing the singular number include the plural number and words importing the plural number include the singular number;

(b) words of the masculine gender include correlative words of the feminine and neuter genders;

(c) words importing persons include any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or agency or political subdivision thereof;

(d) the terms "agree" and "agreement" shall include and mean "covenant," and all agreements contained in this Master Loan Agreement are intended to constitute covenants and shall be enforceable as such;

(f) the headings set forth in this Master Loan Agreement are solely for convenience of reference and shall not constitute a part of this Master Loan Agreement or affect its meaning, construction or effect; and

(g) any reference to a particular Article or Section shall be to such Article or Section of this Master Loan Agreement unless the context shall otherwise require.

ARTICLE II

REPRESENTATIONS

Section 2.01. Representations of County. The County makes the following affirmative representations as the basis for the undertakings on the Hospital's part herein contained:

(a) (i) The County is a body politic and corporate and a political subdivision of the State of Maryland; (ii) the Act grants the County the power to enter into the transactions contemplated by this Master Loan Agreement and to carry out its obligations hereunder; and (iii) the 1996 Resolution has been duly adopted and the County has taken due and proper action to authorize the execution and delivery of this Master Loan Agreement.

(b) To finance a part of the Cost of the Project, the County proposes to issue _____ Dollars (\$ _____) aggregate principal amount of its Bonds which will mature, bear interest, be redeemable and have the other terms and provisions set forth in the 1996 Resolution.

(c) Pursuant to the 1996 Resolution, the County has irrevocably pledged its full faith and credit and unlimited taxing power to the repayment of principal of and interest on the 1996 Refunding Bonds.

Section 2.02. Representations of Hospital. The Hospital makes the following affirmative representations as the basis for the undertakings on the County's part herein contained:

(a) (i) The Hospital is a corporation duly organized and existing under the laws of the State of Maryland, is in good standing and is authorized to engage in business in the State of Maryland; (ii) the Hospital is a nonprofit corporation, no part of the net earnings of which inures to the benefit of any private individual; (iii) the Hospital operates and maintains or intends to operate and maintain the Project on a nonsectarian basis; (iv) the Hospital has authority to own and mortgage as mortgagor its interest in the Mortgaged Property and to operate its facilities and has full right and lawful authority to enter into this Master Loan Agreement for the full term hereof and to execute and deliver the Fourth Supplemental Mortgage; and (v) the Hospital has been duly authorized by proper corporate action to execute and deliver this Master Loan Agreement and the Fourth Supplemental Mortgage and any and all instruments and documents necessary to the consummation of the transactions contemplated hereby.

(b) (i) the Hospital is an organization described in Section 501(c)(3) of the Code or corresponding provisions of prior law; (ii) the Hospital has received a letter from the Internal Revenue Service to that effect; (iii) such letter has not been modified, limited or revoked; (iv) the Hospital is in compliance with all terms, conditions and limitations, if any, contained in such letter; (v) the facts and circumstances that form the basis of such letter as represented to the Internal Revenue Service continue substantially to exist; and (vi) the Hospital is exempt from federal income taxation under Section 501(a) of the Code.

(c) Neither the execution and delivery of this Master Loan Agreement and the Mortgage nor the consummation of the transactions contemplated hereby and thereby nor the fulfillment of or compliance with the terms and conditions of this Master Loan Agreement, the 1996 Resolution and the Mortgage conflicts with or results in a breach of any of the terms, conditions or provisions of any corporate restriction or any agreement or instrument to which the Hospital is now a party or by which it or any of its property is bound, or constitutes a default, or results in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Hospital under the terms of any of the foregoing other than as permitted by this Master Loan Agreement.

Concurrently with the execution and delivery of the 1996 Refunding Bonds under the 1996 Resolution, the Hospital shall execute and deliver a written representation restating the foregoing items (a), (b), (c), (d) and (e), as of the date thereof.

ARTICLE III

GENERAL AGREEMENTS; AMOUNTS PAYABLE; TIMES AND MANNER OF PAYMENT

Section 3.01. The 1996 Loan; Term of Loan Agreement. Subject to the provisions of Section 3.02, the County shall make the 1996 Loan to the Hospital by depositing the net proceeds of sale of the 1996 Refunding Bonds in accordance with the 1996 Resolution. The Hospital shall repay the 1996 Loan in the manner required by this Master Loan Agreement and the Mortgage. This Master Loan Agreement shall evidence and secure the 1996 Loan.

This Master Loan Agreement shall remain in full force and effect from the date of its execution and delivery until the date on which it shall be discharged and satisfied in accordance with Article VII hereof, at which time this Master Loan Agreement shall terminate and the County shall release and cancel this Master Loan Agreement and the Mortgage.

Section 3.02. Conditions Precedent to the 1996 Loan. The County shall not be obligated to lend the proceeds of the 1996 Refunding Bonds to the Hospital as set forth in this Master Loan Agreement unless each of the following shall have been delivered to the County:

(a) an opinion of Bond Counsel to the effect that the 1996 Refunding Bonds are valid and legally binding general obligations of the County to which its full faith and credit and taxing power are pledged, and for the payment of which the County is empowered and directed to levy ad valorem taxes, unlimited in rate and amount, upon all property subject to unlimited taxation by the County;

(b) a counterpart of this Master Loan Agreement executed by the County and the Hospital;

(c) a counterpart of the Fourth Supplemental Mortgage executed by the Hospital and accepted by the County and evidence satisfactory to the County of the creation of a mortgage lien on the Mortgaged Property in favor of the County pursuant to the Mortgage, subject only to Permitted Encumbrances;

(d) an endorsement to mortgagee's title insurance policy or such other documentation as may be satisfactory to the County to evidence that the Hospital has obtained, and there is then in effect, a policy of insurance with respect to all real property conveyed by the Mortgage in amounts aggregating not less than the aggregate principal amount of the Outstanding 1993 Bonds and the 1996 Loan, and issued by a person licensed to conduct a title insurance business in the State of Maryland, all in form and substance satisfactory to the County;

(e) evidence satisfactory to the County of the creation of a security interest in favor of the County in (i) the Receipts and (ii) the goods and chattels of the Hospital located in or upon any part of the Mortgaged Property,

(f) policies of insurance, certificates of insurance or such other documentation as may be satisfactory to the County to evidence that the Hospital has obtained, and there is then in effect, insurance of the types and in the amounts required by Section 7.01 of this Master Loan Agreement;

(g) an opinion of Bond Counsel (who may rely upon the opinion of other counsel, who may be counsel to the Hospital) to the effect that this Master Loan Agreement and the Fourth Supplemental Mortgage have been duly authorized, executed and delivered by the County and, assuming the due authorization, execution and delivery thereof by the other parties thereto, constitute valid and binding obligations of the County;

(h) an opinion of counsel to the Hospital in form and substance satisfactory to the County and Bond Counsel; and

(i) such additional legal opinions, certificates, proceedings, instruments and other documents as the County may reasonably request.

Section 3.03. Amounts Payable. (a) The Hospital shall pay (i) the total interest becoming due on the Bonds to the respective dates of payment thereof; (ii) the total principal amount of the Bonds; and (iii) all redemption or prepayment premiums (if any) payable on the redemption or prepayment of the Bonds prior to stated payment dates.

(b) In addition, the Hospital shall pay to the County the Administrative Expenditures as and when due.

(c) In order to provide for the payment of the amounts due under this Section with respect to the 1996 Loan, the Hospital shall pay to or deposit either with the County or otherwise at the direction of the County on the first day of each month the sum of (A) one-sixth (1/6) of the amount indicated on Exhibit 1 as the amount of the interest coming due on the 1996 Refunding Bonds on the next succeeding Interest Payment Date and (B) one-twelfth (1/12) of the amount indicated on Exhibit 2 as the amount of the principal coming due on the 1996 Refunding Bonds on the next succeeding Principal Payment Date; provided, however, that the Hospital shall pay or cause to be paid to the County no later than the fifteenth (15th) day preceding any Interest Payment Date or Principal Payment Date the amount of interest or principal coming due on the 1996 Refunding Bonds on such Interest Payment Date or Principal Payment Date.

Section 3.04. Loan Agreement a General Obligation of the Hospital. This Master Loan Agreement is a general obligation and the full faith and credit of the Hospital is pledged to the payments required hereunder and under the Mortgage.

Section 3.05. Obligation to Pay Absolute. The obligation of the Hospital to pay or cause to be paid the amounts payable under this Master Loan Agreement shall be absolute, irrevocable, complete and unconditional and the amount, manner and time of payment of such amounts shall not be decreased, abated, rebated, setoff, reduced, abrogated, waived, diminished or otherwise modified in any manner or to any extent whatsoever regardless of any right of setoff, recoupment or counterclaim that the Hospital might otherwise have against the County, or any other party and regardless of any contingency, force majeure, event or cause whatsoever and notwithstanding any circumstance or occurrence that may arise or take place before, during or after the issuance of the 1996 Refunding Bonds, including (without limitation):

(a) any damage to or destruction of any part or all of the hospital facilities or the taking or damaging of any part or all of the hospital facilities by any public authority or agency in the exercise of the power of eminent domain or otherwise;

(b) any assignment, novation, consolidation, merger, sale or transfer of assets, leasing or other similar transaction of or affecting the Hospital, whether with or without the approval of the County, except as otherwise expressly provided in this Master Loan Agreement;

(c) the expiration of any term, covenant or condition of this Master Loan Agreement pursuant to any provisions hereof or by operation of law, unless this Master Loan Agreement shall have been terminated by operation of the provisions of Section 3.01;

(d) any failure of the County to perform or observe any agreement or covenant, whether express or implied, or any duty, liability or obligation arising out of or connected with this Master Loan Agreement or the Mortgage;

(e) any change or delay in the time of availability of the Project for use, or delays in acquisition and construction of the Project, or the failure to complete or to maintain satisfactory progress in the construction or provision of the Project, whether due to the fault or negligence of the County or any other cause or reason;

(f) any acts or circumstances that may constitute a basis for a foreclosure under the Mortgage;

(g) failure of consideration, failure of title, impossibility of performance, impracticability of performance or commercial frustration;

(h) any change in tax or other laws of the United States of America or other governmental authority;

(i) the failure of the County to pursue any other person primarily or secondarily liable for any obligation under this Master Loan Agreement or the Mortgage, including (without limitation) any failure of the County to pursue or seek enforcement against the Hospital;

(j) the bankruptcy or insolvency of the Hospital;

(k) the granting of any indulgence, waiver or consent with respect to any obligation of the Hospital under this Master Loan Agreement or the Mortgage; and

(l) the occurrence or taking of any other action similar or dissimilar to the foregoing.

Notwithstanding the foregoing, the Hospital may, at its own cost and expense, prosecute or defend in any action or proceeding or take any other action which the Hospital may deem reasonably necessary in order to secure or protect its rights hereunder. Furthermore, except to the extent provided in and subject to the immediately preceding paragraph of this Section, nothing contained herein shall be construed to prevent or restrict the Hospital from asserting any rights which the Hospital may have under this Master Loan Agreement or under any provisions of law against the County.

The Hospital shall make the payments required by this Master Loan Agreement whether or not any patient, occupant or other user of the hospital facilities is delinquent in the payment of his fees, rentals or other charges owed to the Hospital, whether or not any patient, occupant or other user receives either partial or total reimbursement in the form of a credit against such payment and whether or not the Hospital receives either partial or total reimbursement in the form of a credit against such payment.

Section 3.06. Security Interest in Receipts. As security for the obligation of the Hospital to make timely payment of all amounts due under this Master Loan Agreement, the Hospital hereby grants to the County a lien and claim on and a security interest in all of the Receipts, subject to no liens or encumbrances except Permitted Encumbrances. Without limiting the generality of the foregoing, this lien, claim and security interest shall continuously apply for the entire term of this Master Loan Agreement to all rights to receive Receipts.

In order further to secure the punctual payment of amounts due hereunder and without in any way limiting any other provision hereof, the Hospital agrees that if any Event of Default shall have occurred and be continuing upon the written request of the County, the Hospital immediately shall transfer to the County any Receipts that are then on hand and any Receipts thereafter received upon their receipt to the extent needed to make the required payment. Nothing contained in this Section shall be construed as precluding the Hospital from applying its Receipts to its own uses so long as the Hospital makes timely payment of all payments required by this Master Loan Agreement.

ARTICLE IV

SPECIAL COVENANTS OF THE HOSPITAL

Section 4.01. Financing Statements. The Hospital shall keep, record and file, at the expense of the Hospital, all necessary financing statements and renewals thereof, in such places as may be required by law in order to preserve and protect fully the security of the holders of the Bonds.

Section 4.02. Federal Tax Exemptions. (a) The Hospital shall not (i) perform any act or enter into any agreement that shall cause any revocation or adverse modification of the federal income tax status of the Hospital or (ii) carry on or permit to be carried on in the Hospital's facilities or permit the Hospital's facilities to be used in or for any trade or business, the conduct of which is not substantially related to the exercise or performance by the Hospital of the purposes or functions constituting the basis for its tax-exempt status under the Code, if such use of the Hospital's facilities would result in the loss by the Hospital of its tax-exempt status under the Code. The Hospital shall immediately take all steps necessary to restore its tax-exempt status under the Code if it shall lose that status for any reason.

(b) It is the intention of the parties hereto that the interest on all Bonds be and remain excludable from gross income for federal income tax purposes and, to that end, the Hospital covenants with the County and each of the Holders from time to time of any Bonds that (i) the Hospital shall take any and all action necessary to maintain the excludability from gross income for federal income tax purposes of the interest on all Bonds and (ii) the Hospital shall not perform any act or enter into any agreement, merger, consolidation or corporate reorganization, or use or permit the use of the Hospital's facilities or any portion thereof in a manner that shall have the effect of terminating the excludability from gross income for federal income tax

purposes of the interest paid on any Bonds, including (without limitation) selling, leasing or otherwise disposing of all or any portion of the Project financed or refinanced with the proceeds of any Bonds, contracting with a third party for the use or operation of all or any portion of the Project, or entering into any merger, consolidation or corporate reorganization if entering into such sale, lease, disposition, contract, merger, consolidation or corporate reorganization would have such effect.

Without limiting the generality of the foregoing, the Hospital specifically agrees to enter into such further agreements in order to ensure the continued excludability from gross income for federal income tax purposes of the interest paid on all Bonds as the County, upon the advice of Bond Counsel, may reasonably deem necessary or desirable. Such agreements may require, without limitation, the Hospital to make payments to the County in order to implement the provisions of this paragraph. Further, the Hospital hereby agrees promptly to pay amounts to the County or otherwise to make available to the County funds for the payment of rebates (or payments in lieu thereof) to the United States of America, as directed by the County in accordance with Section 4.08.

Section 4.03. Accreditation. The Hospital shall not allow any permit, right, franchise or privilege necessary for the ownership or operation of the Hospital's facilities for the purposes for which such facilities are intended to be used to lapse or be forfeited. The Hospital shall use their best efforts to ensure that it (a) remains accredited by the Joint Commission on Accreditation of Health Care Organizations or its successors, (b) remains fully qualified as a provider of services under and participates in the Medicare and Medicaid programs or any successor program to either or any program by a federal, state or local government providing for payment or reimbursement for services rendered for hospital and health care, and (c) remains fully qualified for and participates in the Blue Cross Plan for hospital and health care or any other similar insurance or nonprofit health service plan having broad application. Notwithstanding the foregoing provisions of this Section, the Hospital shall not be required to retain such permits, rights, franchises or privileges, or to remain so accredited or qualified, as the case may be, if the governing body of the Hospital determines that to do so is not in the best economic interest of the Hospital.

Section 4.04. Payment of Obligations. The Hospital shall fix, charge and collect such fees, rentals, rates and other charges in connection with the operation of the Hospital's facilities and the products and services provided by the Hospital that, together with the general funds of the Hospital and any other moneys available to the Hospital, shall provide moneys at least sufficient at all times (i) to pay all amounts payable under this Master Loan Agreement and (ii) to pay all other obligations of the Hospital as they become due and payable. The Hospital, from time to time as often as necessary, shall revise such fees, rentals, rates and other charges to the extent required to comply with the provisions of this Section.

Section 4.05. Rate Covenant. (a) The Hospital shall fix, charge and collect such fees, rentals, rates and other charges in each Bond Year in connection with the operation of the

Hospital's facilities and the products and services provided by the Hospital as shall be sufficient to meet in each Bond year the total Cash Requirements of the Hospital in such Bond Year. For purposes of planning and applying for rates and charges in each Bond Year, the Hospital may take into account Additional Revenues. If at any time the Hospital receives notice or has reason to expect that any source of estimated Additional Revenues no longer intends, or no longer is able, to meet its financial commitment to the Hospital, the Hospital immediately shall either reduce costs or apply for and set rates in accordance with its revised estimates of Additional Revenues, so as to meet the requirements of this Master Loan Agreement.

(b) If in any Bond Year the amount of the fees, rentals, rates and charges collected by the Hospital shall, together with Additional Revenues collected for such Bond Year, be less than the amount required by the preceding paragraph in any Bond Year, (i) the Hospital shall, within sixty (60) days from the end of any such Bond Year, take all action necessary to cause the fees, rentals, rates and other charges imposed and collected by it to equal the amount prescribed in the preceding paragraph and (ii) the County, at the Hospital's expense and subject to the Hospital's approval (which approval shall not be unreasonably withheld or delayed) may immediately employ a Management Consultant to submit a written report and recommendations with respect to such fees, rentals, rates and other charges and with respect to improvements or changes in the operations of or the services rendered by the Hospital, stating the extent to which prior recommendations (if any) of the Management Consultant may not have been complied with by the Hospital; provided, however, that if the fees, rentals, rates and other charges imposed by the Hospital, together with all of the Hospital's Additional Revenues and unrestricted funds and any other moneys (not including borrowed moneys) available to the Hospital, shall equal or exceed the amount required by the preceding paragraph (A) the requirement that the County appoint a Management Consultant arising from the operation of this Section shall be annulled in such Bond Year if an Independent Public Accountant certifies that the failure of the Hospital to comply with the preceding paragraph was due either to a deficiency in revenue which will be received by an increase in rates authorized by the Rate Commission in the succeeding Bond year or to a reduction in rates required by the Rate Commission to compensate for excessive revenue in the preceding Bond Year, provided in either case, that the Hospital shall have complied with Section 4.04 and (B) in addition, if the requirement is not annulled pursuant to (A) above, the County, upon the written request of the Hospital, may make a determination that under all of the facts and circumstances regarding the previous Bond Year (including, without limitation, any volume variances experienced by the Hospital), the appointment of a Management Consultant is not necessary or desirable to protect the interests of the County and may so notify the Hospital, whereupon the requirement that the County appoint a Management Consultant arising from the operation of this Section in such Bond Year shall be annulled.

(c) The parties recognize that (i) the method or methods by which hospitals and other health care providers are paid for services (e.g., third-party reimbursements or payments, required or accepted methods for structuring fees, rentals, rates and other charges, private and governmental insurance programs, federal and state laws and regulations) may change from time to time during the term of this Master Loan Agreement, and (ii) other developments not now

foreseeable may occur that substantially affect the financing and delivery of health care services. Any Management Consultant retained by the County pursuant to this Section may recommend with respect to the fees, rentals, rates or other charges imposed and collected by the Hospital and with respect to improvements or changes in the operations of or the services rendered by the Hospital that the Hospital either (A) make no change or (B) make some change, even though such recommendation is not calculated to result in compliance with the requirements of this Section, if the Management Consultant includes in its written report and recommendations a statement to the effect that compliance with such recommendations should result in compliance with such requirements to the maximum extent feasible. Nothing contained herein shall be construed to excuse the Hospital from the payment in timely manner of all the payments required by this Master Loan Agreement or the Mortgage and all other obligations of the Hospital as the same become due and payable.

(d) To the extent permitted by applicable law, the Hospital promptly shall revise their fees, rentals, rates and charges in conformity with any recommendation of the Management Consultant retained pursuant to this Section and shall otherwise follow the recommendations of such Management Consultant. If the County determines that the appointment of a Management Consultant is not necessary or desirable to protect the interests of the holders of the Bonds with respect to any Bond Year pursuant to this Section, or if the Hospital revises such fees, rentals, rates and other charges in conformity with the recommendations of the Management Consultant and otherwise follow the recommendations of the Management Consultant, then the failure of the Hospital to meet the requirements of paragraph (a) of this Section for such Bond Year shall not constitute an Event of Default under this Master Loan Agreement. If approvals of any regulatory or supervisory authority are required in order to fix, charge, collect and otherwise implement any fees, rentals, rates and charges required by the operation of this Section (including, without limitation, any fees, rentals, rates and charges recommended by the Management Consultant), the Hospital shall take all action within their power to obtain such approvals in the most expeditious manner available to the Hospital.

(e) The requirements of this Section shall not be construed to prohibit the Hospital from providing services to indigent patients without charge or at reduced rates if deemed necessary by the Hospital to retain its tax-exempt status under applicable law, to comply with then applicable requirements of law or to fulfill the medical responsibility of the Hospital to its patients or to the extent of moneys received by the Hospital which were designated by their donor for the purpose of providing such services.

Section 4.06. Obligations Not to Be Impaired. While the covenants of the Hospital set forth in Sections 4.04 and 4.05 are subject to applicable requirements imposed by law or lawfully imposed by federal, state or local regulatory authorities, nothing therein shall be construed or applied so as to permit any federal, state or local authority to impair the obligation of the Hospital to fix, charge and collect fees, rentals, rates and other charges in the amounts required by such Sections.

Section 4.07. Timely Regulatory Approval. The Hospital:

(a) shall at all times maintain adequate accounting and management procedures to provide for the periodic review of the rates and charges of the Hospital in order to determine the need for any change in or modification of such rates and charges in sufficient time to permit timely application to any regulatory authorities having jurisdiction so that such change in or modification of the Hospital's rates and charges may be placed in effect on or before the time at which a failure to effect such change or modification would have a material and adverse effect on the financial position of the Hospital;

(b) shall make timely application for, and diligently pursue to a prompt conclusion, any proceedings required to obtain all regulatory approvals necessary to enable the Hospital to perform in timely manner all of their obligations under this Master Loan Agreement and the Mortgage;

(c) in each application to any regulatory authority for a change or modification of their rates or charges, shall give effect to the requirements of this Master Loan Agreement and the Mortgage so that rates and charges of the Hospital will at all times be structured to produce revenues (A) sufficient to enable the Hospital to perform in a timely manner all of their obligations under this Master Loan Agreement and the Mortgage, and (B) contemplated and estimated in any official statement pertaining to any Outstanding Bonds, including (without limitation) any feasibility study or studies set forth in such official statement, insofar as is practicable and consistent with then-applicable law and regulations; and

(d) in the event that any regulatory authority should permit the Hospital to make any election affecting the rates, charges or income of the Hospital, shall elect that course of action resulting in the most favorable payments to the Hospital for services rendered by it, taking into account regulatory and competitive factors, the charitable purposes of the Hospital, the total amount of the revenues to be received by the Hospital in the applicable period for such rates and charges and the necessity of providing revenues to the Hospital at times and in amounts sufficient to enable the Hospital to meet its obligations under this Master Loan Agreement and the Mortgage; provided, however, that this provision shall not prevent the Hospital from accepting any increase in its rates, charges or income granted by any regulatory authority.

Section 4.08. Tax-Exempt Bonds Not to Be Arbitrage Bonds. The 1996 Resolution requires that the County deliver on the date of issuance of the 1996 Refunding Bonds, and the County shall deliver on the date of issuance of any other series of Bonds, a certificate (such certificate, as it may be amended and supplemented from time to time, being referred to herein as a "Section 148 Certificate") that complies with the requirements of Section 148 of the Code or any successor to such Section in effect on the date of issuance of such Bonds ("Section 148") and that states the County's reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of such Bonds or of any moneys, securities or

other obligations on deposit to the credit of any funds and accounts that may be deemed to be proceeds of such Bonds within the meaning of Section 148 (collectively, "Bond Proceeds"). The Hospital recognizes that certain of the facts, estimates and circumstances required to be set forth in each Section 148 Certificate of necessity will be based upon the representations of the Hospital. The Hospital covenants to provide, or cause to be provided, such facts and estimates as the County reasonably considers necessary to enable it to execute and deliver its Section 148 Certificates. The Hospital further covenants that (i) such facts and estimates will be based on their reasonable expectations on the date of issuance of any Bonds and will be, to the best of the knowledge of the officers of the Hospital providing such facts and estimates, true, correct and complete as of that date, and (ii) the Hospital will make reasonable inquiries to ensure such truth, correctness and completeness.

The Hospital covenants that it will not make, or (to the extent that they exercise control or direction) permit to be made, any use of the proceeds of the Bonds that would cause any Bonds to be "arbitrage bonds" within the meaning of Section 148. The Hospital further covenants that they will comply with those provisions of Section 148 that are applicable to any Bonds on the date of issuance of such Bonds and with those provisions of Section 148 that may subsequently be lawfully made applicable to such Bonds.

The County and the Hospital shall hold and invest proceeds of the Bonds within their control (if such proceeds are invested) in accordance with the expectations of the County set forth in the Section 148 Certificate. If the County is of the opinion upon receipt of advice of Bond Counsel that it is necessary further to restrict or limit the yield on the investment of any proceeds of the Bonds in order to avoid any Bonds being considered "arbitrage bonds" within the meaning of Section 148, the County and the Hospital shall take such action as is necessary to restrict or limit the yield on such investment, irrespective of whether the Hospital is of the same or a different opinion. Upon the request of the Hospital and receipt of advice of Bond Counsel, the County may, and upon receipt of an approving ruling from the Internal Revenue Service or a decision of a court of competent jurisdiction the County shall, take such action as is necessary to remove or modify a restriction or limitation on the yield on the investment of any proceeds of the Bonds that was formerly deemed necessary. The County shall incur no liability in connection with action as contemplated herein so long as the County acts in good faith.

The Hospital agrees that so long as this Master Loan Agreement shall be in effect the Hospital will not purchase or, to the extent they exercise control or direction, permit any related person (as defined in Section 144(a)(3) of the Code) to purchase, pursuant to any arrangement, formal or informal, Bonds in an amount related to the amount of the 1996 Loan under this Master Loan Agreement.

Section 4.09. Hospital to Provide Information. Upon the written request of the County, the Hospital shall provide and certify, at the expense of the Hospital, such information concerning the Hospital's facilities, the Hospital, their respective finances and other topics as the County reasonably may request.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

Section 5.01. Events of Default. The following shall be "Events of Default" under this Master Loan Agreement, and the terms "Event of Default" or "Default" shall mean, whenever they are used in this Master Loan Agreement, any one or more of the following events:

(a) if any representation or warranty made by the Hospital herein or any statement or representation made in any certificate, report or opinion (including legal opinion) delivered pursuant to this Master Loan Agreement or the 1996 Resolution shall prove to have been incorrect in any material respect when made or shall be breached, if such incorrect statement or breach materially and adversely affects the security of the Bonds; or

(b) failure by the Hospital to pay when due any amount required to be paid under Section 3.03 and such failure to pay shall continue for a period of five (5) days, or failure by the Hospital to pay when due any other amounts due under this Master Loan Agreement and such failure to pay shall continue for a period of ten (10) days; or

(c) failure by the Hospital to perform, observe or comply with any other of the terms, covenants, conditions or provisions contained in this Master Loan Agreement or the Mortgage, which failure shall continue for a period of 30 days after written notice thereof shall have been given to the Hospital by the County; or

(d) loss by the Hospital of its status as an organization described in Section 501(c)(3) of the Code and the regulations thereunder (unless the loss of such status shall not (i) in the judgment of a Management Consultant, obtained for such purpose, impair the ability of the Hospital to meet its obligations under Section 4.05 during the period covered by forecasts prepared by the Management Consultant, or (ii) in the opinion of Bond Counsel, obtained for such purpose, adversely affect the tax-exempt status under federal law of any Bonds then outstanding); or

(e) loss of excludability from gross income for federal income tax purposes of the interest on any Bonds theretofore issued as a result of any action by the Hospital; or

(f) an "Event of Default" under the 1982 Master Loan Agreement.

Section 5.02. Remedies. Upon the occurrence of an Event of Default, the County may from time to time take whatever action at law or in equity may appear necessary or desirable to collect the moneys payable by the Hospital hereunder and under the Mortgage, then due or thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Hospital under this Master Loan Agreement.

Section 5.03. No Waiver of Rights. No remedy herein conferred upon or reserved to the County is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Master Loan Agreement. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the County to exercise any remedy reserved to it in this Section, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

Section 5.04. Waiver of Default. In the event that any agreement contained herein shall be breached by the Hospital and such breach shall thereafter be waived by the County, such waiver shall be limited to the particular occurrence of the breach so waived and shall not be deemed to waive any other occurrence of a breach hereunder.

Section 5.05. Hospital Will Pay Reasonable Fees of Attorneys and Other Expenses. If the Hospital should default under any of the provisions of this Loan Agreement and the County should employ attorneys or incur other expenses for the collection of amounts due hereunder or the enforcement of performance or observance of any obligation or agreement on the part of the Hospital herein contained, the Hospital agrees that it will on demand therefor pay to the County the reasonable fee of such attorneys and such other reasonable expenses so incurred by the County.

ARTICLE VI

PREPAYMENT OF LOANS

Section 6.01. Voluntary Prepayments. (a) The Hospital may prepay the 1996 Loan in part at any time. Any such prepayment shall be applied by the County to purchase or redeem the 1996 Refunding Bonds in accordance with the Resolution and will be credited against the principal payments due on the 1996 Loan in the inverse order of their due dates.

(b) The Hospital may prepay the 1996 Loan in whole by (i) giving at least 60 days' written notice to the County (or such fewer number of days as shall be acceptable to the County) of the prepayment date, (ii) paying the County the full prepayment price determined in accordance with paragraph (c) below on the prepayment date, and (iii) making arrangements satisfactory to the County for the payment of the Administrative Expenditures estimated by the County to be incurred from time to time in connection with any Bonds issued to finance the 1996 Loan from the prepayment date until the latest maturity or redemption date of the 1996 Refunding Bonds.

(c) Within 30 days following the date on which the County receives written notice of prepayment in whole of a Loan under paragraph (b) above, the County shall give the Hospital written notice of the prepayment price of 1996 Loan, which shall be an amount equal to the amount determined by the County to be necessary to purchase Government Obligations the principal of and interest on which when due will be sufficient to pay the principal of and interest on the Bonds issued to finance such Loan when due until the earliest date on which such Bonds are subject to redemption, together with any premium payable upon the redemption of such Bonds.

ARTICLE VII

DEFEASANCE

Section 7.01. Defeasance. If the Hospital shall pay or cause to be paid the principal or redemption or prepayment price of and interest on all of the Bonds at the times and in the manner stipulated therein, then the pledge of any Receipts and other property hereby pledged to the Bonds and all other rights granted hereby to the Bonds shall be discharged and satisfied. In such event, upon the written request of the Hospital, the County shall execute and deliver to the Hospital all such instruments as may be reasonably necessary to evidence such discharge and satisfaction.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Covenants for the Benefit of Holders. This Master Loan Agreement is executed in part to induce the purchase by others of the Bonds and, accordingly, all covenants and agreements on the part of the Hospital in this Master Loan Agreement are hereby declared to be for the benefit of the Holders from time to time of the Bonds.

Section 8.02. Actions of the Hospital and the County. The Hospital agrees that all actions heretofore or hereafter taken by them or any of them to carry out the financing and refinancing of the Project, including the making of contracts, and all actions hereafter taken by the County to carry out the financing and refinancing of the Project upon the recommendation or request of the Hospital have been and will be in full compliance with this Master Loan Agreement. The Hospital acknowledges that any review of any such actions heretofore or hereafter taken by the County or its officers, employees or agents has been or will be solely for the protection of the County. Neither such review nor any action taken by the County or its officers, employees or agents to carry out the financing and refinancing of the Project shall estop or otherwise preclude the County from enforcing this Master Loan Agreement and the Mortgage.

Section 8.03. County's Liability Limited. (a) The liability of the County to make payments under contracts made or accepted by the County to carry out the Project, including any

change orders, shall be limited to the making of payments from amounts received from the Hospital pursuant to this Master Loan Agreement. The acceptance of the Mortgage by the County shall not impose any other liability on the County, whether contractual or otherwise, for any action taken or foregone by it in good faith. Neither the carrying out of the Project nor the acceptance of the Mortgage by the County shall impose any liability on the officers, employees or agents of the County. No recourse shall be had by the Hospital for any claims based on this Master Loan Agreement or the Mortgage against any officer, employee or agent of the County, all such liability, if any, being expressly waived by the Hospital by its execution and delivery of this Master Loan Agreement.

(b) In the exercise of the powers of the County and its officers, employees and agents under this Master Loan Agreement or the Mortgage, the County shall not be accountable to any person for any action taken or omitted by it or its officers, employees or agents in good faith and believed by it or them to be authorized or within the discretion or rights or powers conferred.

(c) The County and its officers, employees and agents shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Master Loan Agreement or the Mortgage upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other document that it or they shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of the Mortgage or this Master Loan Agreement, or upon the written opinion of any counsel, architect, engineer, insurance consultant, actuary, management consultant or accountant believed by it or them to be qualified in relation to the subject matter, and it and they shall be under no duty to make any investigation or inquiry into any statements contained or matters referred to in any such instrument. The County and its officers, employees and agents may consult with counsel, who may or may not be Bond Counsel, counsel to the County or counsel to the Hospital, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it or them in good faith and in accordance therewith.

(d) Whenever the County or its officers, employees or agents shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Master Loan Agreement or the Mortgage, such matter may be deemed to be conclusively proved and established by a Certificate of the Hospital, unless other evidence in respect thereof is specifically required under this Master Loan Agreement or the Mortgage. Such Certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof, but in its discretion the County or its officers, employees or agents may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it or they may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice or other direction required or permitted to be furnished pursuant to any

provision hereof by the County or the Hospital shall be sufficiently executed if executed in the name of such person by an Authorized Officer thereof.

(e) The Hospital shall indemnify the County and each of its officers, employees and agents and save them harmless against any liability precluded by this Section.

(f) Except as otherwise expressly permitted by this Master Loan Agreement, the Hospital shall not enter into any contracts or agreements or perform any acts or require the County to enter into any contracts or agreements or perform any acts that may adversely affect any of the assurances or rights of the County hereunder or under the Mortgage.

Section 8.04. Amendment of the Loan Agreement and the Mortgage. Before any Bonds are delivered, and thereafter if rights of holders of the Bonds are not materially and adversely affected or if the holders of more than 50% of the Bonds then outstanding give their written consent, this Master Loan Agreement and the Mortgage may be amended by the parties hereto

Section 8.05. Cumulative Rights. All rights and remedies herein given or granted to the County in this Master Loan Agreement are cumulative, non-exclusive and in addition to any and all rights and remedies that the County may have or be given by reason of any law, statute, ordinance or otherwise.

Section 8.06. Notices. All notices required to be given or authorized to be given pursuant to this Master Loan Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, postage prepaid, addressed as follows (or to such other address as may be designated by written notice hereunder):

In the case of the County:

County Commissioners of St. Mary's County
Government Center
Leonardtown, Maryland 20650
Attention: President

In the case of the Hospital:

St. Mary's Hospital of St. Mary's County
Leonardtown, Maryland 20650
Attention: Hospital Administrator

Section 8.07. Integration Clause. This Master Loan Agreement supersedes any other prior agreements or understandings, written or oral, between the parties with respect to the Hospital's facilities and the Project.

Section 8.08. Counterparts. This Master Loan Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts together shall constitute but one and the same Loan Agreement.

Section 8.09. Severability. If any clause, provision or section of this Master Loan Agreement is held illegal or invalid by any court, the invalidity of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections hereof, and this Master Loan Agreement shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained herein. In case any agreement or obligation contained in this Master Loan Agreement is held to be in violation of law, such agreement or obligation shall nevertheless be determined to be the agreement or obligation of the County or the Hospital, as the case may be, to the full extent permitted by law.

Section 8.10. Maryland Law. This Master Loan Agreement shall be governed by and construed in accordance with the laws of the State of Maryland.

IN WITNESS WHEREOF, the parties hereto have caused this Master Loan Agreement to be duly executed, sealed and delivered as of the day and year first written above.

(SEAL)

COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY

ATTEST:

By: _____

President of the Board of County
Commissioners of St. Mary's County

(SEAL)

ST. MARY'S HOSPITAL OF ST. MARY'S
COUNTY

ATTEST:

By: _____

STATE OF MARYLAND, ST. MARY'S COUNTY, TO WIT:

I HEREBY CERTIFY that on this _____ day of _____ in the year 1996, before the subscriber, a Notary Public in and for the State of Maryland, personally appeared _____, the President of the BOARD OF COUNTY COMMISSIONERS OF ST. MARY'S COUNTY, the governing body of COUNTY COMMISSIONERS OF ST. MARY'S COUNTY, a body politic and corporate of the State of Maryland, constituting a public instrumentality existing under and by virtue of the Constitution and laws of the State of Maryland, and on behalf of such County acknowledged the foregoing instrument to be the act and deed of County Commissioners of St. Mary's County.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL)

Notary Public

My Commission Expires: _____

STATE OF MARYLAND, ST. MARY'S COUNTY, TO WIT:

I HEREBY CERTIFY that on this _____ day of _____ in the year 1996, before the subscriber, a Notary Public in and for the State of Maryland, personally appeared _____, _____ of St. Mary's Hospital of St. Mary's County, a nonprofit hospital duly incorporated and existing under the laws of the State of Maryland, and on behalf of such corporation acknowledged the foregoing instrument to be the act and deed of St. Mary's Hospital of St. Mary's County.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL)

Notary Public

My Commission Expires: _____

DEFINITIONS

"Act" means Chapter 475 of the Laws of Maryland of 1980, as amended and supplemented by Chapter 711 of the Laws of Maryland of 1981, and all future acts supplemental thereto or amendatory thereof, including (without limitation) Chapter 358 of the Laws of Maryland of 1992.

"Additional Loans" means any additional loans from the County to the Hospital secured on a parity with the 1996 Loan by the pledge of the Receipts and the Mortgage.

"Additional Revenues" means, in the case of any completed period, nonoperating revenue of the of the Hospital from recurring sources which are considered sufficient certain by the Hospital's' management that such revenue is taken into account for purposes of establishing the budget of the Hospital.

"Administrative Expenditures" means all expenditures reasonably and necessarily incurred by the County for fees and expenses of auditing, legal fees and expenses and fees and expenses of any agent or registrar for the Bonds designated in or pursuant to the Resolution, and (ii) all other expenditures reasonably and necessarily incurred by the County by reason of its financing of the Project, including (without limitation) any payment made by the County from its own funds with respect to the principal of or interest on the Bonds and expenses incurred by the County to compel full and punctual performance of all the provisions of this Master Loan Agreement in accordance with the terms hereof. Any expenditures of the County made pursuant hereto shall be certified by the County to the Hospital in writing as soon as practicable and shall be paid or cause to be paid by the Hospital in accordance with the provisions hereof.

"Authorized Officer" means when used with reference to the Hospital, the President, any Vice President, the Secretary or the Treasurer of the Hospital and, when used with reference to any act or document, also means any other person authorized by resolution of the governing body of the Hospital to perform such act or execute such document.

"1996 Resolution" shall have the meaning ascribed to it in the Recitals of this Master Loan Agreement.

"Bond Counsel" means a law firm, appointed by the County, having a national reputation in the field of municipal law, whose legal opinions are generally accepted by purchasers of municipal bonds. The firm of Piper & Marbury L.L.P. is recognized as constituting Bond Counsel, subject to further action by the County.

"Bond Year" means a period of twelve (12) consecutive months beginning on July 1 in any calendar year and ending on June 30 of the succeeding calendar year.

"Bonds" means the 1996 Refunding Bonds, the Outstanding 1993 Bonds and any other bonds, notes or other evidences of indebtedness issued by the County in order to finance or refinance any Additional Loans.

"Business Day" means a day other than a Saturday, Sunday or legal holiday in the State of Maryland observed as such by the County.

"Cash Requirements of the Hospital" means, for any period, the amount of money required during such period to meet all payments and expenditures required to be made by the Hospital in order to meet all of its necessary and reasonable obligations incurred in the financing, operation, maintenance and repair of its hospital facilities including (without limitation) all necessary acquisitions of equipment and other fixed assets, all the Cash Requirements of this Master Loan Agreement and all payments required to meet any other obligation or indebtedness of the Hospital.

"Certificate" or "Order" means, when used with reference to the County or the Hospital, a written certificate or order, respectively, signed in the name of the County or the Hospital, respectively, by an authorized officer thereof.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor federal income tax statute or code, and the applicable regulations thereunder.

"Cost" means the cost of construction and acquisition of all lands, structures, property (real or personal), rights, rights-of-way, franchises, easements and interests acquired by the County or by the Hospital for the Project; the cost of demolishing or removing any buildings or structures on land so acquired, including (without limitation) the cost of acquiring any lands to which such buildings or structures may be moved; the cost of all machinery and equipment, financing charges, interest prior to and during construction and for such a limited period after completion of such construction as the County deems advisable, interest and reserves for principal and interest and for extensions, enlargements, additions and improvements; the cost of architectural, engineering, financial and legal services, plans, specifications, studies, surveys, estimates of cost and of revenues, and administrative expenses necessary or incidental to determining the feasibility or practicability of constructing the Project; and such other expenses as may be necessary or incidental to the construction and acquisition of the Project, the financing or refinancing of such construction and acquisition and the placing of the Project in operation.

"County" means County Commissioners of St. Mary's County, a body politic and corporate and a political subdivision of the State of Maryland, and its successors and assigns.

"Event of Default" means any event of default specified in Section ___ of this Master Loan Agreement.

"Fourth Supplemental Mortgage" means the Fourth Supplemental Mortgage executed by and between the Hospital and the County, dated as of April 1, 1996.

"Holder" or "holder" or any similar term means, when used with reference to any Bond, the owner of such Bond.

"Hospital" means St. Mary's Hospital of St. Mary's County, a nonprofit corporation duly incorporated and existing under the laws of the State of Maryland, having its principal hospital facilities in St. Mary's County, Maryland, and its successors and assigns.

"Indebtedness" means any indebtedness or liability for borrowed money, any installment sale obligation or any obligation under any lease that is capitalized under generally accepted accounting principles and any guaranty of any of the foregoing.

"Independent Public Accountant" means an individual, partnership or corporation engaged in the accounting profession, either entitled to practice, or having members or officers entitled to practice, as a certified public accountant under the laws of the State of Maryland and in fact independent, employed by the Hospital from time to time with the approval of the County (which approval shall not be unreasonably withheld) to pass upon those matters required by this Master Loan Agreement to be passed upon by an Independent Public Accountant.

"Interest Payment Date" means, when used with reference to the 1996 Refunding Bonds, each July 1 and January 1.

"Loans" means the 1996 Loan, together with any Additional Loans.

"Master Loan Agreement" means this Master Loan Agreement dated as of _____, 1996, between the County and the Hospital and any other loan agreement amendatory thereof or supplemental thereto, including (without limitation) any supplement or amendment executed by the Hospital.

"Management Consultant" means an independent professional management consultant having a favorable national reputation for skill and experience in hospital consulting work, who may be (without limitation) the Independent Public Accountant if the Independent Public Accountant otherwise meets the criteria set forth in this definition, appointed by the County in accordance with this Master Loan Agreement.

"Mortgage" means the mortgage dated as of June 29, 1982, executed and delivered by the Hospital to the County, and any other mortgage instrument amendatory thereof or supplemental thereto, including (without limitation) the Fourth Supplemental Mortgage.

"Mortgaged Property" means all of the property subject to the Mortgage from time to time.

"Planning Commission" means the Maryland Health Resources Planning Commission, an independent commission functioning within the Department of Health and Mental Hygiene of the State of Maryland, or any other governmental body then exercising jurisdiction in the area in which the Project or any Additional Facilities are to be located over the planning or construction of health care facilities of the same general type or class as the Project or such Additional Facilities (as the case may be), and their successors.

"Outstanding 1993 Bonds" means all of the 1993 Bonds outstanding as of the date hereof.

"Principal Payment Date" means, when used with reference to the 1996 Refunding Bonds, each January 1.

"Project" means the hospital facilities of the Hospital, being "hospital improvements" as defined in the Act, located in Leonardtown, Maryland, together with any lawful modification of such Project or other "hospital improvements" as may be provided by resolution or resolutions of the County.

"Rate Commission" means the Maryland Health Services Cost Review Commission, an independent commission functioning within the Department of Health and Mental Hygiene of the State of Maryland, or any other governmental body exercising jurisdiction over the rates charged by the Hospital, and their successors.

"Receipts" means all receipts, revenues, rentals, income, insurance proceeds and other moneys received by or on behalf of the Hospital, including (without limitation) revenues derived from (i) the ownership, operation or leasing of any Hospital facilities and all rights to receive the same, whether in the form of accounts receivable, contract rights, general intangibles or other rights, and the proceeds of such rights, whether now existing or hereafter coming into existence or whether now owned or held or hereafter acquired, and (ii) gifts, grants, bequests, donations and contributions heretofore or hereafter made that are legally available to meet any of the obligations of the Hospital incurred in the financing, operation, maintenance or repair of any of the Hospital facilities.

"Resolution" means the 1996 Resolution.

"1982 Master Loan Agreement" means the Loan Agreement executed by and between the Hospital and the County, dated as of June 29, 1982, as amended to the date hereof.

Book 0010 Page 0093

"1993 Bonds" means the bonds designated "County Commissioners of St. Mary's County Hospital Bonds of 1993", dated September 1, 1993, in the aggregate principal amount of \$6,000,000, issued as general obligations of the County.

"1996 Loan" means the loan by the County to the Hospital of the proceeds of the 1996 Refunding Bonds pursuant to this Master Loan Agreement.

"1996 Refunding Bonds" means the bonds designated County Commissioners of St. Mary's County St. Mary's Hospital Refunding Bonds of 1996", dated April 1, 1996, in the aggregate principal amount of \$ _____, issued as general obligations of the County.

"1996 Resolution" means Resolution No. R-96-__ of the County authorizing the issuance, sale and delivery of the 1996 Refunding Bonds, adopted by the Board of County Commissioners of St. Mary's County on February __, 1996, including resolutions amendatory thereof or supplemental thereto.

FOURTH SUPPLEMENTAL MORTGAGE

THIS FOURTH SUPPLEMENTAL MORTGAGE is made as of this 1st day of April, 1996, by and between ST. MARY'S HOSPITAL OF ST. MARY'S COUNTY, a charitable, non-profit organization organized and existing under the laws of the State of Maryland (the "Institution"), as mortgagor, and COUNTY COMMISSIONERS OF ST. MARY'S COUNTY, a body politic and corporate and a political subdivision of the State of Maryland (the "County"), as mortgagee.

RECITALS

1. Pursuant to Chapter 475 of the Laws of Maryland of 1980, as amended by Chapter 711 of the Laws of Maryland of 1981 (the "Enabling Act"), and Resolution No. R-82-7 adopted by the Board of County Commissioners of St. Mary's County on June 15, 1982 (the "1982 Resolution"), the County issued, sold and delivered \$13,915,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County St. Mary's Hospital Bonds of 1982", dated July 1, 1982 (the "1982 Bonds"), the proceeds of which were loaned to, or expended for the benefit of, the Institution pursuant to a Loan Agreement dated as of June 29, 1982 (the "1982 Loan Agreement"), to finance a portion of the cost of acquiring, constructing and equipping a 114-bed replacement hospital facility for the Institution in Leonardtown, Maryland. The 1982 Loan Agreement obligated the Institution to provide funds to pay when due the debt service on the 1982 Bonds.

2. Pursuant to Resolution R-83-12 adopted by the County on June 17, 1983 (the "1983 Resolution"), the County issued, sold and delivered \$17,150,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County, St. Mary's Hospital Refunding Bonds of 1983", dated July 1, 1983 (the "1983 Refunding Bonds"), the proceeds of which were used to advance refund all of the 1982 Bonds. In addition, the County and Institution amended the 1982 Loan Agreement to provide that the Institution is obligated to provide funds to pay when due the debt service on the 1983 Refunding Bonds. The proceeds of the 1983 Refunding Bonds have been applied to the payment of the 1982 Bonds, and the 1982 Bonds are no longer outstanding.

3. Pursuant to Resolution No. R-86-31 adopted by the County on December 10, 1986 (the "1986 Resolution"), the County issued, sold and delivered \$15,835,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County St. Mary's Hospital Refunding Bonds of 1986, dated December 1, 1986 (the "1986 Refunding Bonds"), the proceeds of which were used to advance refund the 1983 Refunding Bonds maturing on or after July 1, 1994. In addition, the County and the Institution further amended the 1982 Loan Agreement to provide that the Institution is obligated to provide funds to pay when due the debt service on the 1986 Refunding Bonds. The proceeds of the 1986 Refunding Bonds together with other moneys provided by the Institution have been applied to

the payment of the 1983 Refunding Bonds, and the 1983 Refunding Bonds are no longer outstanding.

4. Pursuant to Chapter 358 of the Laws of Maryland of 1992, and Resolution No. R-93-34 adopted by the County on August 31, 1993 (the "1993 Resolution"), the County issued, sold and delivered \$6,000,000 aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County St. Mary's Hospital Bonds of 1993", dated September 1, 1993 (the "1993 Bonds"), the proceeds of which were loaned to the Institution for the purpose of constructing and acquiring certain improvements to the existing hospital facilities of the Institution. In addition, the County and Institution further amended the 1982 Loan Agreement to provide that the Institution is obligated to provide funds to pay when due the debt service on the outstanding 1993 Bonds and the outstanding 1986 Refunding Bonds. \$11,935,000 of the 1986 Refunding Bonds remain outstanding (the "Outstanding 1986 Refunding Bonds") and \$_____ of the 1993 Bonds remain outstanding (the "Outstanding 1993 Bonds").

5. Pursuant to the Enabling Act, Section 24 of Article 31 of the Annotated Code of Maryland (1993 Replacement Volume and 1995 Cumulative Supplement) and Resolution No. R-96-__ adopted by the County on February __, 1996 (the "1996 Resolution"), the County will issue, sell and deliver \$_____ aggregate principal amount of general obligation bonds designated "County Commissioners of St. Mary's County St. Mary's Hospital Refunding Bonds of 1996", dated April 1, 1996 (the "1996 Refunding Bonds"), the proceeds of which will be loaned to the Institution pursuant to a Master Loan Agreement dated as of _____, 1996 between the County and the Institution (the "1996 Master Loan Agreement") and used to refund all of the Outstanding 1986 Refunding Bonds. The 1996 Master Loan Agreement obligates the Institution to provide funds to pay when due the debt service on the 1996 Refunding Bonds.

6. In consideration of the County's entering into the 1982 Loan Agreement and making a loan to, and expenditures for the benefit of, the Institution of the proceeds of the 1982 Bonds, the Institution entered into a Mortgage dated as of June 29, 1982 (the "1982 Mortgage"), under the terms of which it granted, assigned, conveyed and transferred all right, title and interest of the Institution in and to certain property as set forth in the 1982 Mortgage. The 1982 Mortgage as amended to the date hereof shall be referred to herein as the "Existing Mortgage" and the Existing Mortgage as amended by this Fourth Supplemental Mortgage shall be referred to herein as the "Mortgage."

6. In order to ensure that the Institution's obligations under the 1982 Loan Agreement as amended to the date hereof (the "1982 Master Loan Agreement") and the 1996 Master Loan Agreement (together, the "Loan Agreements") are fully secured in accordance with the intentions of the parties thereto, the Institution and the County have agreed to modify the Existing Mortgage by entering into this Fourth Supplemental Mortgage.

NOW, THEREFORE, in consideration of the County's issuing the 1996 Refunding Bonds in order to refund the Outstanding 1986 Refunding Bonds and of other good and valuable consideration, the receipt of which the Institution hereby acknowledges and to secure the due performance of the Institution's obligations, covenants and agreements as set forth in the Loan Agreements and the Mortgage, the Institution hereby confirms the Granting Clauses of the Existing Mortgage and does hereby grant, assign, convey and transfer to the County and its successors and assigns, for the benefit and security of the holders from time to time of the Bonds (defined herein), all right, title and interest of the Institution in and to the property, whether now owned or held or hereafter acquired, defined in the Granting Clauses of the Existing Mortgage, as the "Mortgaged Property."

TO HAVE AND TO HOLD such land with improvements thereupon and all other property within the meaning of the Mortgaged Property to the County, its successors in the mortgage and assigns, in fee simple forever; for the benefit and security of the County and the holders from time to time of the Bonds, for the enforcement of the payment of all sums or indebtedness secured hereby, including those advanced, to be advanced and readvanced, and the compliance with the terms, covenants and conditions of the Loan Agreements and the Mortgage;

PROVIDED, HOWEVER, that if the Institution shall pay or cause to be paid all sums secured by the Mortgage in the manner set forth in the Loan Agreements and the Mortgage, then all interest of the County in the Mortgaged Property shall cease, determine and be void. Upon receipt of proof to the satisfaction of the County that all of the obligations of the Institution under the Loan Agreements and the Mortgage are paid in accordance with the terms of the Loan Agreements and the Mortgage, the County, at the expense of the Institution, shall release and discharge the Mortgage and transfer to the Institution, its property at the time subject to the lien of this Mortgage, which may be then in the County's possession.

THIS FOURTH SUPPLEMENTAL MORTGAGE FURTHER STATES, that the parties hereto agree as follows:

1. The principal sum secured by the Mortgage is \$_____ being the aggregate principal amount of the 1996 Refunding Bonds and the Outstanding 1993 Bonds. The final installment of principal, if not sooner paid, is due and payable on July 1, 20__.

2. Any time the term "Bonds" is used in any provision of the Mortgage, it shall be construed to mean County Commissioners of St. Mary's County St. Mary's Hospital Bonds of 1993, dated September 1, 1993, which mature on or before September 1, 2008 in the original aggregate principal amount of \$6,000,000 and County Commissioners of St. Mary's County St. Mary's Hospital Refunding Bonds of 1996, dated April 1, 1996, in the aggregate principal amount of \$_____.

3. Any time the term "Loan Agreement" is used in any provision of the Mortgage, it shall be construed to mean, collectively, (i) the Loan Agreement dated as of June

29, 1982 between the Institution and the County, as amended to the date hereof and (ii) the Master Loan Agreement dated as of _____, 1996 between the Institution and the County, including all agreements amendatory thereof or supplemental thereto.

4. Any time the term "Mortgage" is used in any provision of the Mortgage, it shall be construed to mean the Mortgage dated as of June 29, 1982 from the Institution to the County, as amended to the date hereof and as further amended and supplemented by this Fourth Supplemental Mortgage, including all mortgages amendatory thereof or supplemental thereto.

5. Any time the term "Resolution" is used in any provision of the Mortgage, it shall be construed to mean Resolution No. R-93-34 of the Board of County Commissioners of St. Mary's County, adopted on August 31, 1993, authorizing the issuance, sale and delivery of the 1993 Bonds and Resolution No. R-96-___ of the Board of County Commissioners of St. Mary's County, adopted on February __, 1996, authorizing the issuance, sale and delivery of the 1996 Refunding Bonds, including all resolutions amendatory thereof or supplemental thereto.

6. In addition to the rights of the County under Paragraph 14 of the 1982 Mortgage, should the grade of any street be altered or all or any part of the Mortgaged Property be condemned or taken through eminent domain proceedings or transfer in place or in anticipation thereof, the County may, in its sole discretion, apply all or such part of any award or proceeds derived in accordance with the Resolution (i) to the redemption of Bonds at the next succeeding redemption date or (ii) to the payment of the cost of facilities, equipment or improvements (x) approved in writing by the County and the Institution and (y) which constitute "hospital improvements" within the meaning of the Act.

7. Paragraph 15, clauses (a) and (b) of the Mortgage are hereby deleted in their entirety and the following is substituted in lieu thereof:

"(a) Failure by the Institution to pay when due any payment required to be paid under Section 3.06 (Amounts Payable) of the 1982 Master Loan Agreement or under Section ___ (Amounts Payable) of the 1996 Master Loan Agreement, which failure shall continue for a period of five (5) days;

(b) Failure by the Institution to pay when due any payment required to be paid under the Loan Agreement (other than under Section 3.06 [Amounts Payable] of the 1982 Master Loan Agreement or under Section ___ [Amounts Payable] of the 1996 Master Loan Agreement), which failure shall continue for a period of ten (10) days;"

8. Paragraph 15, clause (i) of the Mortgage is hereby deleted in its entirety and the following is substituted in lieu thereof:

"(i) An Event of Default under the Loan Agreement;"

9. In addition to the rights of the County under Paragraph 18, clause SECOND of the 1982 Mortgage, in the case of any foreclosure sale of the Mortgaged Property or of any part thereof, proceeds and any other sums which may then be held as security under the Mortgage may, in the sole discretion of the County, be applied in accordance with the Resolution (i) to the redemption of Bonds at the next succeeding redemption date or (ii) to the payment of the cost of facilities, equipment or improvements (x) approved in writing by the County and the Institution and (y) which constitute "hospital improvements" within the meaning of the Act.

10. Except as otherwise expressly provided herein, the Institution and the County hereby ratify and confirm the provisions of the Mortgage, and all of the terms, covenants, conditions, representations and warranties set forth in the Mortgage shall continue and are deemed to be incorporated herein to the same extent as if said terms, covenants, conditions, representations and warranties were set forth in full in this Fourth Supplemental Mortgage, except as the same may have been specifically modified or amended hereby. This Fourth Supplemental Mortgage does not extinguish the outstanding indebtedness or discharge or release the Mortgage, the lien thereof or any other security. Nothing herein contained shall be construed as a substitution or novation of the original indebtedness or the Mortgage which shall remain in full force and effect except as modified hereby. The statements contained in the Recitals to this Fourth Supplemental Mortgage are restated as though set forth in full herein.

11. The Institution has executed this instrument as a debtor under the Uniform Commercial Code of Maryland. This Fourth Supplemental Mortgage shall constitute and be a security agreement and financing statement under the laws of such State. The Institution reaffirms that the Existing Mortgage constitutes a security agreement and a financing statement under the laws of such State and reaffirms that the Mortgage is intended to cover future advances to the extent permitted by law.

12. This Fourth Supplemental Mortgage shall be effective immediately upon the issuance and delivery of the 1996 Refunding Bonds.

IN WITNESS WHEREOF, the Institution has caused this Fourth Supplemental Mortgage to be duly executed on its behalf and its seal to be hereunto affixed.

ST. MARY'S HOSPITAL OF ST. MARY'S
COUNTY

[SEAL]

Attest:

By: _____
President, Board of Directors

Secretary

STATE OF MARYLAND)
) ss:
ST. MARY'S COUNTY)

I HEREBY CERTIFY, that on this _____ of _____, in the year 1996, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared _____, who acknowledged herself to be the President of the Board of Directors of ST. MARY'S HOSPITAL OF ST. MARY'S COUNTY, a charitable, non-profit organization organized and existing under the laws of the State of Maryland, the within-named Institution, and that, as such President, being authorized so to do, executed the foregoing Fourth Supplemental Mortgage for the purposes therein contained, and in my presence signed and sealed same.

AS WITNESS, my hand and Notarial Seal.

(SEAL)

Notary Public

My commission expires:

The undersigned, as mortgagee under the Mortgage, hereby agrees to the modifications set forth in this Fourth Supplemental Mortgage and executes this instrument as a secured party under the Uniform Commercial Code of the State of Maryland. This Fourth Supplemental Mortgage shall constitute and be a security agreement and financing statement under the laws of such State.

COUNTY COMMISSIONERS OF ST. MARY'S COUNTY

[SEAL]

Attest:

By: _____
President, Board of County Commissioners

County Administrator

STATE OF MARYLAND)
) ss:
ST. MARY'S COUNTY)

I HEREBY CERTIFY, that on this _____ of _____, in the year 1996, before me, the subscriber, a Notary Public of the State of Maryland, personally appeared _____, who acknowledged herself to be the President of the BOARD OF COUNTY COMMISSIONERS OF ST. MARY'S COUNTY and that, as such President, being authorized so to do, executed the foregoing Fourth Supplemental Mortgage for the purposes therein contained, and in my presence signed and sealed same.

AS WITNESS, my hand and Notarial Seal.

(SEAL)

Notary Public

My commission expires:

The undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland, hereby certifies that this instrument has been prepared by or under the supervision of the undersigned

BOOK 0010 PAGE 0102

RESOLUTIONRECORDING FEE 0.00
TOTAL 0.00

WHEREAS, St. Mary's County is proud of the enthusiastic and meaningful involvement of hundreds of citizen volunteers in the government process by membership on a wide variety of Boards, Committees, and Commissions; and

WHEREAS, in order to maintain an effective and representative appointment process the statement of policy and procedures requires periodic review and amendment:

Res#SW02 Rcr#4339999
EMA LP Blk#1

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners that Resolution 95-06 is hereby revised and that the following policies and procedures are hereby established:

Feb 29, 1996 04:11 PM

1. Terms of service are limited to two consecutive terms.
2. Every Board, Committee, and Commission is to be governed by a set of by-laws approved by the Board of County Commissioners and containing as an essential element guidelines for removal of members for non-attendance.
3. There is hereby established a report system by each Board, Committee, and Commission to be delivered to the Board of County Commissioners on at least an annual basis.
4. The appointment of members takes into consideration a balanced representation of all segments of the St. Mary's County community assuring especially that women and minorities are not under represented.
5. Every Board, Committee, and Commission has staggered terms. Task Forces and Ad-Hoc groups are excepted.
6. Every Board, Committee, and Commission must adhere to the provisions of the Ethics Ordinance and Open Meetings Law. The Chairpersons are responsible for orientation and updating of members.
7. For statistical purposes the following data is requested of each person considered for appointment: Date of Birth; Sex: Male or Female; Race: White, Black, Asian or Pacific Islander, American Indian or Alaskan Native, Hispanic.
8. Other than for compelling situations, appointments will be made only during December and June, effective January 1 and July 1.
9. All vacancies will be publicized in advance, beginning in October for December appointments and in April for June appointments.
10. All term expirations will be publicized in advance, indicating whether non-appointable or reappointable.
11. At least quarterly there will be published a solicitation by the Board for citizen volunteers to serve. (January, April, July, October)
12. **Names of individuals seeking appointment to boards, committees and commissions will be made available to the public for review.**

RESOLUTION


- 13. Discussions of individuals considered for appointment take place in accord with the County's Open Meetings Law.
- 14. Appointments are made in public session requiring a majority vote. Appointments are effective upon return of signed acceptance letter.
- 15. In addition to other efforts, there will be established at the Board's office an Official Notice board on which will be displayed continually updated information on Boards, Committees, and Commissions.
- 16. **Weekly agendas will indicate when appointments are being considered for boards, committees and commissions, and will indicate which board, committee or commission is under consideration at that time.**

ADOPTED THIS DATE: FEBRUARY 27, 1996


EFFECTIVE THIS DATE: FEBRUARY 27, 1996

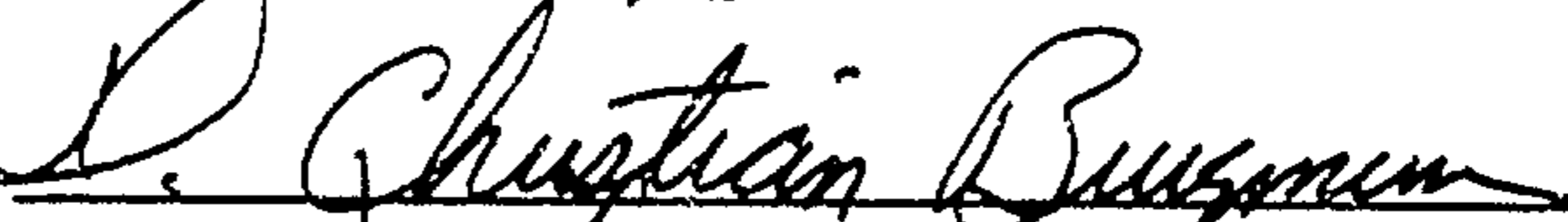
Sincerely,


ATTEST:



 Aleck Loker
 County Administrator

BOARD OF COUNTY COMMISSIONERS
ST. MARY'S COUNTY, MARYLAND


 Barbara R. Thompson, President


 D. Christian Brugman, Commissioner


 Paul W. Chesser, Commissioner


 Frances P. Eagan, Commissioner

 Lawrence D. Jarboe, Commissioner

SUBJ: MD Neighborhood Business Development Program

A RESOLUTION TO EXPRESS SUPPORT FOR THE RENOVATION AND USE OF THE PROPERTY KNOWN AS 33 ST. MARY'S SQUARE, GREAT MILLS ROAD, LEXINGTON PARK, MARYLAND, BY GEORGE MITCHELL OF UNCLE GEORGE'S RESTAURANT.

BE IT RESOLVED, ENACTED AND ORDAINED BY THE BOARD OF COMMISSIONERS OF ST. MARY'S COUNTY, MARYLAND, as follows:

WHEREAS, Uncle George's Restaurant has made application for State loan funds through the Maryland Neighborhood Business Development Program, Department of Housing and Community Development, for the purpose of renovating and improving said property; and

WHEREAS, said business is located within the wedge area of the Lexington Park redevelopment site designated for commercial revitalization; and

WHEREAS, Uncle George's Restaurant intends to renovate said property for use as a restaurant; and

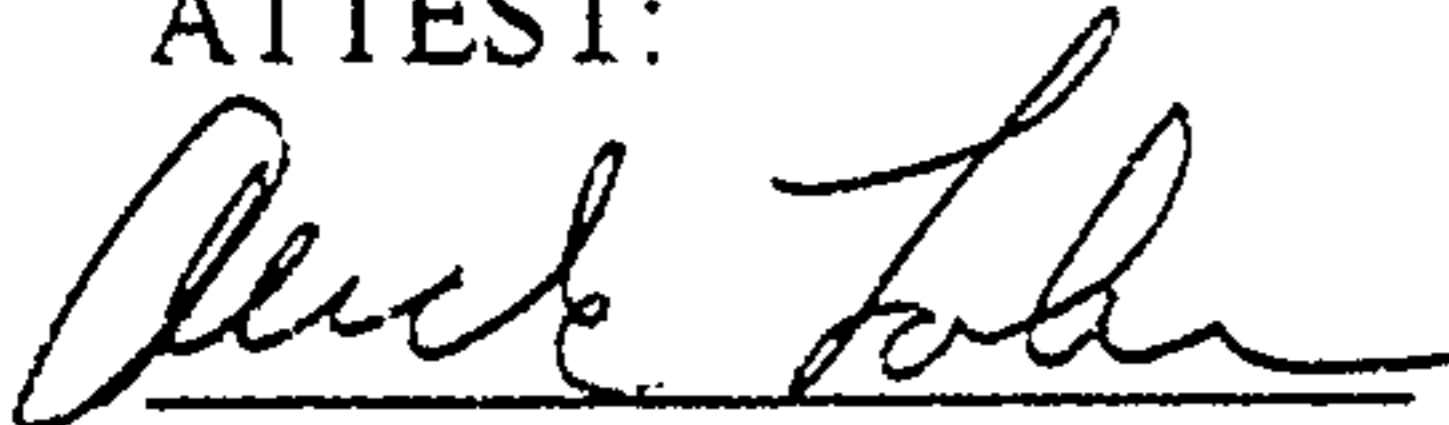
WHEREAS, St. Mary's County fully supports the proposed renovation and use of said property and the application for State funds for such purposes.

NOW, THEREFORE, the St. Mary's County Board of Commissioners state and allege their support for the proposed renovation, improvement and use of the property located at 33 St. Mary's Square, Lexington Park, Maryland by Uncle George's Restaurant for the purposes outlined above.

THIS DATE:

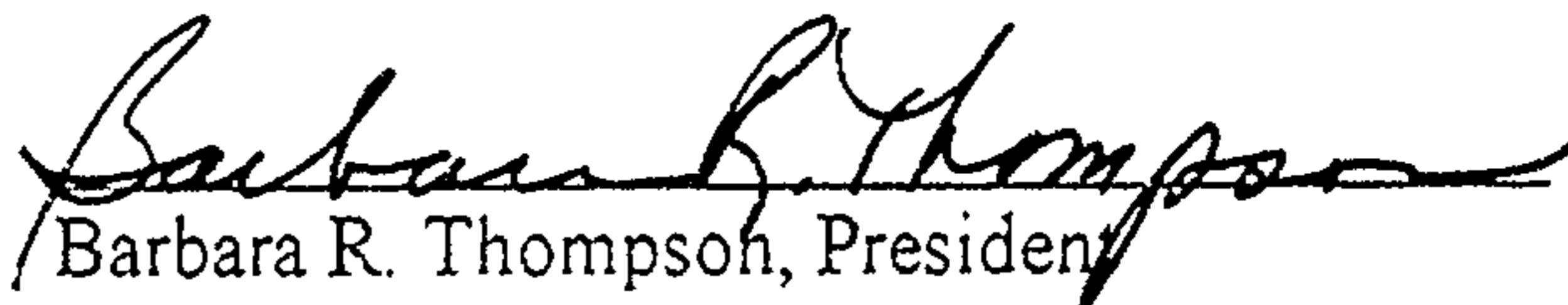
March 5, 1996

ATTEST:



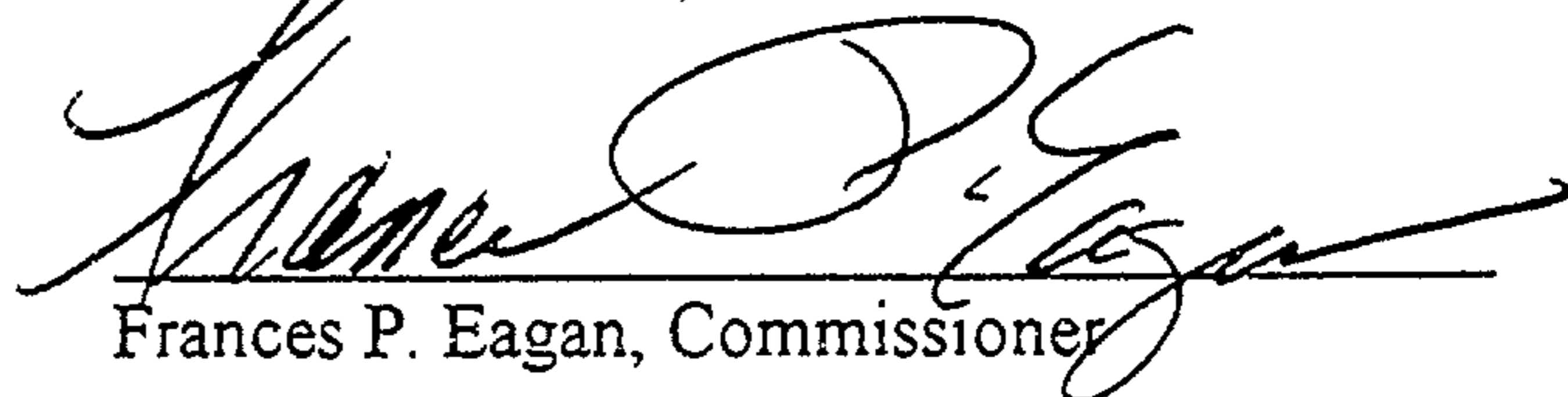
Aleck Loker
County Administrator

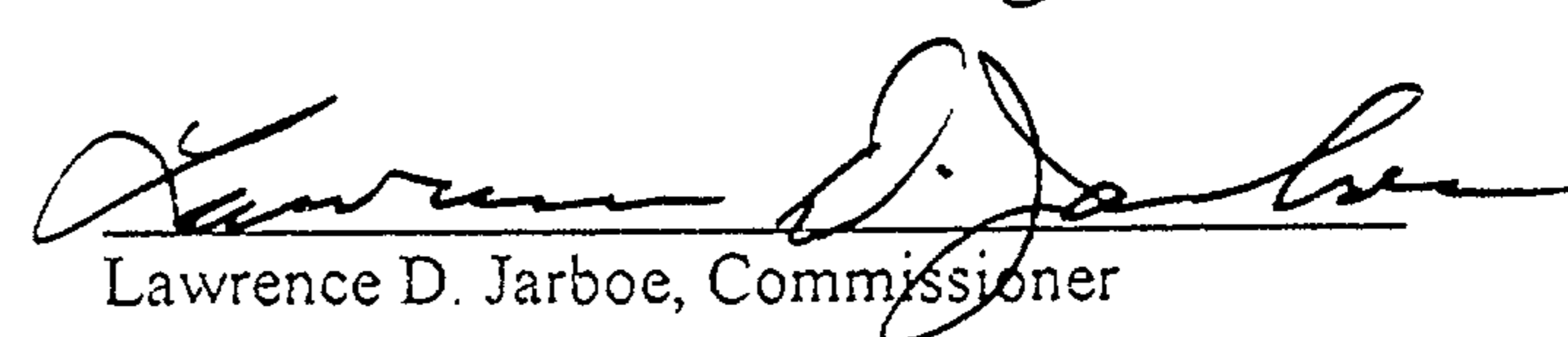
BOARD OF COUNTY COMMISSIONERS


Barbara R. Thompson, President


D. Christian Brugman, Commissioner


Paul W. Chesser, Commissioner


Frances P. Egan, Commissioner


Lawrence D. Jarboe, Commissioner

CCRS/MKB/4123

RECORDING FEE 0.00
TOTAL 0.00
Reel#3083 Rcf#19999999
EWA HAB 8/14/74
Mar 12, 1996 10:35 AM

BOOK 00107... 0105

No: 96-11
Subj: Metropolitan Commission
Infrastructure Bonds
(Wicomico Shores W/S Systems)

RECORDING FEE 0.00
TOTAL 0.00
Res#SN83 Rcp#1999999

RESOLUTION

RESOLUTION of the Board of County Commissioners of St. Mary's County concurring in the passage and adoption of Resolution heretofore passed by St. Mary's County Metropolitan Commission authorizing the issuance and sale of not exceeding Eight Hundred Eighty Thousand Dollars (\$880,000) St. Mary's County Metropolitan Commission Infrastructure Bonds, 1996 Series A, as bonds to be issued on the full faith and credit of the County Commissioners of St. Mary's County; covenanting to impose ad valorem taxes in rate and amount sufficient to pay the principal of, premium, if any, and interest on the bonds when due and the principal at maturity of said bonds if such principal, premium, if any, and interest is not paid from other moneys legally available for such purposes, all as legally available for such purposes, all as more particularly provided in the aforesaid Resolution passed by St. Mary's County Metropolitan Commission; and pledging such revenues from the State of Maryland and unlimited taxing power of the County Commissioner's of St. Mary's County, as the security for the payment of said bonds.

EWA TLG BIK#1230
Mar 18, 1996 02:51 PM

RECITALS

St. Mary's County Metropolitan Commission (the "Commission"), has heretofore passed a resolution (the "Resolution") authorizing the issuance and sale of not exceeding \$880,000 of bonds, designated St. Mary's County Metropolitan Commission Infrastructure Bonds, 1996 Series A (the "Bonds"), for the public purposes of providing a portion of the funds necessary for the financing of the Wicomico Shores Water and Sewer Systems improvements Phase II and paying the costs of issuing the Bonds by the Commission in connection with the issuance, sale and delivery of the Bonds, said Resolution having been duly adopted on February 28, 1996.

Section 113-1 to 113-28, inclusive, of the Code of Public Local Laws of St. Mary's County (1978 Edition, as amended, being Article 19 of the code of Public Local Laws of Maryland), as enacted by Chapter 369 of the Laws of Maryland), as amended (the "Act"), authorizes the issuance of bonds for the purposes set forth in the Act. The Act provided that such bonds shall be issued upon the full faith and credit of the County Commissioners of St. Mary's County, and further provided the form of guarantee to be executed on such bonds by County Commissioners of St. Mary's County.

This Board concurs in the judgement of the Commission as set forth in its Resolution and deems is desirable to provide formally for the authority of the Commission to issue and sell the Bonds in the aforesaid maximum amount of \$880,000 all as authorized by the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. MARY'S COUNTY, that:

SECTION 1. It concurs in the findings and judgement of the Commission as set forth by the terms of its Resolution duly adopted on February 28, 1996, and entitled:

RESOLUTION OF THE ST. MARY'S COUNTY METROPOLITAN COMMISSION, PROVIDING FOR THE ISSUANCE AND SALE, UPON THE FULL FAITH AND CREDIT OF COUNTY COMMISSIONERS OF ST. MARY'S COUNTY, OF NOT TO EXCEED EIGHT HUNDRED EIGHTY THOUSAND DOLLARS (\$880,000) AGGREGATE PAR AMOUNT TO BE ISSUED AND SOLD PURSUANT TO THE AUTHORITY OF SECTIONS 113-1 TO 113-28, INCLUSIVE, OF THE CODE OF PUBLIC LOCAL LAWS OF ST. MARY'S COUNTY (1978 EDITION, AS AMENDED, BEING ARTICLE 19 OF THE CODE OF PUBLIC LOCAL LAWS OF MARYLAND), AS ENACTED BY CHAPTER 369 OF THE LAWS OF MARYLAND OF 1978 AND AMENDED BY VARIOUS LAWS OF MARYLAND, INCLUDING CHAPTER 417 OF THE LAWS OF MARYLAND OF 1979 AND CHAPTERS 84 AND 87 OF THE LAWS OF MARYLAND OF 1981, AND SECTIONS 8 TO 22 OF ARTICLE 31 OF THE ANNOTATED CODE OF MARYLAND (1993 REPLACEMENT VOLUME AND 1995 CUMULATIVE SUPPLEMENT) THE BONDS TO BE DESIGNATED "ST. MARY'S COUNTY METROPOLITAN COMMISSION INFRASTRUCTURE BONDS 1996 SERIES A" AND TO BE ISSUED AND SOLD FOR THE PURPOSE OF PROVIDING A PORTION OF THE FUNDS NECESSARY FOR THE FINANCING OF THE WICOMICO SHORES WATER AND SEWER IMPROVEMENTS, WHICH INCLUDES EXTENSION OF THE WATER AND SEWER SYSTEMS TO SERVE ADDITIONAL UNIMPROVED PROPERTIES WITHIN THE EXISTING SUBDIVISION OF WICOMICO SHORES, AND PAYING THE COSTS OF ISSUING THE BONDS; PROVIDING FOR THE DISBURSEMENT OF THE PROCEEDS OF THE BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF ASSESSMENTS, TAXES, AND CHARGES TO THE EXTENT NECESSARY TO PAY THE PRINCIPAL WHEN DUE ON THE BONDS; PROVIDING FOR THE FORM, TENOR, DENOMINATION, MATURITY DATE AND OTHER PROVISIONS OF THE BONDS; PROVIDING FOR THE SALE OF THE BONDS; AND ESTABLISHING THE METHOD FOR FIXING THE INTEREST RATE TO BE BORNE BY THE BONDS.

This Board accordingly approves the issuance and sale of the Bonds in an amount not to exceed \$880,000 by the Commission upon the terms and conditions set forth in its Resolution, as of said terms and conditions being hereby adopted and approved by this Board.

SECTION 2. The full faith and credit and unlimited taxing power of County Commissioners of St. Mary's County are hereby unconditionally and irrevocably pledged to the levy and collection of as valorem taxes upon all of the assessable property within the corporate limits of St. Mary's County, Maryland, in rate and amount sufficient to pay, together with any other funds then lawfully available and set aside for such purposes, as and when such taxes may become necessary, the principal of, premium, if any, and interest on the Bonds when due and the principal at maturity on the Bonds authorized to be issued by the Resolution of the Commission. In the event that the ad valorem taxes prescribed by Section 113-7 of the Act, together with other revenues available for such purposes, are insufficient to pay the principal, premium, if any, and interest when due and the principal at maturity on the Bonds, the County Commissioners of St. Mary's County hereby covenant and agree with each of the holders, from time to time, of the Bonds, in each and every fiscal year in which the Bonds are outstanding, to levy and collect as valorem taxes upon all of the assessable property within the corporate limits of St. Mary's County, Maryland, in rate and amount sufficient to provide for the payment of such principal, premium, if any when due and at maturity and such interest accrued to the date of payment, when due.

SECTION 3. This acknowledges and authorizes the Commission to pledge, assign and grant a security interest to the Administration, its successors in trust and assigns, all right, title and interest of the Commission and the St. Mary's County in and to the Local Government Payment as

contemplated and authorized by Article 83B, Section 2-204(16(iii) of the Annotated Code of Maryland, as amended, and as defined in the Pledge Agreement, now or hereafter acquired, to secure payment of the principal of, premium, if any, and interest on the Bonds and any other Local Obligations as defined in the Pledge Agreement, issued and to be issued from time to time by the Commission under the Infrastructure Program, all as more fully set forth and provided in the Pledge Agreement.

SECTION 4. The form of endorsement that evidences the guarantee as to payment of the principal, premium, if any, and interest on the Bonds by County Commissioners of St. Mary's County shall be as is provided for in Section 113-6 of the Act.

IN WITNESS WHEREOF, the Board of County Commissioners of St. Mary's County, Maryland, has caused these presence to be executed in its name by the manual signature of the President of the Board of County Commissioners of St. Mary's County and it has caused its corporate seal to be imprinted hereon and attested by the facsimile signature of the County Administrator of St. Mary's County, all as of the ____ day of _____, 1996.

BOARD OF COUNTY COMMISSIONERS
ST. MARY'S COUNTY, MARYLAND

By: _____
Barbara R. Thompson, President

ATTEST:

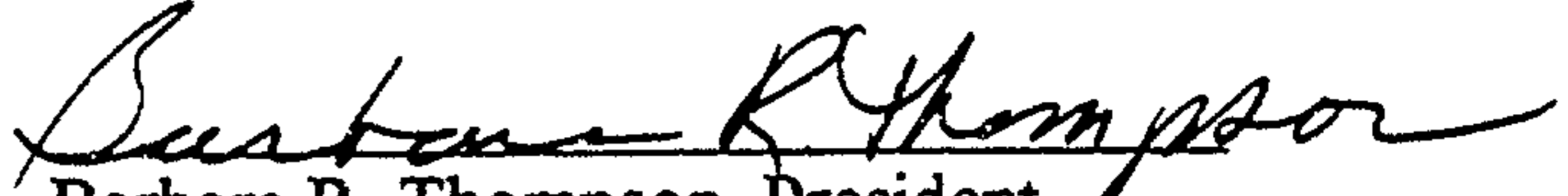
Aleck Loker, County Administrator

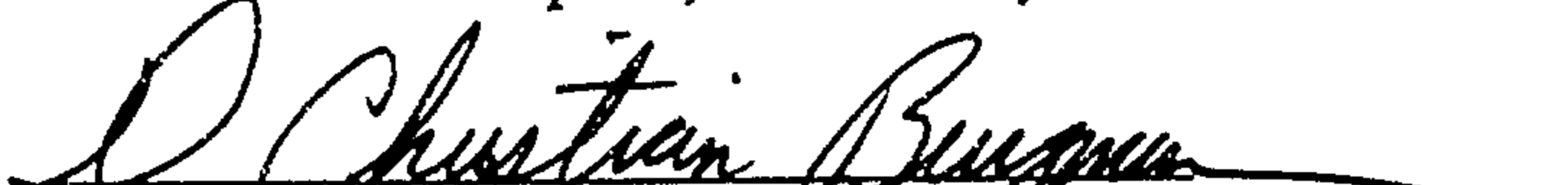
Such endorsement shall be signed and executed on each of the Bonds by the manual or facsimile signature of the President of the Board of County Commissioners of St. Mary's County; the corporate seal of the County Commissioners of St. Mary's County shall be affixed thereto and attested by the manual or facsimile signature of the County Administrator of St. Mary's County.

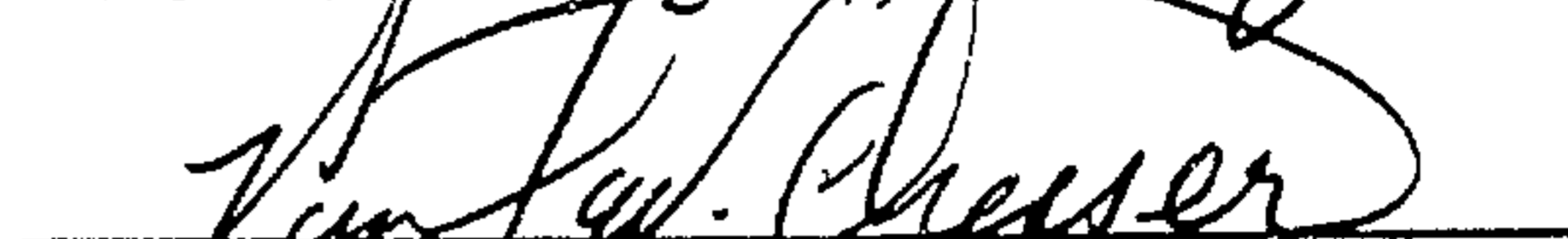
SECTION 5. This Resolution shall take effect on the date of its adoption.


Adopted: 3-12, 1996.


BOARD OF COUNTY COMMISSIONERS
ST. MARY'S COUNTY, MARYLAND


Barbara R. Thompson, President

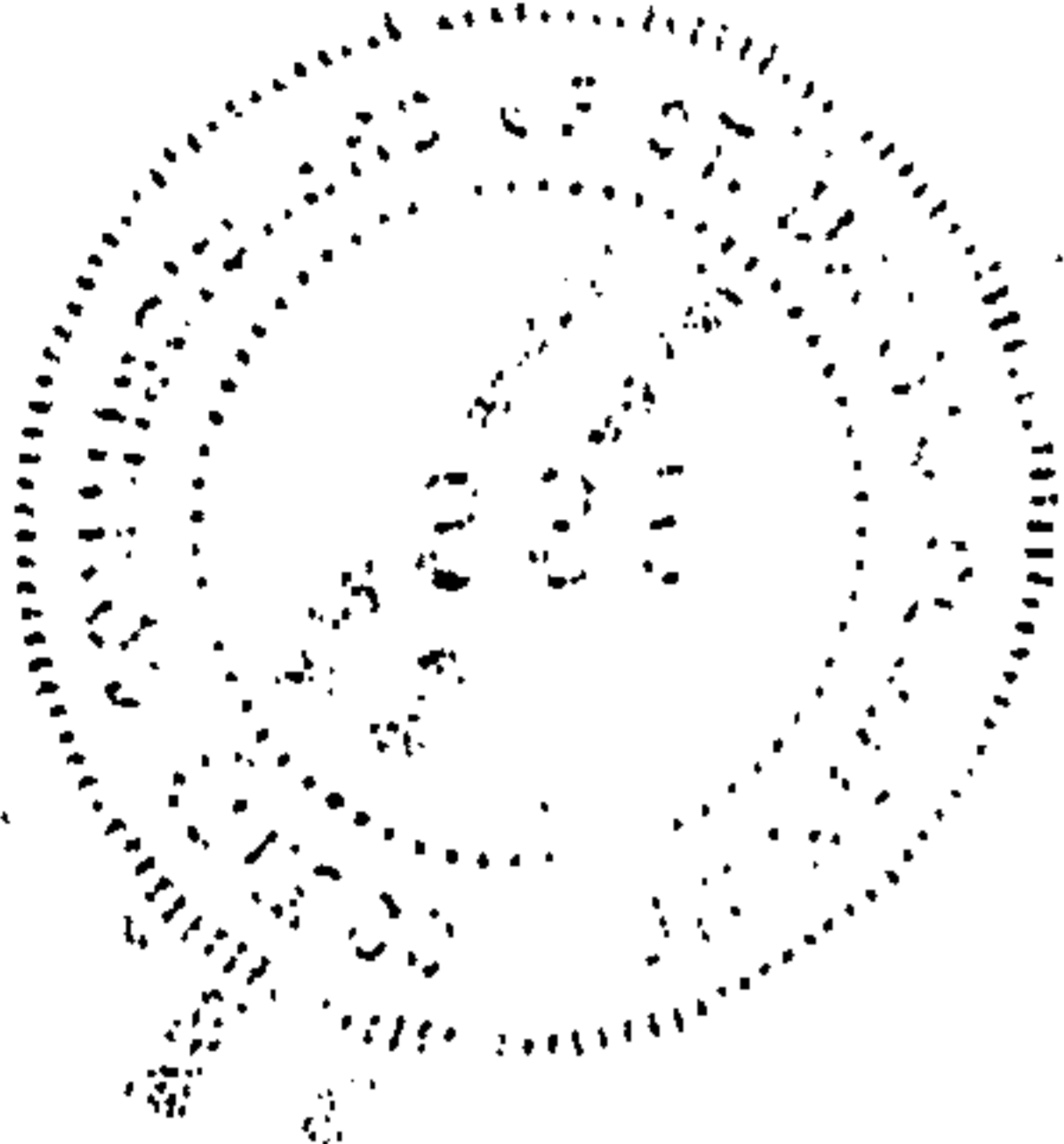

D. Christian Brugman, Commissioner


Paul W. Chesser, Commissioner

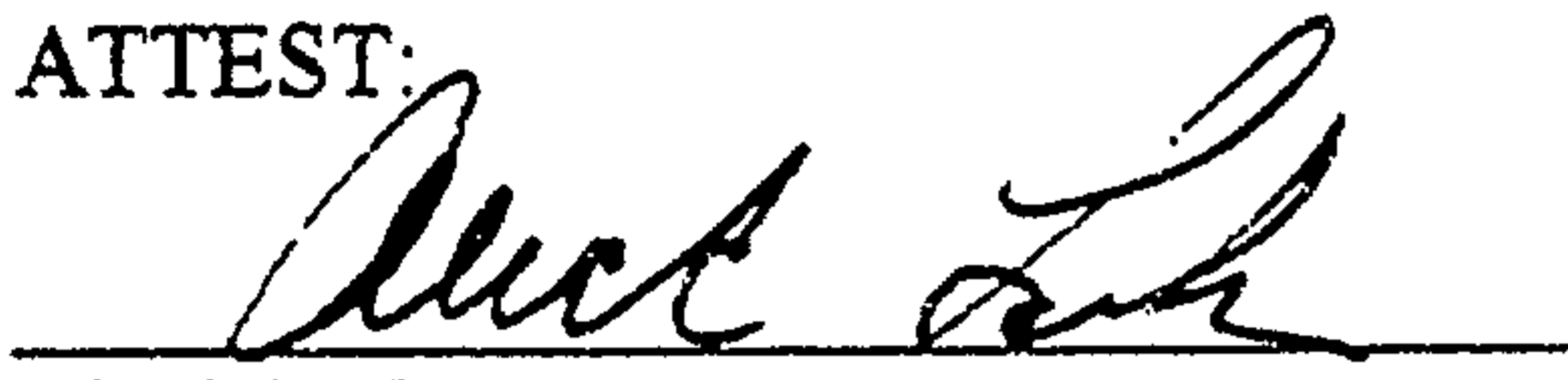

Frances P. Eagan, Commissioner


Lawrence D. Jarboe, Commissioner

[SEAL]



ATTEST:



Aleck Loker
County Administrator

BOOK 0010 PAGE 0109

NO: 96-12
SUBJ: Public Facilities and Hospital
Refunding Bonds of 1996 and
St. Mary's County Metropolitan
Commission Refunding Bonds
of 1996

COUNTY COMMISSIONERS OF ST. MARY'S COUNTY

RESOLUTION

A RESOLUTION of County Commissioners of St. Mary's County providing for the award of general obligation bonds designated Public Facilities and Hospital Refunding Bonds of 1996, authorized to be issued pursuant to a resolution passed on February 20, 1996; fixing the interest rates payable upon the bonds so authorized and awarding the bonds to the successful bidder therefor upon the basis of the bids received this day in accordance with the official Notice of Sale prescribed in such resolution; ratifying and confirming the distribution of the Preliminary Official Statement and authorizing the preparation and distribution of the final Official Statement; and approving and confirming the award of the St. Mary's County Metropolitan Commission Refunding Bonds of 1996, and increasing the maximum aggregate principal amount of the Public Facilities and Hospital Refunding Bonds of 1996.

RECORDING FEE 0.00
TOTAL 0.00
Res#13403 Rcft#999999
EMA TLG 81k#1230
Mar 18, 1996 02:52 PM

RECITALS

Pursuant to a resolution adopted on February 20, 1996 (the "Resolution"), the County Commissioners of St. Mary's County (the "County") authorized the public sale of the County's general obligation bonds, designated Public Facilities and Hospital Refunding Bonds of 1996 (the "Bonds"). The public sale was held at the offices of Piper & Marbury L.L.P., 36 S. Charles Street, Baltimore, Maryland 21201, at 11:00 a.m., local Baltimore, Maryland time in accordance with the terms of the Notice of Sale prescribed by the Resolution, which Notice of Sale was duly published in accordance with the Resolution.

The County is now ready (1) to accept the best bid for the Bonds, at the total purchase price named by the bidder in such bid and (2) to fix the interest rates payable on the Bonds in accordance with the terms of such bid.

NOW, THEREFORE, BE IT RESOLVED BY COUNTY COMMISSIONERS OF ST. MARY'S COUNTY, that:

Section 1. The syndicate headed by Ferris, Baker Watts, Inc. (the "successful bidder") for the Eighteen Million Nine Hundred Sixty-Five Thousand Dollars (\$18,965,000) aggregate principal amount of Public Facilities and Hospital Refunding Bonds of 1996 is hereby found and determined to be the bidder whose bid is in the best interest of the County.

Section 2. The bid of the successful bidder for the Bonds is hereby accepted.

Section 3. The Bonds are hereby awarded to the successful bidder at the total purchase price named in its bid. When prepared in definitive form, the Bonds shall be duly executed and

delivered to the successful bidder in accordance with the terms and conditions of the Notice of Sale at such place in Baltimore, Maryland or New York, New York, or at such other location, as the successful bidder and the Director of Finance or the County Administrator may mutually agree. The delivery of the Bonds shall be made upon receipt of the total purchase price for the Bonds, being the principal amount of the Bonds, plus the premium, if any, stated in the bid of the successful bidder, plus accrued interest, less the good faith deposit received from the successful bidder to secure its bid. The total purchase price for the Bonds shall be paid to the Director of Finance or the County Administrator, as agent of the County for the purpose of receiving the purchase price and delivering the Bonds to the successful bidder. Immediately upon receipt thereof, the purchase price shall be deposited in the proper accounts of the County and used and applied as provided in the Resolution.

Section 4. The Bonds shall bear interest at the following rates:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
1997	\$1,625,000	3.30	2003	\$2,050,000	4.40
1998	1,710,000	3.70	2004	2,085,000	4.50
1999	1,770,000	4.00	2005	2,145,000	4.60
2000	1,980,000	4.10	2006	140,000	4.70
2001	2,485,000	4.20	2007	135,000	4.80
2002	2,570,000	4.30	2008	135,000	5.00
			2009	135,000	5.00

Such rates of interest are hereby fixed as and for the rates of interest payable on the Bonds.

Section 5. The Director of Finance (and in his absence such other official of the County present at the sale or the financial advisor to the County) is hereby authorized and directed to collect the check of the successful bidder and to retain the proceeds thereof to be applied in part payment for the Bonds and to return the checks received with the proposals not hereby accepted, all in accordance with the provisions of the Notice of Sale.

Section 6. The distribution of the Preliminary Official Statement dated February 23, 1996 is hereby confirmed and ratified.

Section 7. The President together with such other officials as the President shall deem appropriate shall distribute the Official Statement for the Bonds.

Section 8. The County hereby approves and confirms the award made by the St. Mary's County Metropolitan Commission of its general obligation bonds, designated "St. Mary's County Metropolitan Commission Refunding Bonds of 1996" to Ferris, Baker Watts, Inc. in the following annual principal amounts and bearing interest at the following rates:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
1998	\$ 95,000	3.90%	2006	\$170,000	4.70%
1999	125,000	4.00	2007	170,000	4.80
2000	130,000	4.10	2008	185,000	5.00
2001	135,000	4.20	2009	190,000	5.00
2002	140,000	4.30	2010	205,000	5.10
2003	150,000	4.40	2011	205,000	5.125
2004	150,000	4.50	2012	225,000	5.20
2005	160,000	4.60	2013	235,000	5.25

Section 9. The County hereby increases the maximum aggregate principal amount of the Bonds to \$18,965,000 in order to take full advantage of potential debt service savings currently available in the municipal bond market.

Section 10. This Resolution shall become effective immediately upon its passage.

ADOPTED this 5th day of March, 1996.

(SEAL)



ATTEST:

W. Aleck Loker
 W. Aleck Loker,
 County Administrator

COUNTY COMMISSIONERS OF ST. MARY'S COUNTY

Barbara R. Thompson
 Barbara R. Thompson, President

D. Christian Brugman
 D. Christian Brugman, Commissioner

Paul W. Chesser
 Paul W. Chesser, Commissioner

Frances P. Eagan
 Frances P. Eagan, Commissioner

Lawrence D. Jarboe
 Lawrence D. Jarboe, Commissioner

ORDINANCE

WHEREAS, Hollywood Enterprises, Inc. owners of J.J. Mailing have made application to rezone a portion of their land from RPD, Rural Preservation District, to I-1 Industrial, General. The land is located on the west side of Commerce Avenue, approximately 400 feet north of Airport View Drive, and is identified as Tax Map 34, Block 1, Parcel 548 in the Sixth Election District of St. Mary's County. The matter is identified as Planning & Zoning case, ZONE #95-2591.

WHEREAS, following published notice and notification of property owners within 200 feet of the subject property by Certified Mail, the St. Mary's County Planning Commission conducted a public hearing on the application on January 22, 1996.

WHEREAS, after deliberation, the Planning Commission, on January 22, 1996, by a unanimous vote, recommended to the Board of County Commissioners of St. Mary's County that said rezoning be approved.

WHEREAS, following published notice and notification of property owners within 200 feet of the subject property by Certified Mail, the County Commissioners, conducted a public hearing on the application on February 27, 1996.

WHEREAS, the County Commissioners, in accordance with the provisions of Section 4.05(a) of Article 66B of the Annotated Code of Maryland and Section 70.05 of the St. Mary's County Zoning Ordinance, find as fact the following with regard to the above-referenced application:

RECORDING FEE 0.00
TOTAL 0.00
Res #95-2591 Rcpt #999999

I. Definition of Neighborhood:

The neighborhood surrounding the site would include the entire Industrial Park, that area zoned as Industrial as it involves similar uses, bounded by Lawrence-Hayden Road and Route 235, in the vicinity of the site.

EWA TLG BIK-425
Mar 22, 1996 01:26 PM

II. Mistake in Original Zoning:

The parcel is located within the Industrial Park intended for industrial uses and is surrounded by land that is also zoned I-1; and as depicted on the applicant's Concept Development Plan dated October 6, 1995, the existing bulk mailing facility crosses over the zoning boundary line into the RPD zoning district. Both the Department of Planning and Zoning staff and the Owner were not aware of the location of the building in relation to the zoning boundary line prior to this recent redevelopment proposal; therefore; this was not addressed by the county staff in the 1990 Comprehensive Zoning Map amendments. Since it was not known by the County staff, the standard mapping rules were followed which directed staff to carry forward all existing I-1 zoning as it was previously mapped. Therefore, the location of the zoning boundary on Lot 6 was a mistake in the original zoning that conflicts with the existing building/use and had not been previously corrected due to a lack of knowledge of this condition.

III. Population Change

The 1980 Census figures for St. Mary's County are 59,895 and for 1990 the Census the population was 75,974 resulting in a growth of 20 percent. The estimated population for 1995 is 80,323 which equates to a growth of five percent from the 1990 Census figures. The St. Mary's County Comprehensive Plan, adopted in 1988, considered a population growth of approximately 17,000 or 24 percent by the year 2000. The current population growth is well within the Comprehensive Plan rate.

IV. Availability of Public Facilities

A. Water and Sewer

The site is served by central water and sewer facilities. The facilities are adequate to serve the site expansion as confirmed by Mr. John Castle, Chief Engineer of the St. Mary's County Metropolitan Commission, allocation of capacity to occur as site plan approval is granted by the Planning Commission.

B. Roads

Airport View Drive would gain the majority of the traffic from the proposed facility expansion. Calculations provided by the applicant depict a worst case scenario of increase from Level of Service B in the existing condition to Level of Service C in the developed condition, which meets the requirements of Section 40.10.4.c of the St. Mary's County Zoning Ordinance.

C. Schools

The development is industrial; therefore, school facilities are not a factor.

D. Police

Police service to the site is not expected to change; however, J.J. Mailing, Inc. does currently employ work-release inmates from the detention center. The volume of inmates employed could be increased due to the increase in positions available.

E. Parks

The development is industrial; therefore, park facilities are not a factor.

F. Government Services

There are not expected to be any major increases or decreases in government services required for the proposed development.

G. Fire and Rescue

The proposed building expansion is greater than 12,000 square feet; therefore, in accordance with the St. Mary's County Zoning Ordinance Section 40.10.3.b.3, a sprinkler system will be provided for fire protection inside the building. Additional fire hydrants will be provided as required by the St. Mary's County Metropolitan Commission for exterior fire safety measures. The methods of rescue for emergencies are not expected to be affected.

V. Present and Future Transportation Patterns

The majority of the current vehicular and heavy truck traffic utilizes the Commerce Avenue, Airport View Drive, Maryland Route 235 traffic pattern when entering and exiting the site. The proposed future traffic pattern is expected to be similar to that which is existing. An additional entrance is proposed onto Airport View Drive from the reserve parcel to the south of Lot 6 which would allow direct entry to a shipping/receiving area of the warehouse and remove a portion of the large truck traffic from Commerce Avenue.

VI. Compatibility with Existing and Proposed Developments

The existing Lot 6 is located within the St. Mary's Industrial Park area and is surrounded on three sides by property which is zoned I-1 and on the fourth side by a public right-of-way. A majority of the Industrial Park area is zoned I-1. The existing development on the property is a bulk mailing facility which is compatible with the I-1 zoning. Therefore the proposed expansion is consistent with the surrounding development.

VII. Relationship to the Comprehensive Plan

The Comprehensive Plan states that future growth shall be concentrated in areas of the County already served by public water and sewer along with the statement that future industrial uses shall locate in and near existing industrial uses in areas near the airport, near the Leonardtown and Lexington Parks areas and in Town Centers.

Ordinance No. Z-96-02
 Subj: Zone #95-2591
J.J. Mailing

The area requested for rezoning to I-1 is both located in an area with public water and sewer facilities and it is located adjacent to existing industrial property in the Industrial Park which is near the Airport. Therefore, this plan for rezoning and expansion is consistent with the current Comprehensive Plan.

VIII. Fiscal Impact on Government

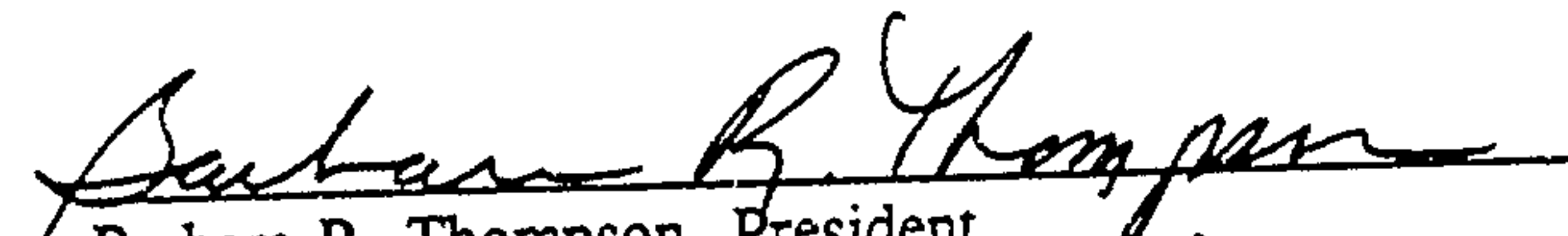
Fiscal benefits to the government are found in two forms. With the proposed rezoning and site expansion the tax base would be increased. Also, 30 percent of the income from the work-release inmates employed at J.J. Mailing, Inc. is currently given to the County which will be increased as additional inmates are employed. Additionally, the proposed facility expansion is expected to create approximately 60 unskilled labor positions.

VIX. Suitability of the Property for Existing and Proposed Zoning Classifications

The bulk mailing use is not a permitted use in the RPD zoning classification which currently covers a portion of Lot 6 and a portion of the existing building. This use is however permitted in the I-1 zoning classification. The lot area is 4.9 acres \pm with a minimum width of 250 feet and a minimum depth of 627 feet, all of which exceed the requirements for both zoning classifications.


NOW, THEREFORE, BE IT RESOLVED AND ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. MARY'S COUNTY, MARYLAND, THIS 19th day of March 1996, that the above-mentioned rezoning request is granted, and the subject property is hereby reclassified from RPD to I-1.


BOARD OF COUNTY COMMISSIONERS
 ST. MARY'S COUNTY, MARYLAND


 Barbara R. Thompson, President



 D. Christian Brugman, Commissioner


 Paul W. Chesser, Commissioner


 Frances P. Eagan, Commissioner


 Lawrence D. Jarboe, Commissioner

Attest:


 Aleck Loker
 County Administrator

AN ORDINANCE TO MODIFY AND AMEND SECTIONS OF CHAPTER 151 OF THE CODE OF PUBLIC LOCAL LAWS OF ST. MARY'S COUNTY, MARYLAND WHICH ESTABLISHED THE AIRPORT COMMISSION, FOR THE PURPOSE OF CHANGING THE ROLE OF THE AIRPORT COMMISSION TO AN ADVISORY BOARD TO THE BOARD OF COUNTY COMMISSIONERS FOR MATTERS GENERALLY RELATING TO THE ST. MARY'S COUNTY AIRPORT.

RECORDING FEE 0.00
TOTAL 0.00
Res#1502 Rpt#999999
EMA TLG BIK#425
Mar 22, 1996 01:27 PM

R E C I T A L S

WHEREAS, the Board of County Commissioners created and established the St. Mary's County Airport Commission (the "Commission") by Sec. 151-2 of the Code of Public Local Laws of St. Mary's County, pursuant to the authority granted by Sec. 5-418 (a) (4) of the Transportation Article of the Annotated Code of Maryland;

WHEREAS, under Sec. 151-10 of the Code of Public Local Laws of St. Mary's County, the County Commissioners delegated to the Commission all those powers and authority available to the Commission under Title 5 of the Transportation Article while retaining the authority to exercise all those powers granted to the County under such Title;

WHEREAS, the County Commissioners have determined that it is necessary to modify and amend Chapter 151 of the Code of Public Local Laws in order to change the role of the Airport Commission to an advisory board to the County Commissioners.

WHEREAS, on August 16, 1994, the County Commissioners adopted Airport Rules, effective September 16, 1994, which under SI(E), designated the Airport Commission as the Airport Manager, but which further granted the Airport Commission the authority to delegate the duties of the Airport Manager.

WHEREAS, the Airport Commission has designated an Airport Manager and delegated its management duties accordingly.

WHEREAS, as required by Article 25, §3(r) of the Annotated Code of Maryland, a public hearing was held on February 20, 1995.

NOW, THEREFORE, BE IT RESOLVED AND ORDAINED, by the Board of County Commissioners of St. Mary's County, Maryland, as follows:

(1) That §151-5 of the Code of Public Local Laws for St. Mary's County, Maryland entitled "Staff provided" is hereby repealed in its entirety.

(2) That §151-10 of the Code of Public Local Laws for St. Mary's County, Maryland entitled "Powers and duties" is hereby stricken in its entirety, and will be modified to read as follows:

"§151-10. Powers and duties.

A. The Commission shall serve in an advisory capacity to the Board of County Commissioners with regard to all matters pertaining to St. Mary's County Airport.

B. All duties and functions assigned to the Airport Commission in the August 16, 1994 St. Mary's County Airport Rules and Minimum Standards are hereby reclaimed by and assigned to the Board of County Commissioners. The Board of County Commissioners may retain and perform itself all such duties and functions previously assigned to the Airport Commission in the Rules and Minimum Standards, or the Board of County Commissioners may, by resolution, delegate such duties and functions to the Airport Commission or Airport Manager as the Board may, in its sole discretion, deem appropriate.


(3) That all other sections of Chapter 151 of the Code of Public Local Laws for St. Mary's County, Maryland remain in full force and effect.

Adopted this 19th day of March, 1996.

Effective date: March 19, 1996

ATTEST:

BOARD OF COUNTY COMMISSIONERS
OF ST. MARY'S COUNTY, MARYLAND



W. ALECK LOKER
County Administrator

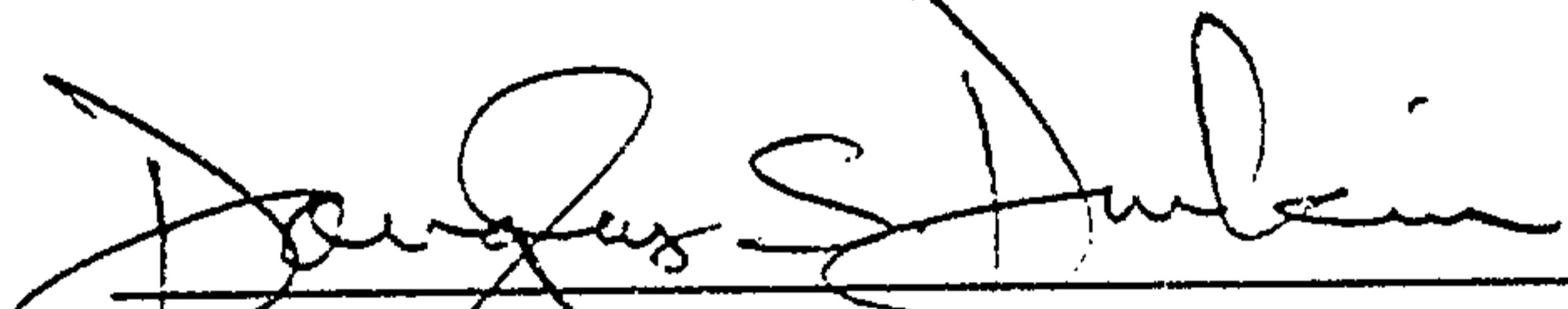


BARBARA R. THOMPSON, President

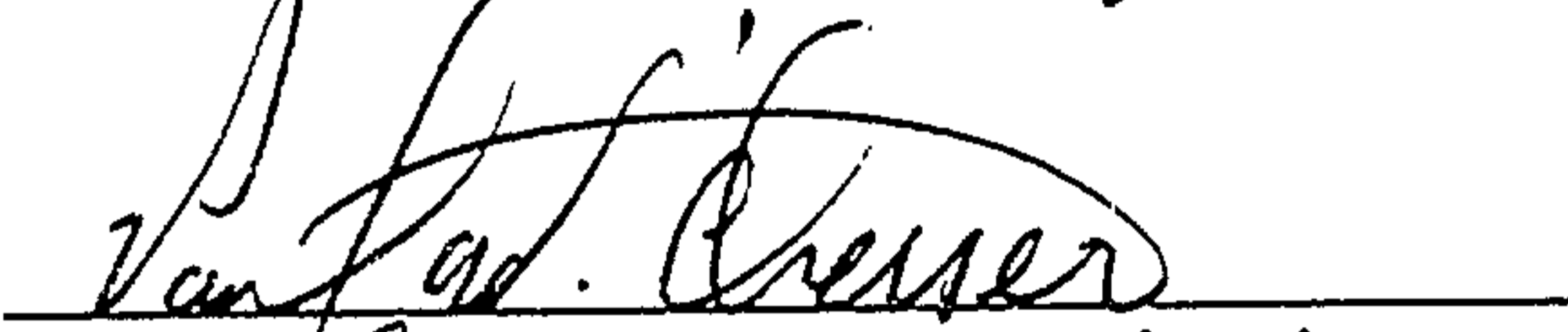
APPROVED AS TO LEGAL
FORM AND SUFFICIENCY:



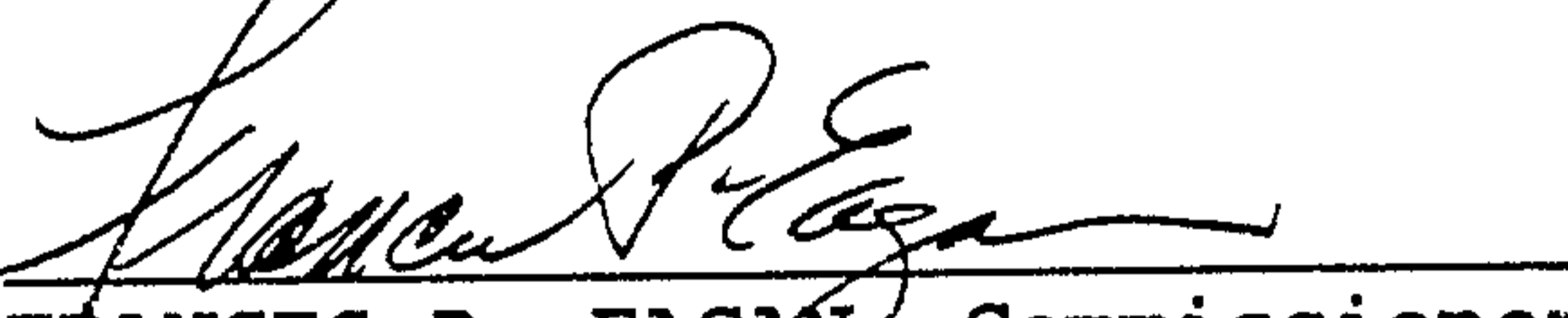
D. CHRISTIAN BRUGMAN, Commissioner




DOUGLAS S. DURKIN
County Attorney



PAUL W. CHESSER, Commissioner



FRANCES P. EAGAN, Commissioner



LAWRENCE D. JARBOE, Commissioner

0010 117
COUNTY COMMISSIONERS OF ST. MARY'S COUNTY

RESOLUTION

NO: 96-12 (a)
SUBJ: Public
Facilities and
Hospital Refund-
ing Bonds of
1996

A RESOLUTION of County Commissioners of St. Mary's County confirming and ratifying the final aggregate principal amount of the County's Public Facilities and Hospital Refunding Bonds of 1996 and the sale of such Bonds on March 5, 1996.

RECITALS

Pursuant to a resolution adopted on February 20, 1996 (the "Resolution"), the County Commissioners of St. Mary's County (the "County") authorized the public sale of the County's general obligation bonds, designated Public Facilities and Hospital Refunding Bonds of 1996 (the "Bonds"). The public sale was held on March 5, 1996 in accordance with the terms of the Notice of Sale prescribed by the Resolution. The County adopted a resolution on March 5, 1996 (the "Award Resolution") pursuant to which the County awarded the Bonds to the winning bidder. The Award Resolution contained final amounts for the Bonds prior to their verification by the independent verification agent. Subsequent verification has indicated that the final aggregate principal amount of the bonds is ten thousand dollars greater than the amount set forth in the Award Resolution.

RECORDING FEE 0.00
TOTAL 0.00
Res#3403 Rpt#999999
EHA MAB BIK#16%

Apr 22, 1996 04:03 PM

The County is now ready to confirm and ratify the final aggregate principal amount of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY COUNTY COMMISSIONERS OF ST. MARY'S COUNTY, that:


Section 1. The aggregate principal amount of the Bonds is Eighteen Million Nine Hundred Seventy-Five Thousand Dollars (\$18,975,000). The principal amount of the Bonds maturing in 1997 is \$1,635,000. All other information in the Award Resolution is confirmed and ratified and remains in full force and effect.

Section 2. The County hereby approves the sale of the Bonds in accordance with the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"). On February 13, 1996, the County Commissioners held a hearing pursuant to the requirements of Section 147(f) of the Code.

ADOPTED this 2nd day of April, 1996.

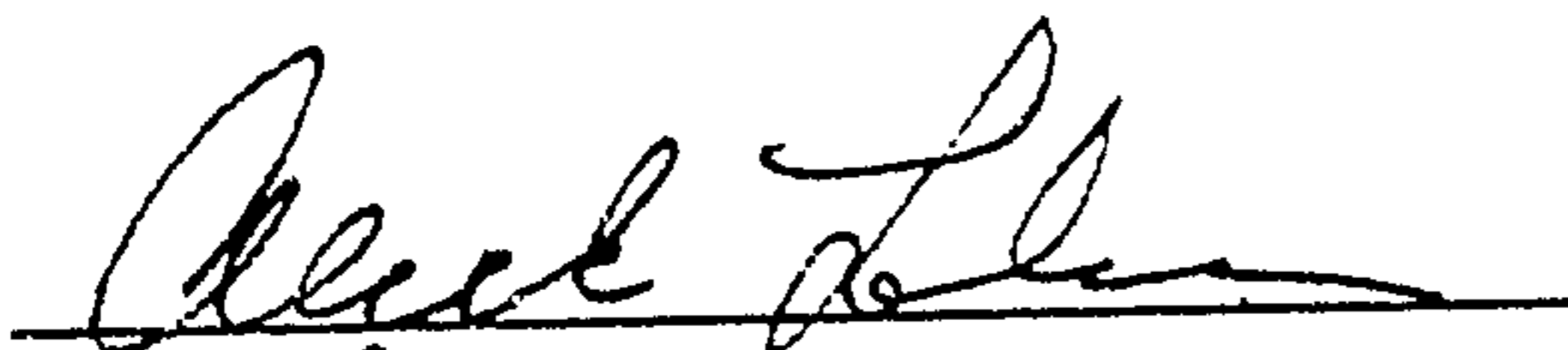
(SEAL)

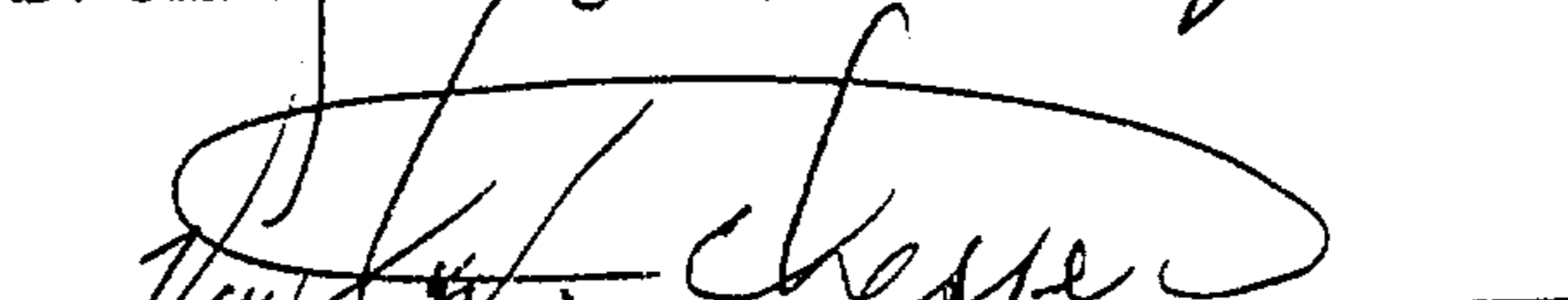
COUNTY COMMISSIONERS OF ST. MARY'S
COUNTY


Barbara R. Thompson, President

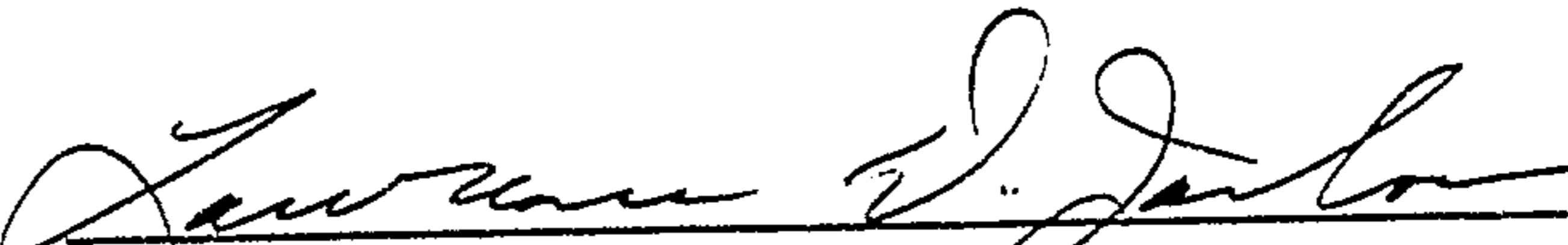

D. Christian Bugman, Commissioner

ATTEST:


W. Aleck Loker,
County Administrator


Paul W. Chesser, Commissioner


Frances P. Eagan, Commissioner


Lawrence D. Jarboe, Commissioner

RESOLUTION

WHEREAS, The Board of County Commissioners of St. Mary's County on September 15, 1987, adopted resolution 87-16 which set forth the adoption of a Procurement Manual for St. Mary's County; and

WHEREAS, The Board Of County Commissioners directed the St. Mary's County Procurement Officer to implement the new procedures contained in the procurement manual and to evaluate through use, the effective and efficient utilization of all procedures contained in the manual; and


WHEREAS, The Efficiency Task Force and the Procurement Officer recommended to the Board of County Commissioners to increase the \$200 dollar limitation within the procurement manual to \$500 dollars for departmental purchases not requiring Office of Procurement competition; and

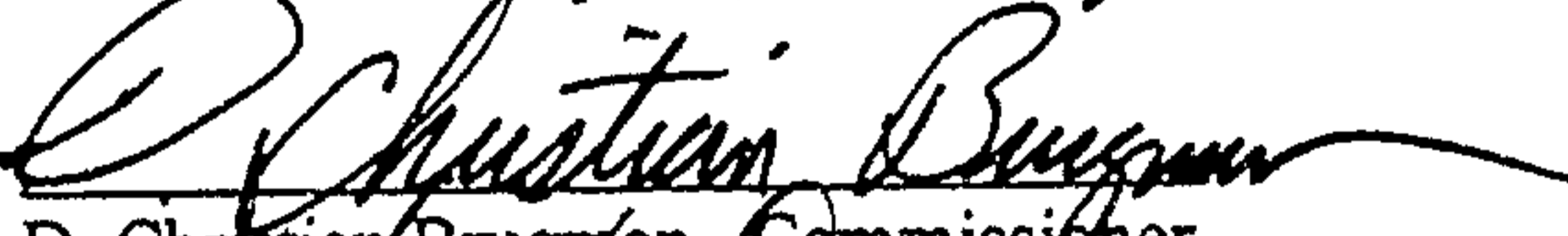
WHEREAS, The Board of County Commissioners finds it is in the best interest of the county to increase the dollar limitation from \$200 dollars to \$500 dollars for departmental purchases;

NOW, THEREFORE BE IT RESOLVED by The Board of County Commissioners that the dollar limitation for procurements be changed from \$200 dollars to \$500 dollars by departments and that the adopted procurement manual originally effective January 1, 1988 is hereby so amended.

Date of Adoption: 5-14-96
Effective Date: 5-14-96

BOARD OF COUNTY COMMISSIONERS
ST. MARY'S COUNTY MARYLAND


Barbara R. Thompson, President



D. Christian Brugman, Commissioner

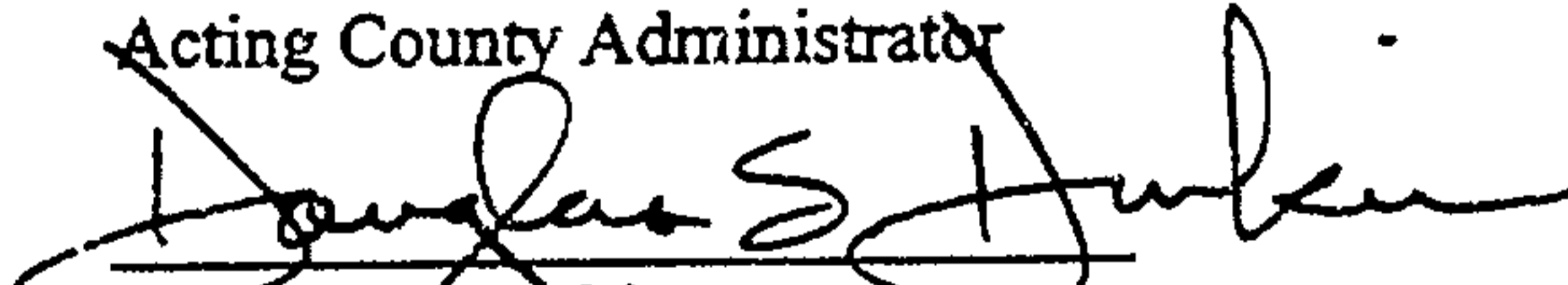

Paul W. Chesser, Commissioner


Frances P. Eagan, Commissioner


Lawrence D. Jarboe, Commissioner

ATTEST:


Daniel F. Ichniowski
Acting County Administrator


Douglas S. Durkin
County Attorney

RECORDING FEE 0.00
TOTAL 0.00
Res#SN03 Rpt#999999
EWA MAB BIK#1528
May 21, 1996 08:35 am

BOOK 0010 P 0119

RESOLUTION 96- 15

A RESOLUTION TO EXPRESS SUPPORT FOR THE DEVELOPMENT BY THE SaTav CORPORATION OF THE PROPERTY KNOWN AS WHISPERING PINES, AND RECORDED AS LYNCH SUBDIVISION ON DONALDSON DRIVE IN LEXINGTON PARK, MARYLAND

WHEREAS, the Board of County Commissioners of St. Mary's County, Maryland recognizes that there is a significant need for quality housing units in St. Mary's County for families of limited income; and

WHEREAS, SaTav Corporation proposes to construct and market a housing development to contain approximately seven units known as Whispering Pines; and

WHEREAS, SaTav Corporation will submit an application for funding assistance through the Maryland Department of Housing and Community Development and the Maryland Affordable Housing Trust for the purpose of developing Whispering Pines as an affordable homeownership community.

NOW THEREFORE BE IT RESOLVED THAT the Board of County Commissioners of St. Mary's County hereby endorses the applications for funding assistance and construction of the aforesaid development upon the site proposed.

ATTEST:

BOARD OF COUNTY COMMISSIONERS
ST. MARY'S COUNTY, MARYLAND

Donald P. L...
5/28/96

Barbara R. Thompson
Barbara R. Thompson, President

D. Christian Brugman
D. Christian Brugman, Commissioner

Paul W. Chesser
Paul W. Chesser, Commissioner

Frances P. Egan
Frances P. Egan, Commissioner

Lawrence D. Jarboe
Lawrence D. Jarboe, Commissioner

RECORDING FEE 0.00
TOTAL 0.00
REF: 803 Ref: 19999999
EMA LP B1412
Jun 03, 1996 08:50 AM

RESOLUTION

WHEREAS, Chapter 27, Section 6 of the Code of Public Local Laws of St. Mary's County authorizes and empowers the Board of County Commissioners to adopt the Annual Budget and Appropriation Act by June 1 of each year and impose a property tax rate for the ensuing fiscal year.

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners of St. Mary's County, Maryland that the following appropriations are enacted for St. Mary's County for fiscal year 1997:

- County General Fund Operating Budget in the amount of \$84,490,200.
- Capital Budget in the amount of \$19,486,150.
- Recreation and Parks Enterprise Fund in the amount of \$1,655,072.
- Wicomico Shores Enterprise Fund in the amount of \$941,506.
- Adult Day Care Special Revenue Fund in the amount of \$885,004.
- Special Assessments Fund in the amount of \$35,063.

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners of St. Mary's County, Maryland that the following new tax rates are enacted for St. Mary's County for fiscal year 1997:

Property Tax Rate: \$2.11 per \$100 of assessed valuation; and the service charge for the optional semiannual payment schedule for State, County and special taxing district property taxes due on owner-occupied residential property is hereby established at 1.8% of the amount of tax due at the second installment.

Energy Tax Rates: Electricity - \$.00395 per kilowatt hour.
Liquified Petroleum Gas - \$.05606 per gallon.
Fuel Oil - \$.04866 per gallon.

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners of St. Mary's County, Maryland that the following new fee rate is enacted for St. Mary's County for fiscal year 1997, effective September 1, 1996:

Monthly Local 911 Service Fee: 50 cents per month.

ADOPTION DATE:

May 30, 1996

BOARD OF COUNTY COMMISSIONERS OF ST. MARY'S COUNTY, MARYLAND

Barbara R. Thompson
Barbara R. Thompson, President

EFFECTIVE DATE:

July 1, 1996

D. Christian Brugman
D. Christian Brugman, Commissioner

Paul W. Chesser
Paul W. Chesser, Commissioner

ATTEST:

Daniel F. Ichniowski
Daniel F. Ichniowski
Acting County Administrator

Frances P. Eagan
Frances P. Eagan, Commissioner

Steven E. Welkos
Steven E. Welkos
Director of Finance

Lawrence D. Jarboe
Lawrence D. Jarboe, Commissioner

APPROVED AS TO LEGAL FORM AND SUFFICIENCY:

Douglas S. Durkin
Douglas S. Durkin
County Attorney

RECORDING FEE 0.00
TOTAL 0.00
Res#3403 Rec#4999999
EHA MAB BIK#30
Jun 03, 1996 03:08 PM

BOOK 0010 PAGE 0121

RESOLUTION

WHEREAS, Chapter 49 of the Code of Public Local Laws of St. Mary's County, Maryland authorizes and directs the Board of County Commissioners of St. Mary's County, Maryland to levy a fire tax of not more than fourteen cents (\$.14) on every \$100.00 of assessed valuation of all real and personal property in the Election Districts wherein the question of levying said Fire Tax has been submitted to and approved by a referendum of the legally qualified voters; and

WHEREAS, In Election Districts 1, 2, 3, 4, 5, 6, 7, 8 and 9, the Fire Tax has been voted upon and approved by the legally qualified voters.

NOW, THEREFORE, be it resolved by the Board of County Commissioners of St. Mary's County, the Fire Tax is hereby assessed on every \$100.00 of assessed valuation of all real and personal property, effective July 1, 1996, as follows:

Election District 1	\$.09
Election District 2	\$.09
Election District 3	\$.06
Election District 4	\$.11/\$.09*
Election District 5	\$.09
Election District 6	\$.11
Election District 7	\$.11
Election District 8	\$.11
Election District 9	\$.09


* Those properties serviced by the 5th District Fire Department to be taxed at \$.09 and those serviced by the 7th District Fire Department will be taxed at \$.11.

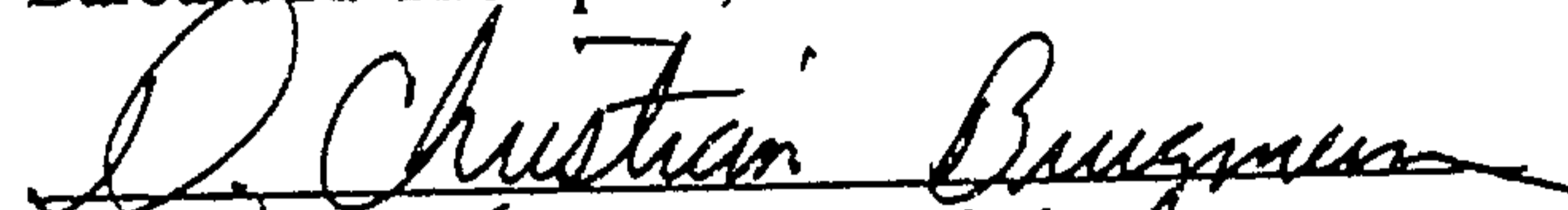
ADOPTION DATE:

May 30, 1996


EFFECTIVE DATE:


July 1, 1996BOARD OF COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY, MARYLAND


Barbara R. Thompson, President



D. Christian Brugman, Commissioner



Paul W. Chesser, Commissioner


Frances P. Eagan, Commissioner

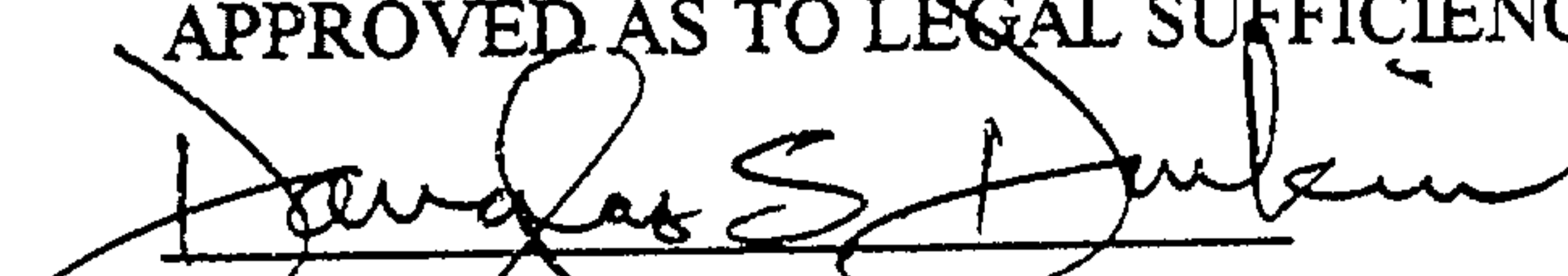

Lawrence D. Jarboe, Commissioner

ATTEST:


Daniel F. Ichniowski
Acting County Administrator


Steven E. Welkos
Director of Finance

APPROVED AS TO LEGAL SUFFICIENCY:


Douglas S. Durkin
County Attorney

BOOK 0010 PAGE 0121

RESOLUTION BOOK 0010 PAGE 0122

WHEREAS, Chapter 49 of the Code of Public Local Laws of St. Mary's County, Maryland authorizes and directs the Board of County Commissioners of St. Mary's County, Maryland to levy a fire tax of not more than fourteen cents (\$.14) on every \$100.00 of assessed valuation of all real and personal property in the Election Districts wherein the question of levying said Fire Tax has been submitted to and approved by a referendum of the legally qualified voters; and

WHEREAS, In Election Districts 1, 2, 3, 4, 5, 6, 7, 8 and 9, the Fire Tax has been voted upon and approved by the legally qualified voters.

NOW, THEREFORE, be it resolved by the Board of County Commissioners of St. Mary's County, the Fire Tax is hereby assessed on every \$100.00 of assessed valuation of all real and personal property, effective July 1, 1996, as follows:

Election District 1	\$.09
Election District 2	\$.09
Election District 3	\$.06
Election District 4	\$.11/\$.09*
Election District 5	\$.09
Election District 6	\$.11
Election District 7	\$.11
Election District 8	\$.11
Election District 9	\$.09

RECORDING FEE 8.00
TOTAL 8.00
Res#SN02 Rcpt#999999
EMA LP B1k#82
Jun 04, 1996 01:52 PM

* Those properties serviced by the 5th District Fire Department to be taxed at \$.09 and those serviced by the 7th District Fire Department will be taxed at \$.11.

ADOPTION DATE:

May 30, 1996

EFFECTIVE DATE:

July 1, 1996

BOARD OF COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY, MARYLAND

Barbara R. Thompson
Barbara R. Thompson, President

D. Christian Brugman
D. Christian Brugman, Commissioner

Paul W. Chesser
Paul W. Chesser, Commissioner

Frances P. Eagan
Frances P. Eagan, Commissioner

Lawrence D. Jarboe
Lawrence D. Jarboe, Commissioner

ATTEST:

Daniel F. Ichniowski
Daniel F. Ichniowski
Acting County Administrator

Steven E. Welkos
Steven E. Welkos
Director of Finance

APPROVED AS TO LEGAL SUFFICIENCY:

Douglas S. Durkin
Douglas S. Durkin
County Attorney

BOOK 0010 PAGE 0123

CLERK'S EXHIBIT

This document is being re-recorded
as the Clerk inadvertently failed
to validate on the document with
the cash register at the time of
original recording.

0010110121

RESOLUTION NO. 96-18

Subject: Relocation/Abandonment of Graves Road;
(County Route 30055)

RESOLUTION

WHEREAS, the Board of County Commissioners of St. Mary's County, Maryland, is authorized to open, alter or close certain public roads within St. Mary's County, Maryland, pursuant to Article 25, §136 of the Annotated Code of Maryland.

WHEREAS, the Board of County Commissioners, following the procedures set forth in Article 25, § 136, is proposing that Graves Road (also known as County Route 30055) be realigned for a length of approximately 800 feet and upgraded for a length of approximately 1550 feet in conjunction with the development of the Glebe Run Subdivision, as shown on the attached Exhibit "A."

WHEREAS, the Board of County Commissioners conducted a public hearing on said realignment and upgrading on May 14, 1996, following due notice of such hearing.

WHEREAS, after the consideration of all public comments, information and documentation pertaining to the realignment and upgrading of the aforesaid Graves Road, located in Mechanicsville in the Fifth (5th) Election District, the County Commissioners have determined that the public interest will best be served by granting such action.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of St. Mary's County, Maryland, that 800 feet of Graves Road be realigned and 1550 feet of Graves Road be upgraded.

This Resolution shall take effect upon Planning Commission approval of a final Subdivision Plat consistent with the Preliminary Plan, a portion of which is shown on the attached Exhibit "A."

Witness our signatures this 4th day of June, 1996.

ATTEST:

BOARD OF COUNTY COMMISSIONERS
OF ST. MARY'S COUNTY, MARYLAND

David P. DeWozniak
County Administrator

Barbara R. Thompson
Barbara R. Thompson, President

D. Christian Brugman
D. Christian Brugman, Commissioner

Paul W. Chesser
Paul W. Chesser, Commissioner

Frances P. Eagan
Frances P. Eagan, Commissioner

Lawrence D. Jarboe
Lawrence D. Jarboe, Commissioner

APPROVED AS TO LEGAL FORM & SUFFICIENCY

Douglas S. Durkin
Douglas S. Durkin
County Attorney

RECORDING FEE 0.00
TOTAL 0.00
Rest#803 Rcpt#999999
EHA HAB BIK#573
Jun 18, 1996 09:23

EXHIBIT "A"

ABANDONMENT/REALIGNMENT OF
GRAVES ROAD

SCALE: 1" = 100'

BOOK 0010 P. 0125

GRAVES ROAD
30' R/W

N 12° 01' 51" W
439.68'

N 58° 16' 57" W
550.03'

To: MORGANZA TURNER RD
GLEBE ROAD
50' R/W

N 34° 25' 54" E 101.34'
N 43° 21' 53" E 102.18'
N 44° 32' 07" E 176.6'
N 36° 10' 8" E 176.6'
20' FUTURE ROAD WIDENING STRIP

N 2° 42' 42" W 29.93'
N 51° 29' 16" E 37.59'
N 6° 29' 18" E 35.36'

570° 40' 20" E
401.00'

N 59° 06' 17" E
501.05'

N 65° 25' 10" E
644.13'

7

234 ACRES

5

224 ACRES

4

200 ACRES

10

241 ACRES

8

267 ACRES

9

242 ACRES

LEGEND

ROAD ABANDONMENT
(GRAVES ROAD)
800 L.F. ±

NEW ROAD ALIGNMENT
(GRAVES RD. & GLEBE RD.)
1550 L.F. ±

30' JOINT ACCESS
EASEMENT

Left
600'

RESOLUTION

RECORDING FEE 0.00
 TOTAL 0.00
 Res 45183 Rpt 499999
 EWA MAB 8114573
 Jun 18, 1996 09:24 am

WHEREAS, St. Mary's County is proud of the enthusiastic and meaningful involvement of hundreds of citizen volunteers in the government process by membership on a wide variety of Boards, Committees, and Commissions; and

WHEREAS, in order to maintain an effective and representative appointment process the statement of policy and procedures requires periodic review and amendment;

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners that Resolution 96-09 is hereby revised and that the following policies and procedures are hereby established:

1. Terms of service are limited to two consecutive terms.
2. Every Board, Committee, and Commission is to be governed by a set of by-laws approved by the Board of County Commissioners and containing as an essential element guidelines for removal of members for non-attendance.
3. There is hereby established a report system by each Board, Committee, and Commission to be delivered to the Board of County Commissioners on at least an annual basis.
4. The appointment of members takes into consideration a balanced representation of all segments of the St. Mary's County community assuring especially that women and minorities are not under represented.
5. **It is the Commissioners' policy to appoint St. Mary's County residents to Boards, Committees, and Commissions unless there are no county residents available to fill positions which are mandated by law.**
6. Every Board, Committee, and Commission has staggered terms. Task Forces and Ad-Hoc groups are excepted.
7. Every Board, Committee, and Commission must adhere to the provisions of the Ethics Ordinance and Open Meetings Law. The Chairpersons are responsible for orientation and updating of members.
8. For statistical purposes the following data is requested of each person considered for appointment: Date of Birth; Sex: Male or Female; Race: White, Black, Asian or Pacific Islander, American Indian or Alaskan Native, Hispanic.
9. Other than for compelling situations, appointments will be made only during December and June, effective January 1 and July 1.
10. All vacancies will be publicized in advance, beginning in October for December appointments and in April for June appointments.
11. All term expirations will be publicized in advance, indicating whether non-appointable or reappointable.
12. At least quarterly there will be published a solicitation by the Board for citizen volunteers to serve. (January, April, July, October)

RESOLUTION

13. Names of individuals seeking appointment to boards, committees and commissions will be made available to the public for review.
14. Discussions of individuals considered for appointment take place in accord with the County's Open Meetings Law.
15. Appointments are made in public session requiring a majority vote. Appointments are effective upon return of signed acceptance letter.
16. In addition to other efforts, there will be established at the Board's office an Official Notice board on which will be displayed continually updated information on Boards, Committees, and Commissions.
17. Weekly agendas will indicate when appointments are being considered for boards, committees and commissions, and will indicate which board, committee or commission is under consideration at that time.

ADOPTED THIS DATE: June 4 1996EFFECTIVE THIS DATE: June 4 1996

Sincerely,

ATTEST:

Daniel F. Ichniowski
Daniel F. Ichniowski
Acting County Administrator

BOARD OF COUNTY COMMISSIONERS
ST. MARY'S COUNTY, MARYLAND

Barbara R. Thompson
Barbara R. Thompson, President

D. Christian Brugman
D. Christian Brugman, Commissioner

Paul W. Chesser
Paul W. Chesser, Commissioner

Frances P. Eagan
Frances P. Eagan, Commissioner

Lawrence D. Jarboe
Lawrence D. Jarboe, Commissioner

CCRS:mdm

Resolution No. W/S 96- 01
Subj: Comprehensive Water and
Sewerage Plan

RECORDING FEE 0.00
TOTAL 0.00
Res#SM03 Rcp#1999999
EWA NB BIK#1973
Jun 28, 1996 11:59 am

BOOK 0010 F 0128

RESOLUTION

WHEREAS section 1.5 of the St. Mary's County Comprehensive Water and Sewerage Plan (CWSP) sets forth the procedures for amending the plan; and

WHEREAS, pursuant to those procedures, an amendment to the maps IV-39 and IV-47 of the plan as described in ATTACHMENT A hereto was considered by the Planning Commission at a public hearing held April 9, 1996, and recommended for APPROVAL on April 22, 1996, having been found to be consistent with section 9-506(a)(3) of the Annotated Code of Maryland; and

WHEREAS the Board of County Commissioners on May 14, 1996 did APPROVE said amendments,

NOW THEREFORE BE IT RESOLVED that the 1995 St. Mary's County Comprehensive Water and Sewerage Plan be amended as described in ATTACHMENT A hereto.

Date of adoption and effective date: May 14, 1996.

THIS DATE:

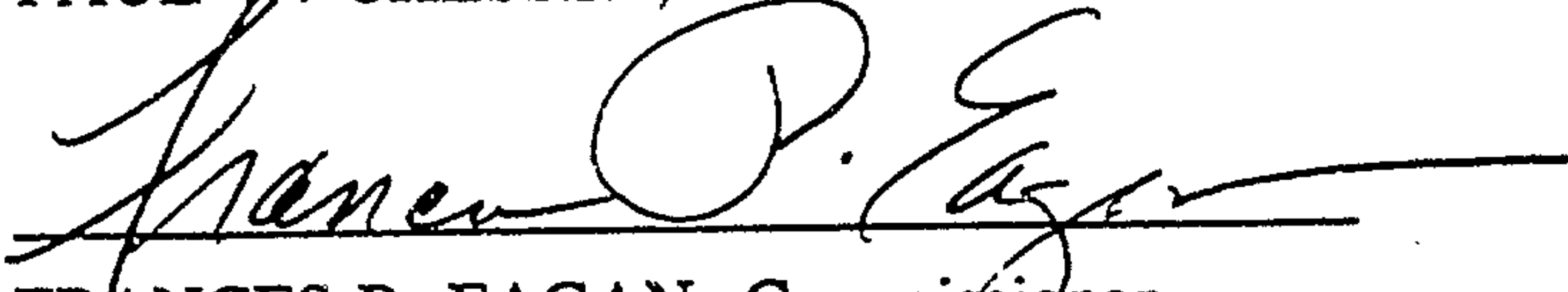
June 25, 1996

BOARD OF COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY, MARYLAND


BARBARA R. THOMPSON, President

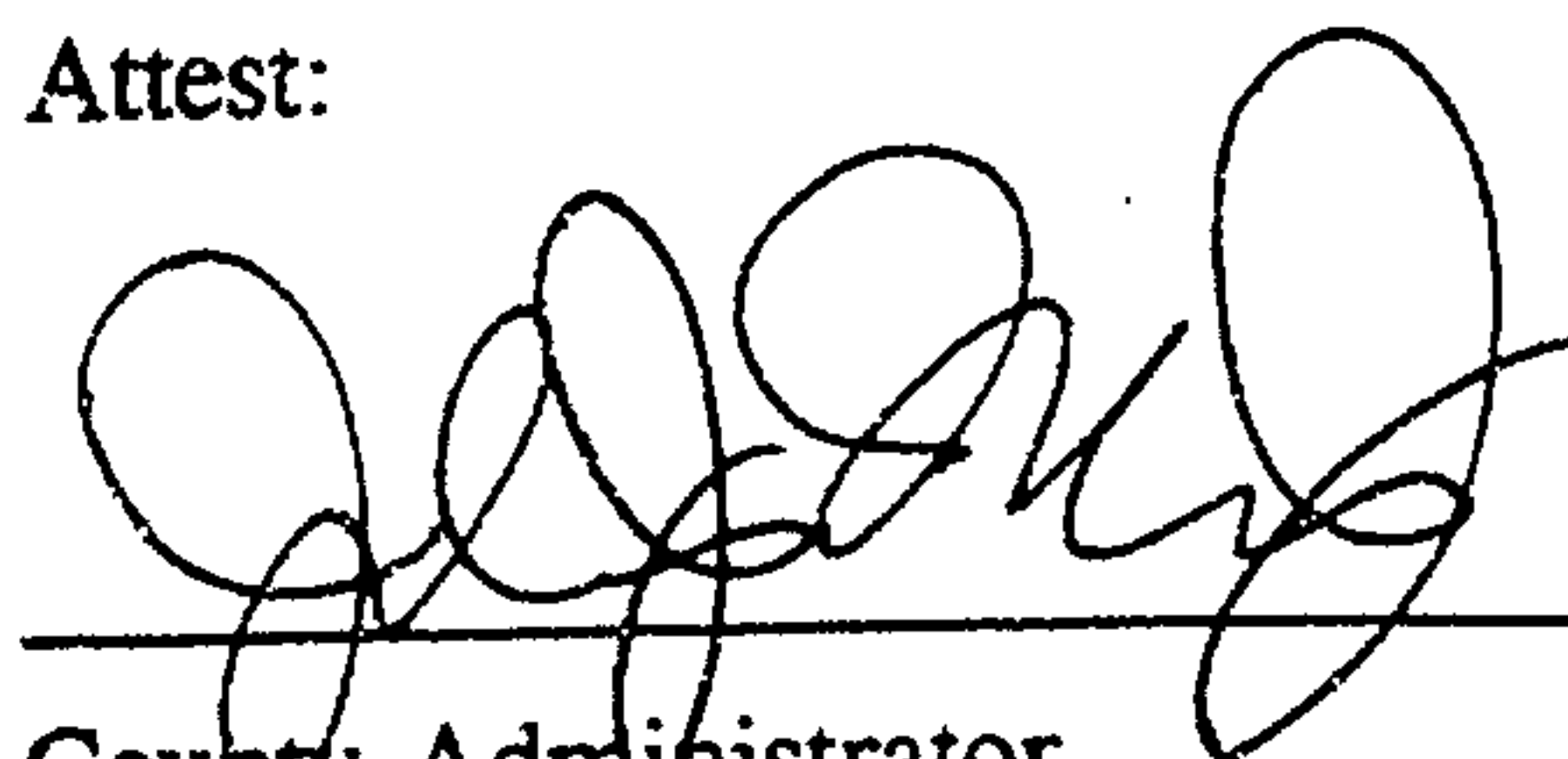

D. CHRISTIAN BRUGMAN, Commissioner


PAUL W. CHESSER, Commissioner


FRANCES P. EAGAN, Commissioner


LAWRENCE D. JARBOE, Commissioner

Attest:


County Administrator

MAP AMENDMENTS

1. Case CWSP 96-0724 (Compton Area Project): the service area category is hereby changed from NPS no planned service to RSe rural environmental hazard service area for properties along Joe Hazel Road and Tippetts Road in the Compton area of the 3rd Election District and described as follows:

Balance of Joe Hazel Road

<u>Owner of Record</u>	<u>Map</u>	<u>Grid</u>	<u>Parcel</u>	<u>Lot</u>	<u>EDU</u>
1. FLANDERS, WALTER B	0039	0024	0236	B	1
2. BOYD, WILLIAM D II	0047	0006	0310	1	1
3. EPPARD, LOUISE A	0039	0024	0008		2
4. MATTINGLY, BERNARD I JR	0047	0006	0071		1
5. STAMM, ROY STEVEN & SHERYL ANN	0039	0024	0204		1
6. DARNALL, ROSEMARY C	0047	0006	0068		1
7. TIPPETT, THOMAS P	0039	0024	0226		1
8. PERRIE, BENSON	0039	0024	0170		1
9. SNOOTZ, RAY	0047	0006	0310	4	1
10. DELAHAY, JAMES K	0047	0006	0310	3	1
11. DEAN, RAYMOND A SR	0047	0006	0310	2	1
12. DELAHAY, RONALD C	0047	0006	0309	4A	1

EDUs this group: 13

Tippetts Road

13. ABELL, JOS W	0039	0024	0116		1
14. WISMAR, CYRIL M.	0039	0024	0032		1
15. BROWN, FULTON F	0039	0024	0031	2	1
16. RICKETT, JAMES E	0039	0024	0027		1
17. FROMM, JOHN O	0039	0024	0028		3
18. JACKSON, THOMAS PENFIELD	0039	0024	0029		1
19. JOHNSON, BERNADETTE M	0039	0024	0030		1
20. HOWE, THOMAS P	0039	0024	0115		1
21. PERRIE, JAMES ET AL	0039	0024	0193		1
22. BROWN, MARY	0039	0024	0265		1
23. ST CLAIR, EUGENE N	0039	0024	0243		1

EDUs this group: 13

AMENDMENT TO RESOLUTION NO. 93-48

WHEREAS, Maryland State laws and regulations require all jurisdictions to submit a ten-year Solid Waste Management Plan as set forth in the Environmental Article (Title 9, Subtitle 5 of the Annotated Code of Maryland and Title 26, Subtitle 03, Chapter 0-3 of the Code of Maryland Regulations; and

WHEREAS, the Board of County Commissioners established a citizens' Solid Waste Advisory Committee to review the solid waste management issues in the County and to provide public participation in the Solid Waste Plan planning process; and

WHEREAS, on December 14, 1993, the Board of County Commissioners adopted Resolution No. 93-48, which officially established a nine-member Solid Waste Advisory Committee; and

WHEREAS, the Board of County Commissioners now deems it appropriate to reduce the number of members of the Solid Waste Advisory Committee to seven (7) members; and

WHEREAS, it is the intent of the Board of County Commissioners that all other conditions of Resolution No. 93-48 remain as adopted.

NOW, THEREFORE, BE IT RESOLVED that the Board of County Commissioners hereby amends Resolution No. 93-48 and reduces the number of members of the Solid Waste Advisory Committee from nine (9) to seven (7).

ADOPTION DATE: July 9, 1996

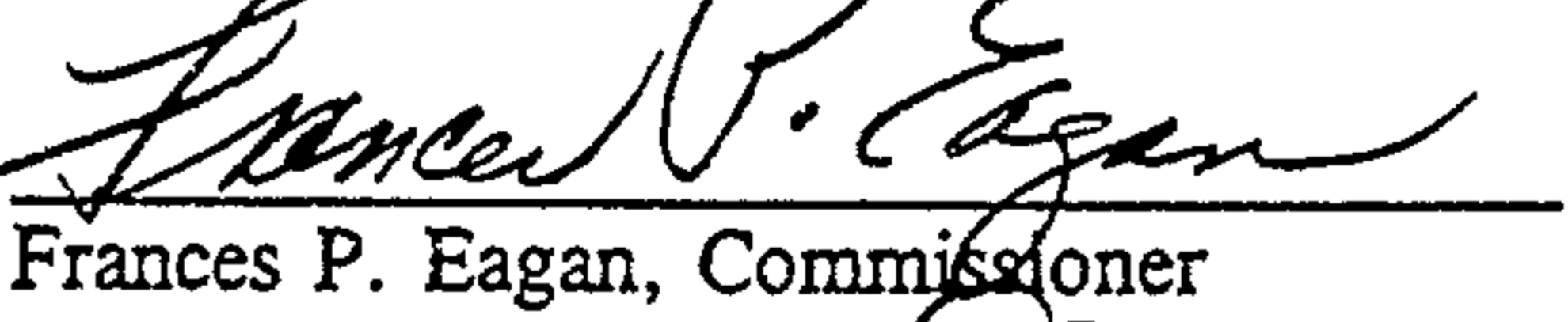
EFFECTIVE DATE: July 9, 1996

BOARD OF COUNTY COMMISSIONERS
ST. MARY'S COUNTY, MARYLAND

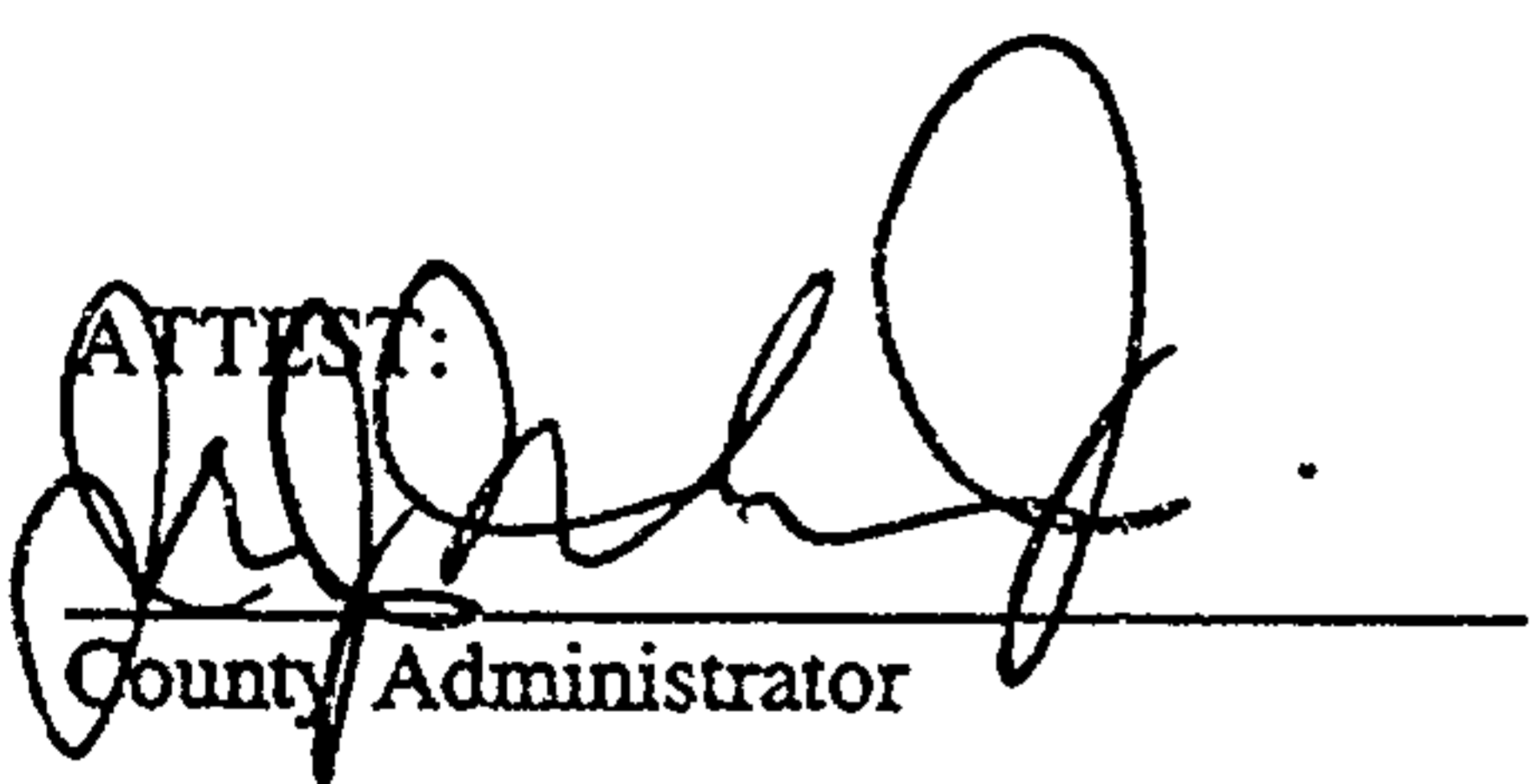
Barbara R. Thompson, President


D. Christian Brugman, Commissioner

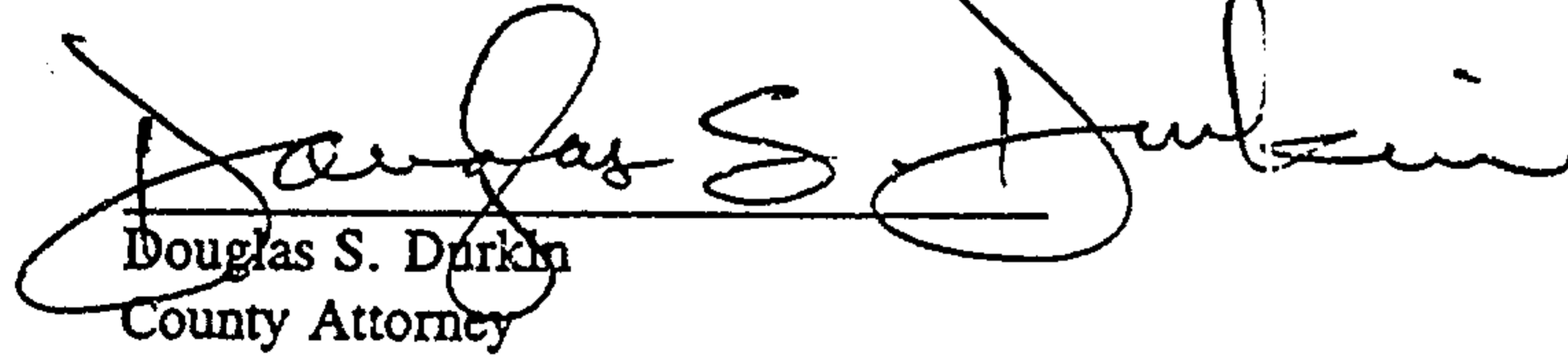

Paul W. Chesser, Commissioner


Frances P. Eagan, Commissioner


Lawrence D. Jarboe, Commissioner

ATTEST:

County Administrator

APPROVED AS TO LEGAL FORM AND SUFFICIENCY:


Douglas S. Durkin
County Attorney

RECORDING FEE 0.00
TOTAL 0.00
Res#3403 Rec#1999999
EPA MAP BIR#738
Jul 15, 1996 09:56 am

RESOLUTION

WHEREAS section 1.5 of the St. Mary's County Comprehensive Water and Sewerage Plan (CWSP) sets forth the procedures for amending the plan; and

WHEREAS, pursuant to those procedures, certain amendments to the text and maps of the plan described in ATTACHMENT A hereto were considered and recommended for APPROVAL by the Planning Commission following a public hearing held November 13, 1995, having been found to be consistent with section 9-506(a)(3) of the Annotated Code of Maryland; and

WHEREAS the Board of County Commissioners held public hearing regarding same on February 20, 1996; and

WHEREAS on June 25, 1996 the Board of County Commissioners did concur with said findings by the Planning Commission and did APPROVE said amendments,


NOW THEREFORE BE IT RESOLVED that the 1995 St. Mary's County Comprehensive Water and Sewerage Plan be amended as described in ATTACHMENT A hereto.

Date of adoption and effective date: July 2, 1996.

**BOARD OF COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY, MARYLAND**


BARBARA R. THOMPSON, President

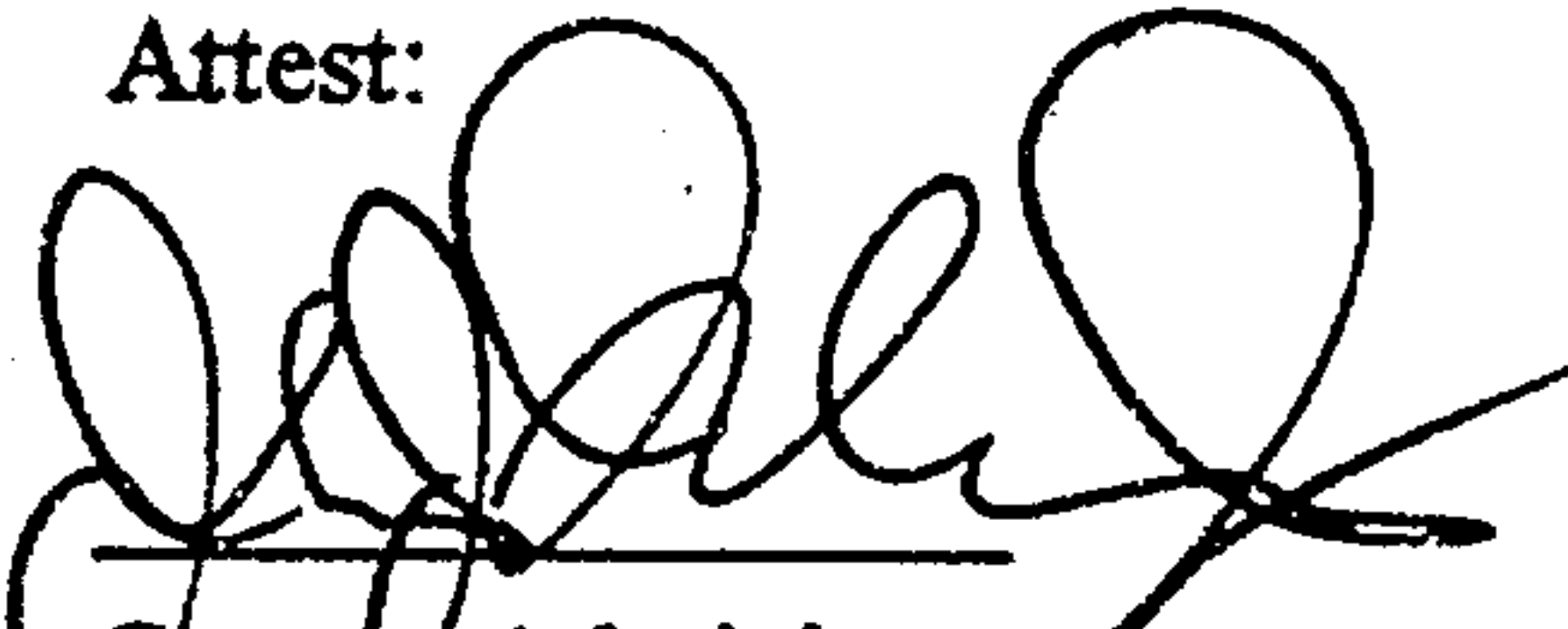

D. CHRISTIAN BRUGMAN, Commissioner


PAUL W. CHESSER, Commissioner


FRANCES P. EAGAN, Commissioner


LAWRENCE D. JARBOE, Commissioner

Attest:


County Administrator

MAP AMENDMENTS

1. Case CWSP 95A-0779 (Brass Rail): Parcels 94, 95 and 96 of Grid 18 of Tax Map 50 in the Great Mills area of the eighth election district are served by public sewerage, but are shown in the Comprehensive Water and Sewerage Plan (CWSP) as located within an S-6 (service in six to ten years) service area category. Per section 1.3.1 of the CWSP, these parcels are by definition an S-1 service area. Map IV-50 of the CWSP is hereby corrected accordingly, and said Parcels 94, 95 and 96 are hereafter located within an S-1 service area category.
2. Case CWSP 95-2508 (Zion Methodist Church): the service area category be is hereby changed from S-6 (service in six to ten years) to S-3D (service in three to five years) for Parcel 106 of Grid 7 of Tax Map 52, including the existing church building, located south of South Hampton in the eighth election district.
3. Case CWSP 95-1723, CWSP 90-0444 (Oak Crest Center): the sewer service area category is hereby changed from S-6 (service planned within 6 to 10 years) to S-3D (service planned within 3 to 5 years) on 146.45 acres described as Parcels 292, and 521 of Grid 9 & 10 of Tax Map 34. This property is located on the northeast side of Three Notch Road across from Wildewood Boulevard in the California area of the Eighth Election District, and is zoned PUD-IP. Per the comprehensive plan it is located within the Lexington Park development district.
4. Case CWSP 95-1692 (Hollywood Business Center): the sewer service area category is hereby changed from W-6, S-6 (service in six to ten years) to W-3D, S-3D (service in three to five years) for the proposed Hollywood Business Center to be developed within 33.875 acres described as Parcel 431 of Grid 19 of Tax Map 27 in the Hollywood area of the sixth election district.

TEXT AMENDMENT: Chapter 1.5 from Comprehensive Water and Sewerage Plan is hereby amended as follows; added text appears in *italics*.

1.5 Plan Amendments

1.5.1 Comprehensive Water and Sewerage Plan Review - Triennial Amendment

[no change]

1.5.2 Comprehensive Water and Sewerage Plan Review - Semi-Annual Amendment

The 1991 State Legislative Assembly enacted a new Paragraph (a)(3) to Section 506 of Title 9 of the Annotated Code of Maryland (which enactment is also known as House Bill 601 of 1991), which pertains specifically to St. Mary's County. The Paragraph reads as follows.

- (3)(I) This paragraph applies only in St. Mary's County
- (II) A new public sewerage system or an expansion of an existing public sewerage system may not be allowed in St. Mary's County unless the adoption, revision, or amendment to the county plan containing the public sewerage system:
 1. Is reviewed by the St. Mary's County Planning Commission in conformity with the provisions of this paragraph; and
 2. Is approved by the Board of County Commissioners.
- (III) The County Commissioners may not approve the adoption, revision, or amendment of the county plan that contains a new public sewerage system or an expansion of an existing public sewerage system until the Planning Commission:

1. Conducts a complete review of the county plan; and
 2. Holds at least one public hearing on the county plan.
- (IV) In its review and recommendation to the County Commissioners, the St. Mary's County Planning Commission should consider and make specific findings of fact with respect to the following objectives and policies of the county plan that contains a new public sewerage system or an expansion of an existing public sewerage system:

1. Compatibility with the Comprehensive Land Use Plan;
2. Planning and zoning issues;
3. Population estimates
4. Engineering:
5. Economics:
6. State, regional, and municipal plans: and
7. Comments received from other agencies in the county.

- A. To clarify the scope of Paragraph 9-506(a)(3), the Board of County Commissioners established the following definitions:

- (1) "New public sewerage system" means any such system
 - (a) which has not been incorporated into the comprehensive water and sewerage plan as of July 1, 1991, or
 - (b) for which the amendment process has not begun by July 1, 1991.
- (2) "Expansion of an existing sewerage system" means initiating a CWSP amendment for
 - (a) increasing the service area of such a system or
 - (b) increasing the capacity of such a system
- (3) "Expansion" does not mean connecting a dwelling unit or equivalent dwelling unit to such a system where the unit is located within a legal lot of record and does not require increasing the service area of such a system.

- B. Amendments to this plan to accommodate new subdivisions, planned unit developments or nonresidential developments will be processed twice each year, *except for "Administrative Delegation" pursuant to 1.5.3 below*. Applications must be submitted by the third Wednesday in March for review by the technical evaluation committee in April, a public hearing before the planning commission in May, and a public hearing before the board of county commissioners in June; or they must be submitted by third Wednesday in September for review by the technical evaluation committee in October, a public hearing before the planning commission in November, and a hearing before the board of county commissioners in December. Amendments should be processed as follows.

[Remainder of Section 1.5.2 unchanged]

1.5.3 Administrative Delegation - the director of the department of planning and zoning is delegated the authority to approve community water and/or sewerage service under the following circumstances:

- A. *Public health problems -- water and sewerage service may be extended to existing structures to alleviate or eliminate existing or anticipated public health problems, upon certification of such by the county health officer. However, such extensions generally shall not be used as justification for the connection of intervening or nearby parcels if they would not otherwise be entitled to connect*

to the system.

- B. *Developments located with the County's designated Development District, Town Center and Village Center and this water and sewerage plan and which are unopposed by reviewing agencies. Specifically, for such properties to qualify for administrative delegation the proposed sewer and water category change must be consistent with the comprehensive plan as determined by the planning director.*

1.5.4 *Procedures for amendments under administrative delegation*

- A. *Such review may be conducted at any time throughout the year.*
- B. *Submission requirements are the same as per section 1.5.2.D. above and shall be made to the TEC as with any development proposal.*
- C. *The planning director determines eligibility of the proposed amendment pursuant to section 1.5.3.*
- D. *The planning director then circulates the amendment requests for review by the TEC agencies. Notice of such amendment shall be published in the legal notices of a paper of local circulation for 2 weeks prior to the decision. Notice of the filing of the application shall be provided to all adjoining property owners by the applicant on a form provided by DPZ.*
- E. *Upon receipt of recommendations from the TEC, and upon finding the proposed sewer and water category consistent with this 10 year water and sewerage plan, and with section 9-506(a)(3) of the Annotated Code of Maryland, the planning director shall change the category designations.*
- F. *The Maryland Department of the Environment has 90 days to comment on the administrative approvals granted.*

1.5.5 *Appeals under administrative delegation within 30 days of the Planning Director decision, any person, firm, or corporation aggrieved by any action hereunder by the planning director may within 30 days:*

- A. *Apply for a plan amendment per section 1.5.2 above (semi-annual amendments), or*
- B. *Appeal to the planning commission for reconsideration of the planning director's determination, stating the rationale for such appeal.*

NO. 96-20

SUBJ: Solid Waste Advisory Committee;
Amendment to Resolution No. 93-48

AMENDMENT TO RESOLUTION NO. 93-48

WHEREAS, Maryland State laws and regulations require all jurisdictions to submit a ten-year Solid Waste Management Plan as set forth in the Environmental Article (Title 9, Subtitle 5 of the Annotated Code of Maryland and Title 26, Subtitle 03, Chapter 0-3 of the Code of Maryland Regulations; and

WHEREAS, the Board of County Commissioners established a citizens' Solid Waste Advisory Committee to review the solid waste management issues in the County and to provide public participation in the Solid Waste Plan planning process; and

WHEREAS, on December 14, 1993, the Board of County Commissioners adopted Resolution No. 93-48, which officially established a nine-member Solid Waste Advisory Committee; and

WHEREAS, the Board of County Commissioners now deems it appropriate to reduce the number of members of the Solid Waste Advisory Committee to seven (7) members; and

WHEREAS, it is the intent of the Board of County Commissioners that all other conditions of Resolution No. 93-48 remain as adopted.

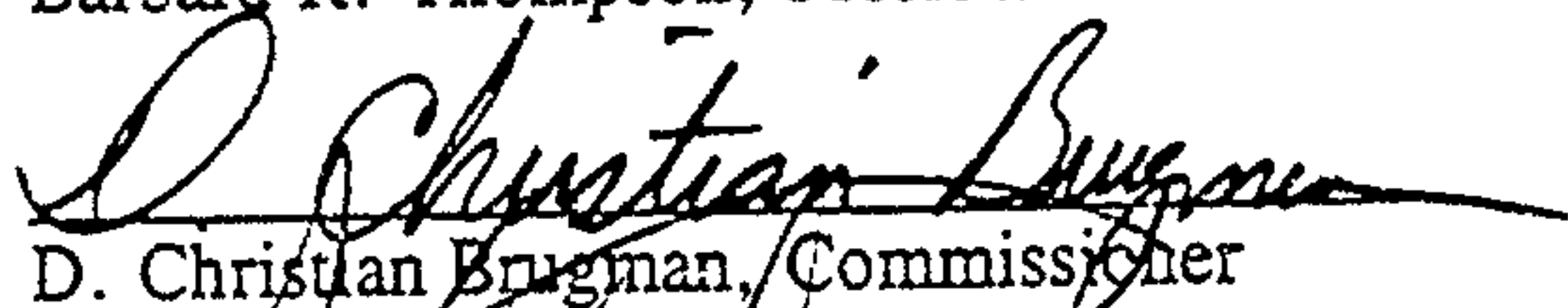
NOW, THEREFORE, BE IT RESOLVED that the Board of County Commissioners hereby amends Resolution No. 93-48 and reduces the number of members of the Solid Waste Advisory Committee from nine (9) to seven (7).

ADOPTION DATE: July 9, 1996

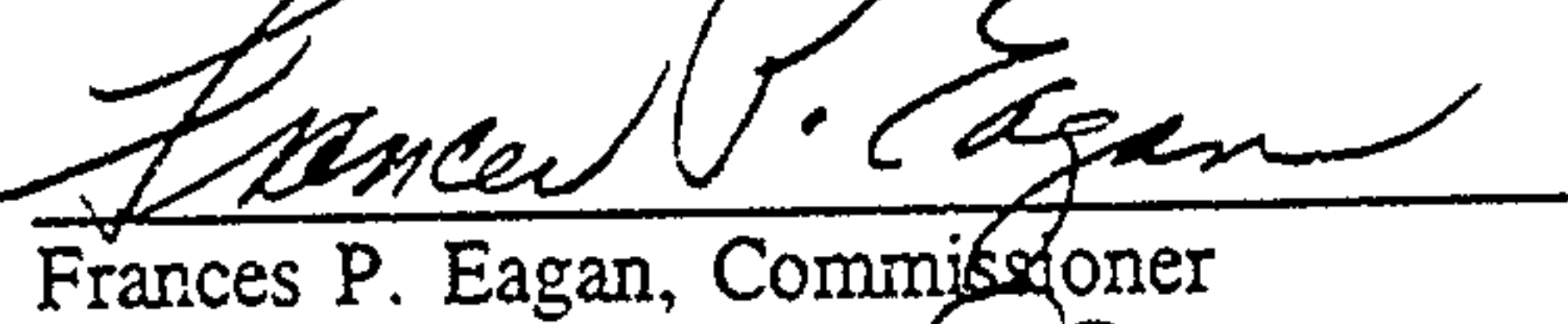
BOARD OF COUNTY COMMISSIONERS
ST. MARY'S COUNTY, MARYLAND

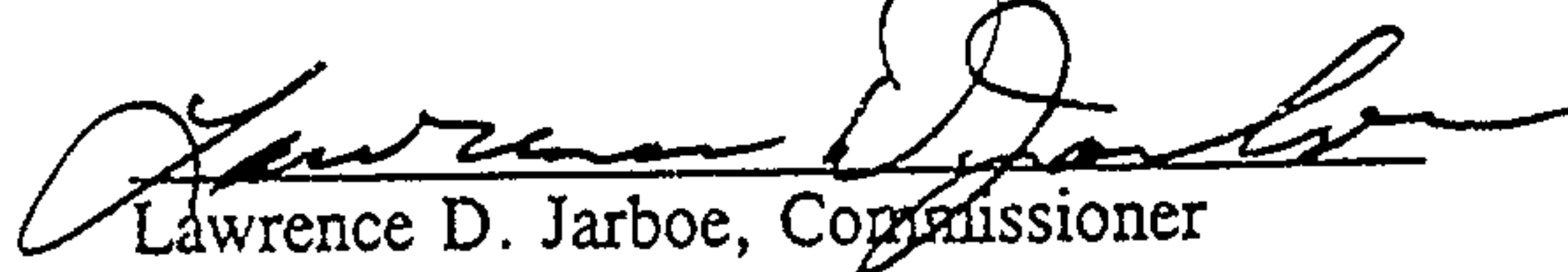
EFFECTIVE DATE: July 9, 1996

Barbara R. Thompson, President

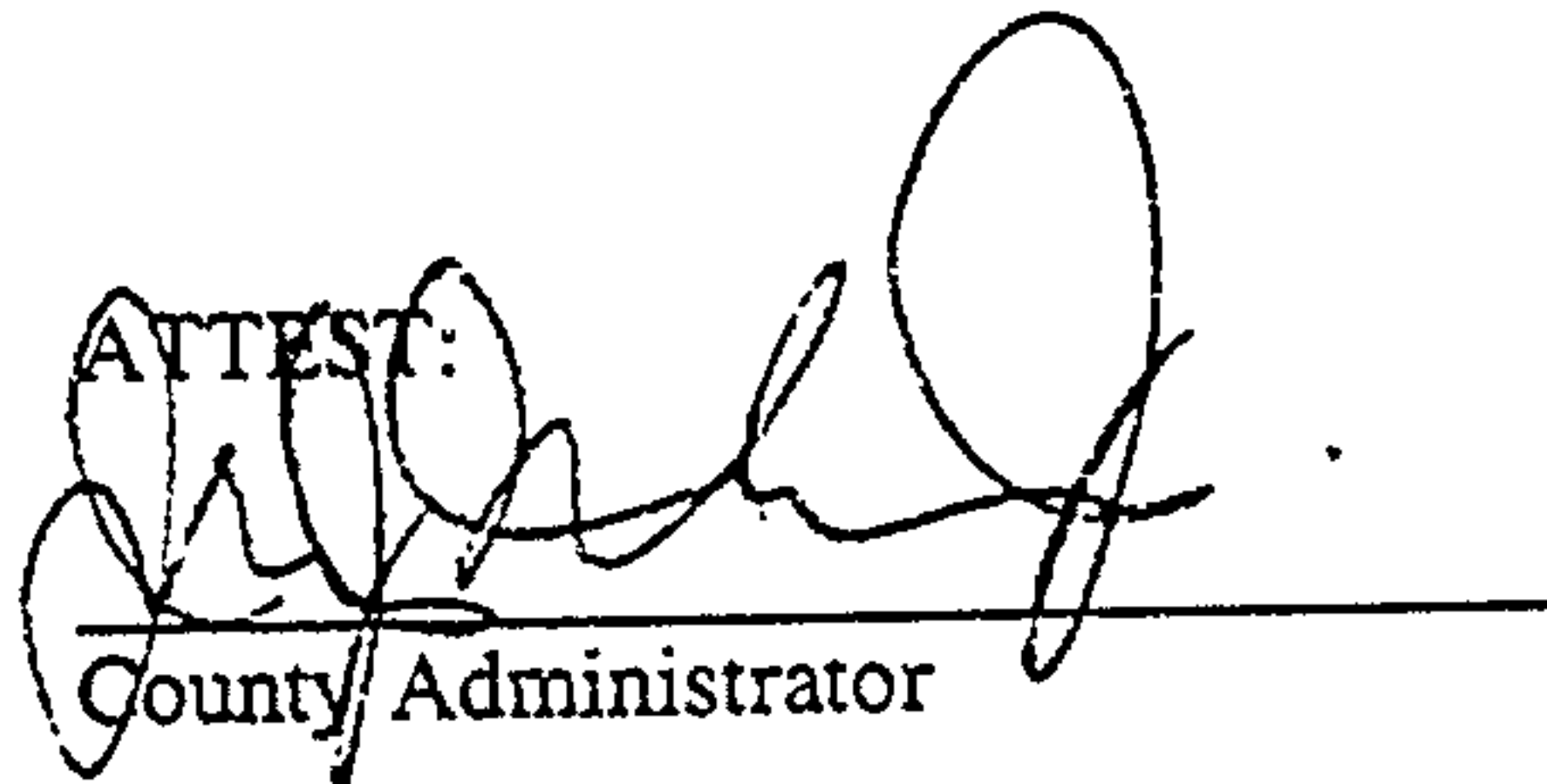

D. Christian Brugman, Commissioner


Paul W. Chesser, Commissioner

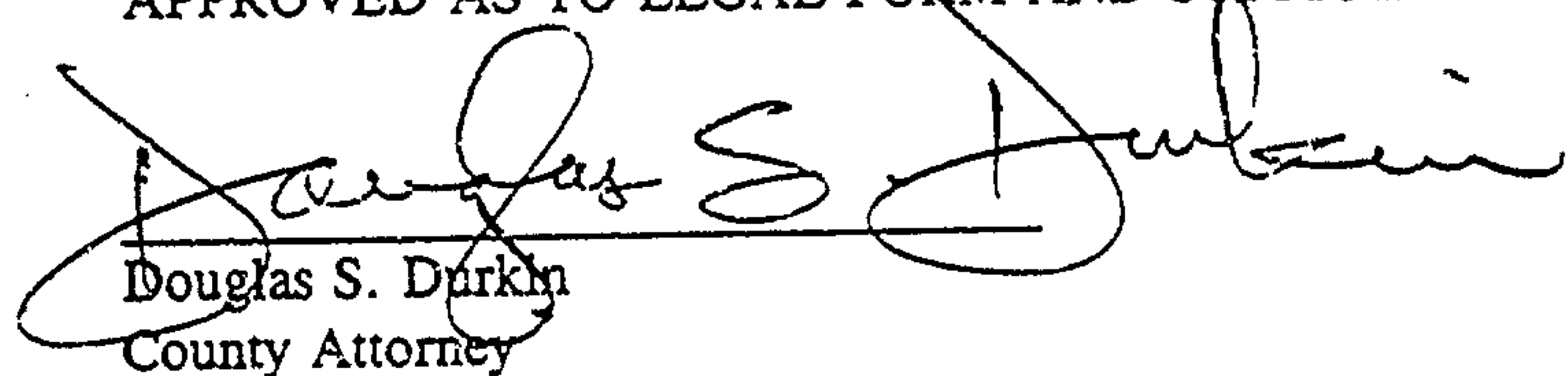

Frances P. Eagan, Commissioner


Lawrence D. Jarboe, Commissioner

ATTEST:


County Administrator

APPROVED AS TO LEGAL FORM AND SUFFICIENCY:


Douglas S. Durkin
County Attorney

RECORDING FEE 0.00
TOTAL 0.00
Res#5403 Rcpt#999999
EHA HAB BIK#738
JUL 15, 1996 09:56 am

RE-RECORDED

RECORDING FEE 0.00
TOTAL 0.00
Res#5403 Rcpt#999999
EHA TLC BIK#959
JUL 17, 1996 09:58 am

BOOK 0010 PAGE 0136 CLERK'S EXHIBIT

This instrument is being re-recorded because Resolution No. W/S 96-03 was erroneously recorded as part of Resolution No. 96-20. They are two separate documents and are being re-recorded to reflect that.

Resolution No. W/S 96-03
Subj: 1995 Comprehensive Water
and Sewerage Plan

RESOLUTION

WHEREAS section 1.5 of the St. Mary's County Comprehensive Water and Sewerage Plan (CWSP) sets forth the procedures for amending the plan; and

WHEREAS, pursuant to those procedures, certain amendments to the text and maps of the plan described in ATTACHMENT A hereto were considered and recommended for APPROVAL by the Planning Commission following a public hearing held November 13, 1995, having been found to be consistent with section 9-506(a)(3) of the Annotated Code of Maryland; and

WHEREAS the Board of County Commissioners held public hearing regarding same on February 20, 1996; and

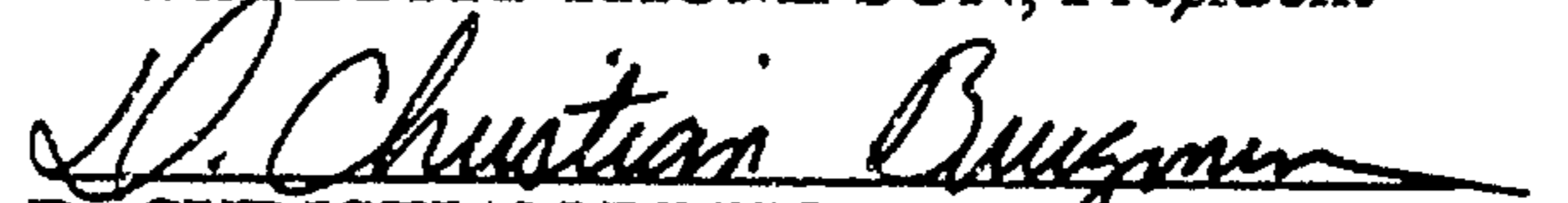
WHEREAS on June 25, 1996 the Board of County Commissioners did concur with said findings by the Planning Commission and did APPROVE said amendments,

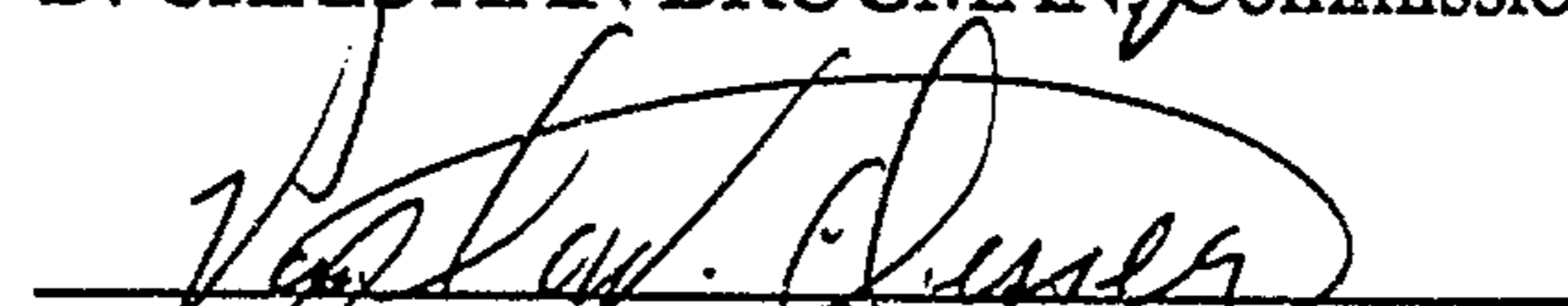
NOW THEREFORE BE IT RESOLVED that the 1995 St. Mary's County Comprehensive Water and Sewerage Plan be amended as described in ATTACHMENT A hereto.

Date of adoption and effective date: July 2, 1996.

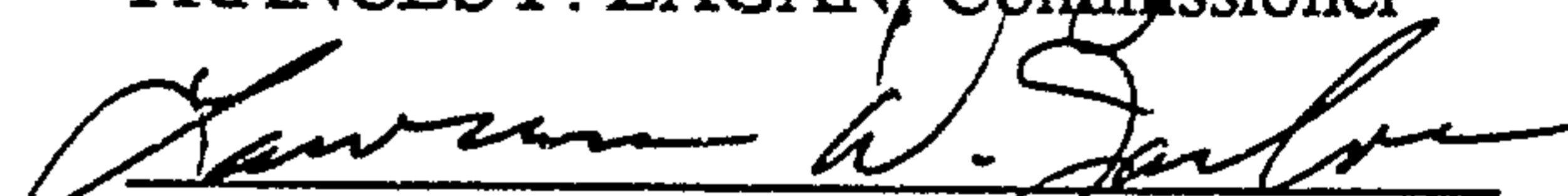
BOARD OF COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY, MARYLAND


BARBARA R. THOMPSON, President

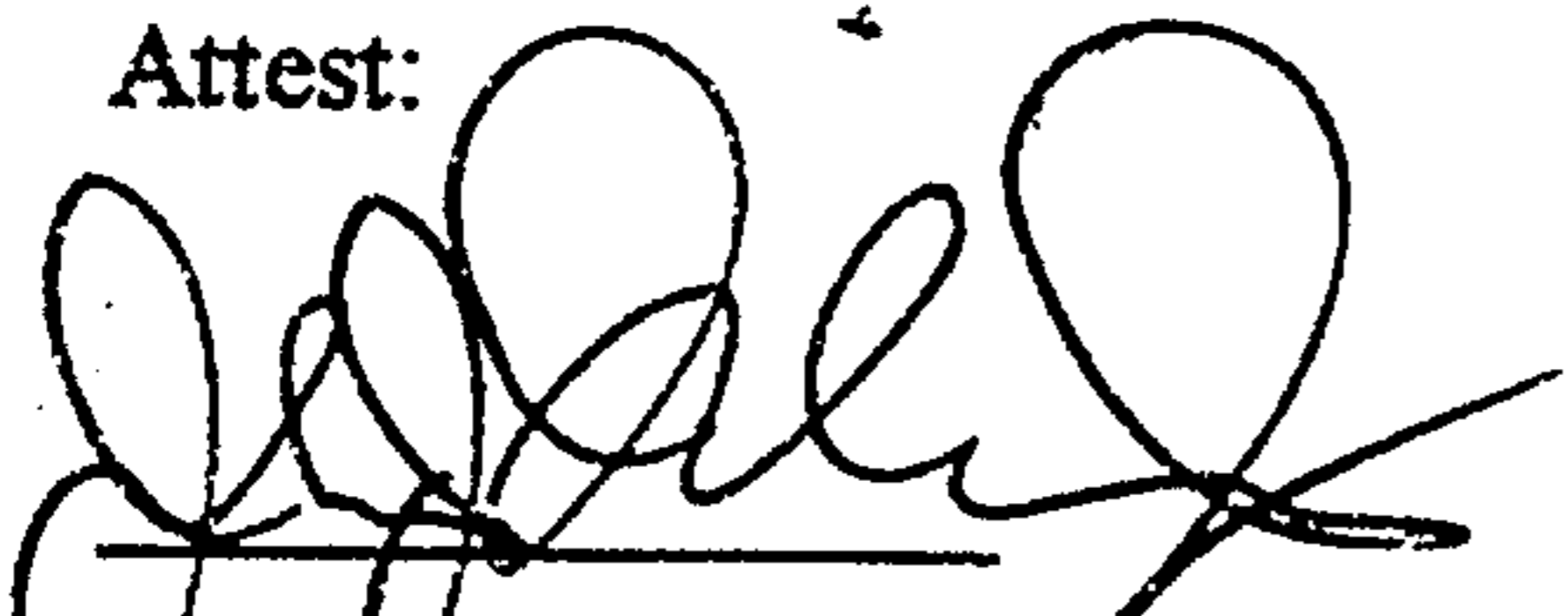

D. CHRISTIAN BRUGMAN, Commissioner


PAUL W. CHESSER, Commissioner


FRANCES P. EAGAN, Commissioner


LAWRENCE D. JARBOE, Commissioner

Attest:


County Administrator

RECORDING FEE 0.00
TOTAL 0.00
Res#SN03 Rcpt#999999
EWA TLG 81k#959
Jul 17, 1996 10:03

MAP AMENDMENTS

1. Case CWSP 95A-0779 (Brass Rail): Parcels 94, 95 and 96 of Grid 18 of Tax Map 50 in the Great Mills area of the eighth election district are served by public sewerage, but are shown in the Comprehensive Water and Sewerage Plan (CWSP) as located within an S-6 (service in six to ten years) service area category. Per section 1.3.1 of the CWSP, these parcels are by definition an S-1 service area. Map IV-50 of the CWSP is hereby corrected accordingly, and said Parcels 94, 95 and 96 are hereafter located within an S-1 service area category.
2. Case CWSP 95-2508 (Zion Methodist Church): the service area category be is hereby changed from S-6 (service in six to ten years) to S-3D (service in three to five years) for Parcel 106 of Grid 7 of Tax Map 52, including the existing church building, located south of South Hampton in the eighth election district.
3. Case CWSP 95-1723, CWSP 90-0444 (Oak Crest Center): the sewer service area category is hereby changed from S-6 (service planned within 6 to 10 years) to S-3D (service planned within 3 to 5 years) on 146.45 acres described as Parcels 292, and 521 of Grid 9 & 10 of Tax Map 34. This property is located on the northeast side of Three Notch Road across from Wildewood Boulevard in the California area of the Eighth Election District, and is zoned PUD-IP. Per the comprehensive plan it is located within the Lexington Park development district.
4. Case CWSP 95-1692 (Hollywood Business Center): the sewer service area category is hereby changed from W-6, S-6 (service in six to ten years) to W-3D, S-3D (service in three to five years) for the proposed Hollywood Business Center to be developed within 33.875 acres described as Parcel 431 of Grid 19 of Tax Map 27 in the Hollywood area of the sixth election district.

TEXT AMENDMENT: Chapter 1.5 from Comprehensive Water and Sewerage Plan is hereby amended as follows; added text appears in *italics*.

1.5 Plan Amendments

1.5.1 Comprehensive Water and Sewerage Plan Review - Triennial Amendment

[no change]

1.5.2 Comprehensive Water and Sewerage Plan Review - Semi-Annual Amendment

The 1991 State Legislative Assembly enacted a new Paragraph (a)(3) to Section 506 of Title 9 of the Annotated Code of Maryland (which enactment is also known as House Bill 601 of 1991), which pertains specifically to St. Mary's County. The Paragraph reads as follows.

- (3)(I) This paragraph applies only in St. Mary's County
- (II) A new public sewerage system or an expansion of an existing public sewerage system may not be allowed in St. Mary's County unless the adoption, revision, or amendment to the county plan containing the public sewerage system:
 1. Is reviewed by the St. Mary's County Planning Commission in conformity with the provisions of this paragraph; and
 2. Is approved by the Board of County Commissioners.
- (III) The County Commissioners may not approve the adoption, revision, or amendment of the county plan that contains a new public sewerage system or an expansion of an existing public sewerage system until the Planning Commission:

1. Conducts a complete review of the county plan; and
 2. Holds at least one public hearing on the county plan.
- (IV) In its review and recommendation to the County Commissioners, the St. Mary's County Planning Commission should consider and make specific findings of fact with respect to the following objectives and policies of the county plan that contains a new public sewerage system or an expansion of an existing public sewerage system:

1. Compatibility with the Comprehensive Land Use Plan;
2. Planning and zoning issues;
3. Population estimates
4. Engineering:
5. Economics:
6. State, regional, and municipal plans: and
7. Comments received from other agencies in the county.

- A. To clarify the scope of Paragraph 9-506(a)(3), the Board of County Commissioners established the following definitions:

- (1) "New public sewerage system" means any such system
 - (a) which has not been incorporated into the comprehensive water and sewerage plan as of July 1, 1991, or
 - (b) for which the amendment process has not begun by July 1, 1991.
- (2) "Expansion of an existing sewerage system" means initiating a CWSP amendment for
 - (a) increasing the service area of such a system or
 - (b) increasing the capacity of such a system
- (3) "Expansion" does not mean connecting a dwelling unit or equivalent dwelling unit to such a system where the unit is located within a legal lot of record and does not require increasing the service area of such a system.

- B. Amendments to this plan to accommodate new subdivisions, planned unit developments or nonresidential developments will be processed twice each year, *except for "Administrative Delegation" pursuant to 1.5.3 below*. Applications must be submitted by the third Wednesday in March for review by the technical evaluation committee in April, a public hearing before the planning commission in May, and a public hearing before the board of county commissioners in June; or they must be submitted by third Wednesday in September for review by the technical evaluation committee in October, a public hearing before the planning commission in November, and a hearing before the board of county commissioners in December. Amendments should be processed as follows.

[Remainder of Section 1.5.2 unchanged]

1.5.3 *Administrative Delegation - the director of the department of planning and zoning is delegated the authority to approve community water and/or sewerage service under the following circumstances:*

- A. *Public health problems -- water and sewerage service may be extended to existing structures to alleviate or eliminate existing or anticipated public health problems, upon certification of such by the county health officer. However, such extensions generally shall not be used as justification for the connection of intervening or nearby parcels if they would not otherwise be entitled to connect*

to the system.

- B. *Developments located with the County's designated Development District, Town Center and Village Center and this water and sewerage plan and which are unopposed by reviewing agencies. Specifically, for such properties to qualify for administrative delegation the proposed sewer and water category change must be consistent with the comprehensive plan as determined by the planning director.*

1.5.4 *Procedures for amendments under administrative delegation*

- A. *Such review may be conducted at any time throughout the year.*
- B. *Submission requirements are the same as per section 1.5.2.D. above and shall be made to the TEC as with any development proposal.*
- C. *The planning director determines eligibility of the proposed amendment pursuant to section 1.5.3.*
- D. *The planning director then circulates the amendment requests for review by the TEC agencies. Notice of such amendment shall be published in the legal notices of a paper of local circulation for 2 weeks prior to the decision. Notice of the filing of the application shall be provided to all adjoining property owners by the applicant on a form provided by DPZ.*
- E. *Upon receipt of recommendations from the TEC, and upon finding the proposed sewer and water category consistent with this 10 year water and sewerage plan, and with section 9-506(a)(3) of the Annotated Code of Maryland, the planning director shall change the category designations.*
- F. *The Maryland Department of the Environment has 90 days to comment on the administrative approvals granted.*

1.5.5 *Appeals under administrative delegation within 30 days of the Planning Director decision, any person, firm, or corporation aggrieved by any action hereunder by the planning director may within 30 days:*

- A. *Apply for a plan amendment per section 1.5.2 above (semi-annual amendments), or*
- B. *Appeal to the planning commission for reconsideration of the planning director's determination, stating the rationale for such appeal.*

Subject: Realignment/Upgrade of Indian Bridge Road; (County Route 30232)

RESOLUTION

WHEREAS, the Board of County Commissioners of St. Mary's County, Maryland, is authorized to open, alter or close certain public roads within St. Mary's County, Maryland, pursuant to Article 25, §136 of the Annotated Code of Maryland.

WHEREAS, the Board of County Commissioners, following the procedures set forth in Article 25, § 136, is proposing that Indian Bridge Road (also known as County Route 30232) be realigned for a length of approximately 1,400 feet and upgraded for a length of approximately 3.7 miles in conjunction with County Capital Improvement Program, as shown on the attached Exhibit "A" and in accordance with road construction plans entitled: " Indian Bridge Road Re-design and Improvements" dated July, 1992.

WHEREAS, the Board of County Commissioners conducted a public hearing on said realignment and upgrading on July 9, 1996, following due notice of such hearing.

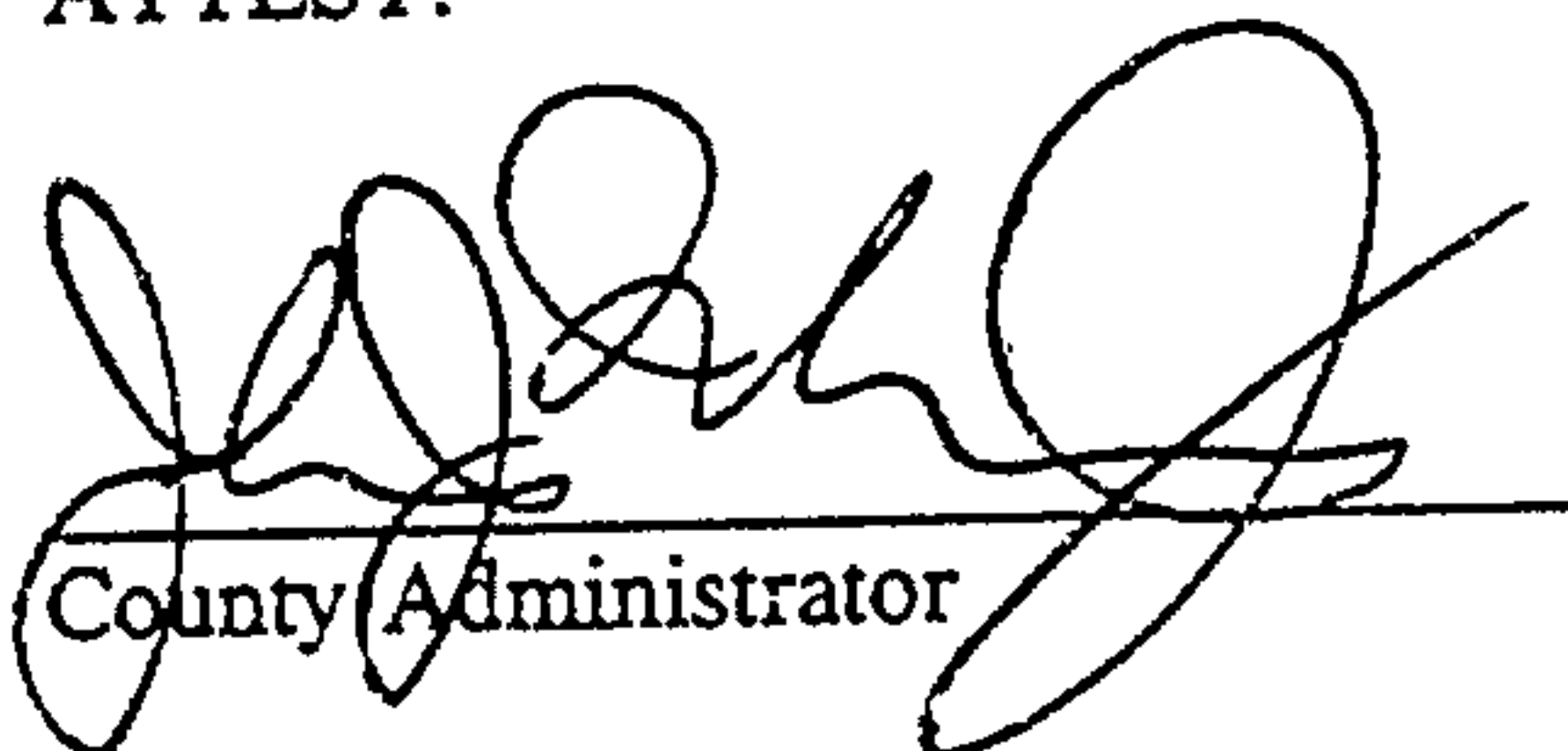
WHEREAS, after the consideration of all public comments, information and documentation pertaining to the realignment and upgrading of the aforesaid Indian Bridge Road, located in the Eighth (8th) Election District, the County Commissioners have determined that the public interest will best be served by granting such action.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of St. Mary's County, Maryland, that 1,400 feet of Indian Bridge Road be realigned and approximately 3.7 miles of Indian Bridge Road be upgraded.

This Resolution shall take effect immediately.

Witness our signatures this 23rd day of July, 1996.

ATTEST:


County Administrator

BOARD OF COUNTY COMMISSIONERS
OF ST. MARY'S COUNTY, MARYLAND


Barbara R. Thompson, President

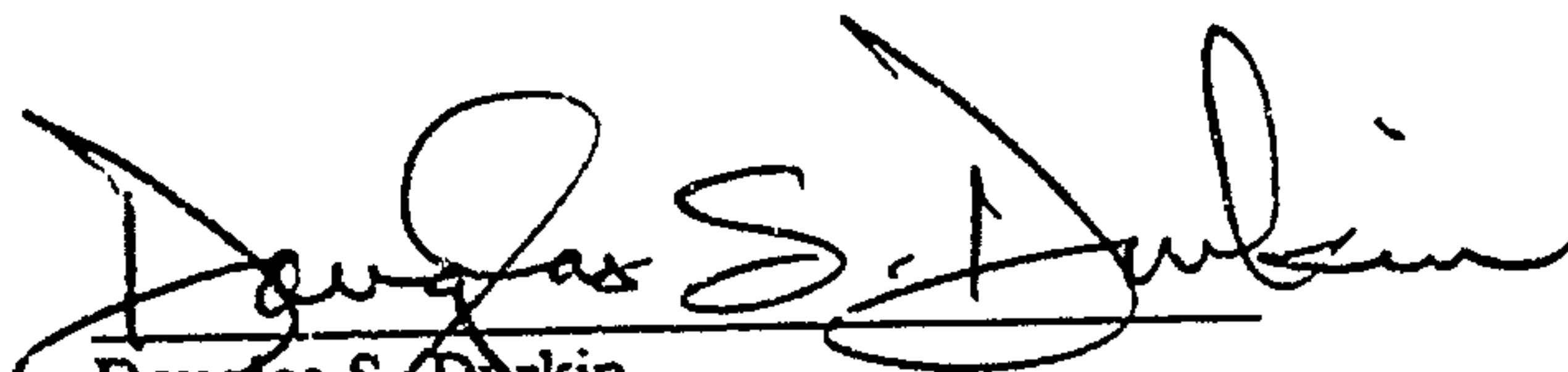

D. Christian Brygman, Commissioner


Paul W. Chesser, Commissioner


Frances P. Eagan, Commissioner


Lawrence D. Jarboe, Commissioner

APPROVED AS TO LEGAL FORM & SUFFICIENCY


Douglas S. Durkin
County Attorney

RECORDING FEE 8.00
TOTAL 8.00
Res#3183 Rcr#4333333
EWA LP BIK#1516
Jul 25, 1996 11:50 am

REALIGNMENT/UPGRADE OF
INDIAN BRIDGE ROAD
ATTACHMENT "A"
PAGE ONE OF TWO

N/F
REGINA WHITHROM
MRB 182/222
P. 55
TM42/G7
RIGHT-OF-WAY ACQUISITION
20.51 ±
GRAVEL DR

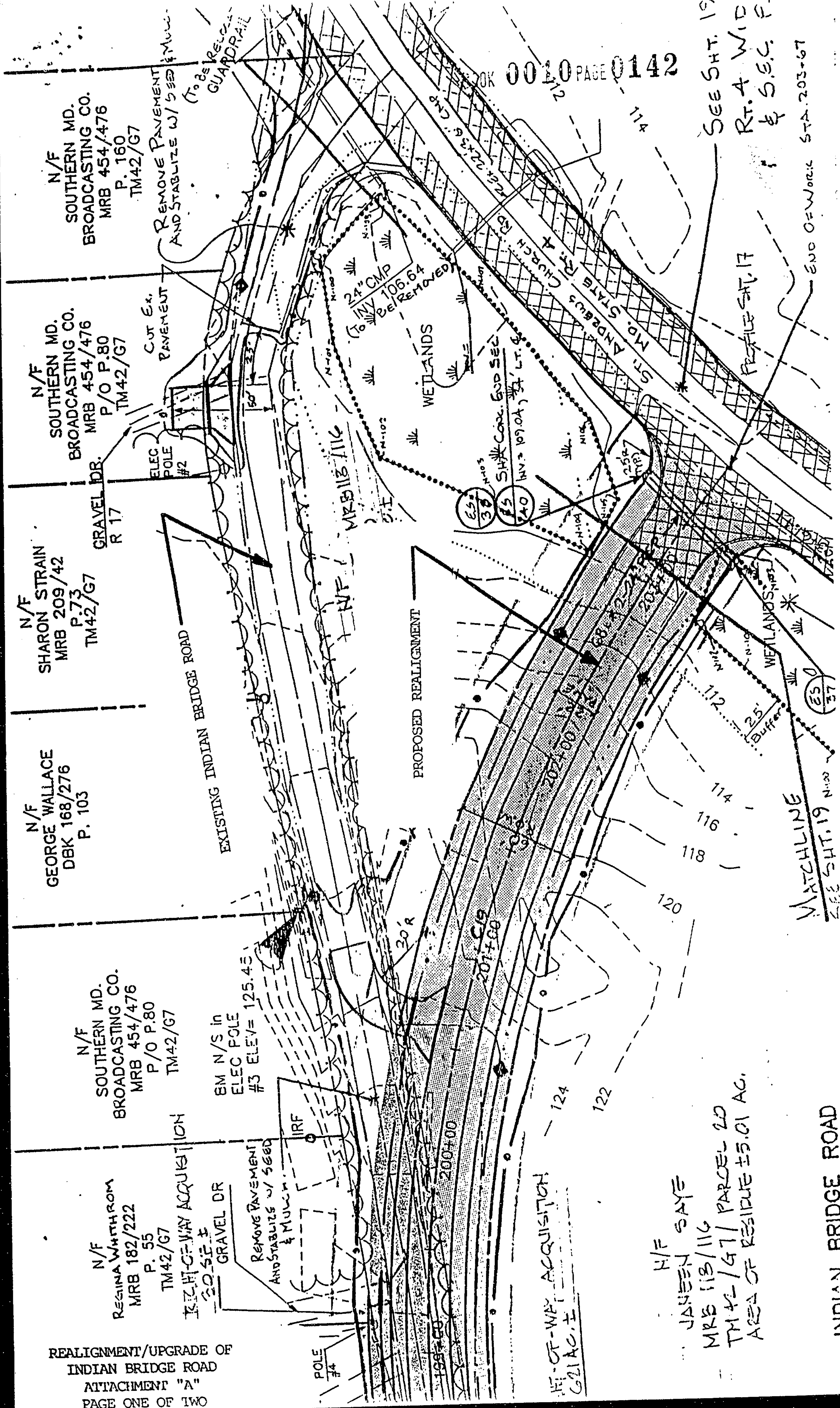
N/F
SOUTHERN MD.
BROADCASTING CO.
MRB 454/476
P/O P.80
TM42/G7
BM N/S in
ELEC POLE
#3 ELEV= 125.45'

N/F
GEORGE WALLACE
DBK 168/276
P. 103

N/F
SHARON STRAIN
MRB 209/42
P.73
TM42/G7
GRAVEL DR.
R 17

N/F
SOUTHERN MD.
BROADCASTING CO.
MRB 454/476
P/O P.80
TM42/G7
CUT EX.
PAVEMENT

N/F
SOUTHERN MD.
BROADCASTING CO.
MRB 454/476
P. 160
TM42/G7
REMOVE PAVEMENT
AND STABILIZE W/ SEED & MULCH
(To be Replaced
GUARDRAIL



BOOK 0040 PAGE 0142

SEE SHT. 19
RT. 4 WIDE
& S.S.C. E.

END OF WORK STA. 203+67

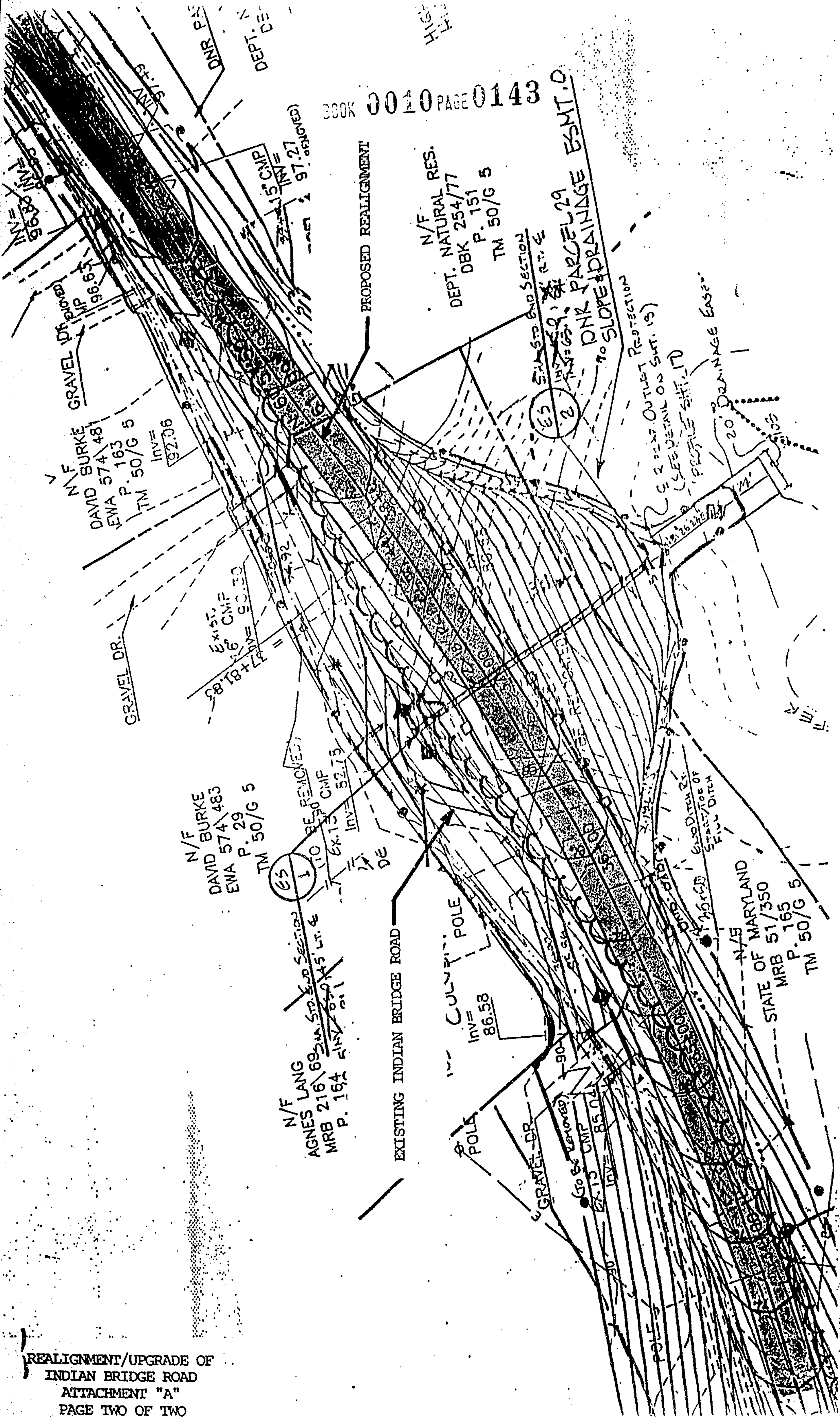
WATCHLINE
SEE SHT. 19

H/F
JANEEN SAYE
MRB 113/116
TM42/G7 PARCEL 20
AREA OF RESIDUE ±5.01 AC.

INDIAN BRIDGE ROAD

N/F NATURAL RES.
DEPT. NATURAL RES.
DBK 254/77
P. 151
TM 50/G 5

DNK PARCEL 29
DRAINAGE ESMT. D
SLOPE PROTECTION



N/F BURKE
DAVID BURKE
EWA 574/483
P. 29
TM 50/G 5

N/F LANG
AGNES LANG
MRB 216/69
P. 164
TM 50/G 5

STATE OF MARYLAND
MRB 51/350
P. 165
TM 50/G 5

No.: 96-23
Subject: FY 1997 Supplemental
Appropriation - States Attorney

ORDINANCE

WHEREAS, the Board of County Commissioners believe it is in the best interest of the County to amend the Fiscal Year 1997 General Fund Operating Budget to increase the appropriation for the office of the State's Attorney for St. Mary's County, and

WHEREAS, the St. Mary's County Director of Finance has certified in writing that such funds are available in the form of State grant funds through the Governor's Office of Crime Control and Prevention for the purpose of creating a prosecution-based program that serves victims of domestic violence;

NOW, THEREFORE, BE IT ORDAINED that the Board of County Commissioners after due notice conducted a public hearing on July 23, 1996 to present and explain the requirements to increase the Fiscal Year 1997 Budget in amount of \$15,000.00 (Fifteen Thousand Dollars), and such increase is hereby approved this 6th day of August, 1996, by the Board of County Commissioners of St. Mary's County, Maryland.

Date of Adoption: 8-6-96
Effective Date: 8-6-96

BOARD OF COUNTY COMMISSIONERS
OF ST. MARY'S COUNTY, MARYLAND

Barbara R. Thompson
Barbara R. Thompson, President

D. Christian Brugman
D. Christian Brugman, Commissioner

Paul W. Chesser
Paul W. Chesser, Commissioner

Frances P. Eagan
Frances P. Eagan, Commissioner

Lawrence D. Jarboe
Lawrence D. Jarboe, Commissioner

ATTEST:

John J. Kachmar Jr.
John J. Kachmar Jr.
County Administrator

Steven E. Welkos
Steven E. Welkos
Director of Finance

RECORDING FEE 0.00
TOTAL 0.00
Res: SM83 Rct: 999999
EWA MAB BIK: 4654
Aug 03, 1996 10:49 am

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

Douglas S. Durkin
Douglas S. Durkin
County Attorney

BOOK 0010 PAGE 0145

No: 96-22
Subject: FY 1997 Supplemental
Appropriation - Circuit Court

ORDINANCE

WHEREAS, the Board of County Commissioners believe it is in the best interest of the County to amend the Fiscal Year 1997 General Fund Operating Budget to increase the appropriation for the Circuit Court for St. Mary's County, and

WHEREAS, the St. Mary's County Director of Finance has certified in writing that such funds are available in the form of State grant funds through the State Administrative Office of the Courts for the purpose of establishing additional contractual master service for the Circuit Court for St. Mary's County;

NOW, THEREFORE, BE IT ORDAINED that the Board of County Commissioners after due notice conducted a public hearing on July 23, 1996 to present and explain the requirements to increase the Fiscal Year 1997 Budget in the amount of \$29,839.00 (Twenty-Nine Thousand Eight Hundred and Thirty-Nine Dollars), and such increase is hereby approved this 6th day of August, 1996, by the Board of County Commissioners of St. Mary's County, Maryland.

Date of Adoption: 8-6-96
Effective Date: 8-6-96

BOARD OF COUNTY COMMISSIONERS
OF ST. MARY'S COUNTY, MARYLAND

Barbara R. Thompson
Barbara R. Thompson, President

D. Christian Brugman
D. Christian Brugman, Commissioner

Paul W. Chesser
Paul W. Chesser, Commissioner

Frances P. Eagan
Frances P. Eagan, Commissioner

Lawrence D. Jarboe
Lawrence D. Jarboe, Commissioner

ATTEST:

John V. Kachmar Jr.
County Administrator

Steven E. Welkos
Director of Finance

RECORDING FEE 0.00
TOTAL 0.00
Res#3403 Rcpt#999999
CHA MAB BIK#654
AUG 09, 1996 10:50 AM

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

Douglas S. Durkin
Douglas S. Durkin
County Attorney

Subject: ROAD NAME CHANGE:
A PORTION OF
GRAVES ROAD TO
MRS GRAVES ROAD

RESOLUTION

WHEREAS, a subdivision application has been filed including a change in the name from Graves Road beginning at the "T" intersection with the proposed Mrs Graves Road and extending to the end of the current Graves Road. The road is located in the Sixth (6th) Election District, St. Mary's County Maryland; and

RECORDING FEE 0.00

WHEREAS, on May 28, 1996, the Board of County Commissioners approved the realignment of a portion of Graves Road creating the "T" intersection; and

TOTAL 0.00

WHEREAS, in accordance with the St. Mary's County Road Naming and Addressing Manual, "T" roads are separate roads and must be named independently; and

RES#13463 REC#1399999

WHEREAS, a Public Hearing on the renaming of a portion of Graves Road to Glebe Road was duly advertised and held on Tuesday, July 2, 1996 and;

EPA MAP BIK#654

WHEREAS, on July 23, 1996, further discussion by the Board of County Commissioners regarding the renaming of a portion of Graves Road occurred and it was recommended that the new name for a portion of Graves Road be Mrs Graves Road; and

AUG 09, 1996 10:51 am

WHEREAS, the renaming of a portion of Graves Road will be consistent with Section 64.00 of the St. Mary's County Zoning Ordinance, Naming and Renaming of Roads and Assignment of Addresses.

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners of St. Mary's County, Maryland, that the portion of Graves Road shown on the attached drawing shall be renamed Mrs Graves Road.

AND BE IT FURTHER RESOLVED, that this Resolution shall become effective upon the adoption of this resolution.

DATE OF ADOPTION: August 6 1996

BOARD OF COUNTY COMMISSIONERS
OF ST. MARY'S COUNTY, MARYLAND

Barbara R. Thompson
Barbara R. Thompson, President

D. Christian Brugman
D. Christian Brugman, Commissioner

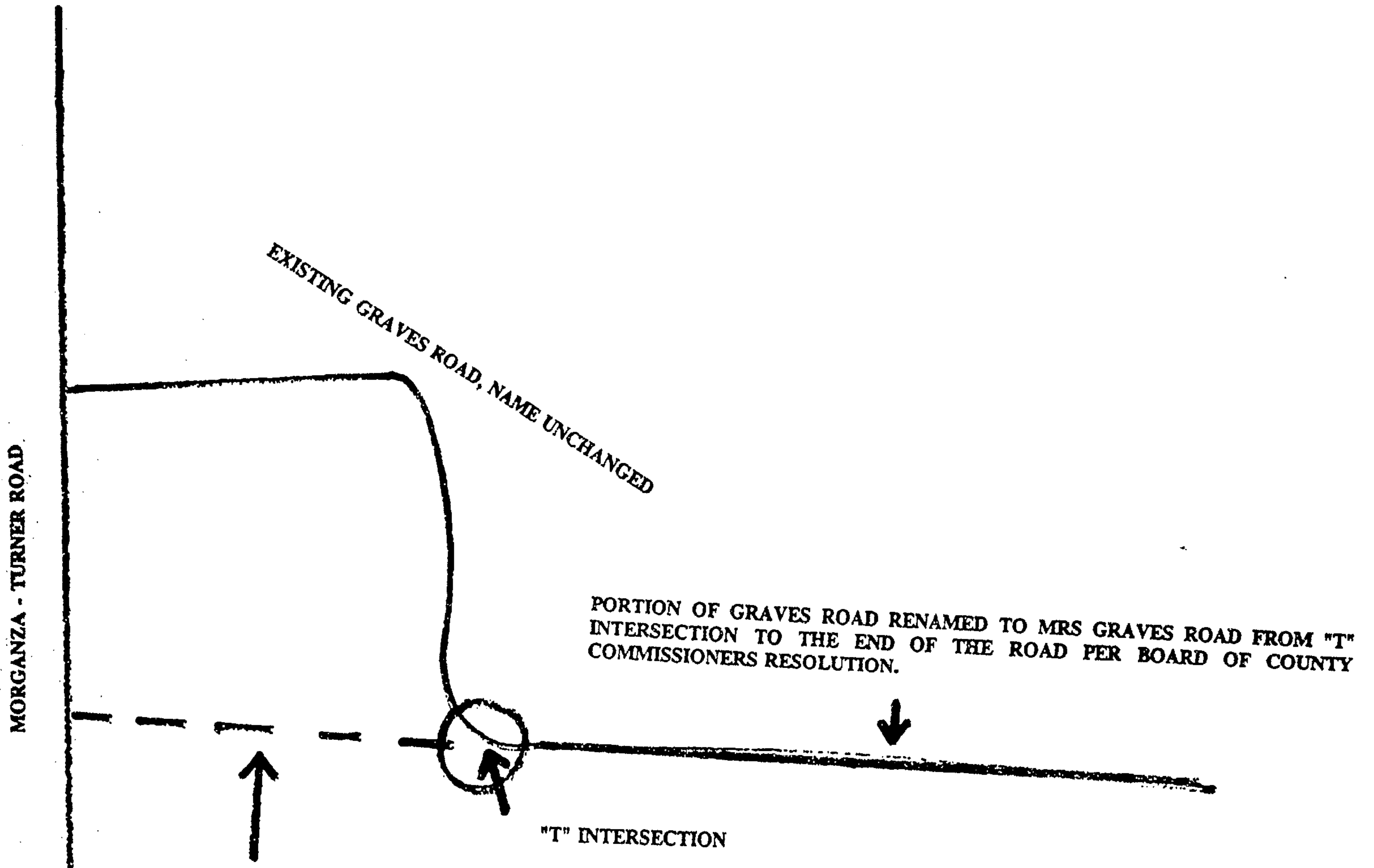
Paul W. Chesser
Paul W. Chesser, Commissioner

Frances P. Eagan
Frances P. Eagan, Commissioner

Lawrence D. Jarboe
Lawrence D. Jarboe, Commissioner

ATTEST:

John J. Kachmar Jr.
John J. Kachmar Jr.
County Administrator



MRS GRAVES ROAD, NAME APPROVED BY PLANNING COMMISSION APPROVAL OF FINAL SUBDIVISION PLAT FOR GLEBE RUN SUBDIVISION

No.: 96-24
Subj: Rules and Regulations for Use of Solid Waste
Disposal Facilities in St. Mary's County:
Amendment to Resolution No. 91-20

RESOLUTION

WHEREAS, Article 25, Section 14A, Paragraph (a), subparagraph (1) of the Annotated Code of Maryland empowers the County Commissioners to prescribe and enforce Rules and Regulations concerning the operation and manner of use of the disposal areas or facilities; and

WHEREAS, the Board of County Commissioners adopted Rules and Regulations governing the use of the County solid waste acceptance facilities by Resolution No. 71-4, effective March 1, 1971 and amended via Resolution No. 91-20 effective August 1, 1991; and

WHEREAS, the Solid Waste Ordinance was adopted by the Board of St. Mary's County Commissioners on November 29, 1988 and which Ordinance, in §3, authorizes the County Commissioners to establish, by Resolution, a schedule of fees as they deem necessary in connection with the use and operation of the Solid Waste Acceptance Facilities; and

WHEREAS, on July 23, 1996 the Board of County Commissioners held a Public Hearing for the purpose of increasing the tire disposal fee from \$40 per ton to \$158 per ton, and decreasing the solid waste tipping fee from \$40 per ton to \$35 per ton.

WHEREAS, it is the intent of the Board of County Commissioners that all other terms and conditions in Rules and Regulations and of the Fee Schedule remain in effect.

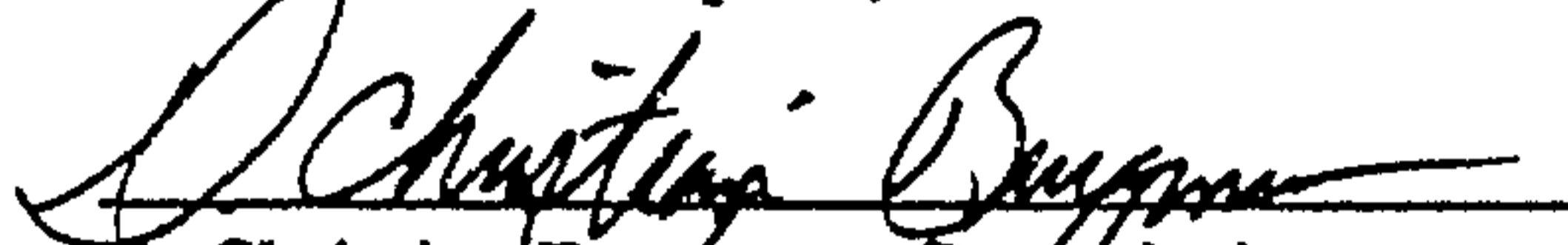
NOW, THEREFORE, BE IT RESOLVED, that the Board of County Commissioners hereby amends Resolution No. 91-20 and attached Fee Schedule to increase the fee for tire disposal at the County Solid Waste acceptance Facilities to \$158 per ton and decreases the tipping fee from \$40 per ton to \$35 per ton, in accordance with the attached Fee Schedule.


ADOPTION DATE: August 8, 1996

EFFECTIVE DATE: August 12, 1996

BOARD OF COUNTY COMMISSIONERS
ST. MARY'S COUNTY, MARYLAND


Barbara R. Thompson, President

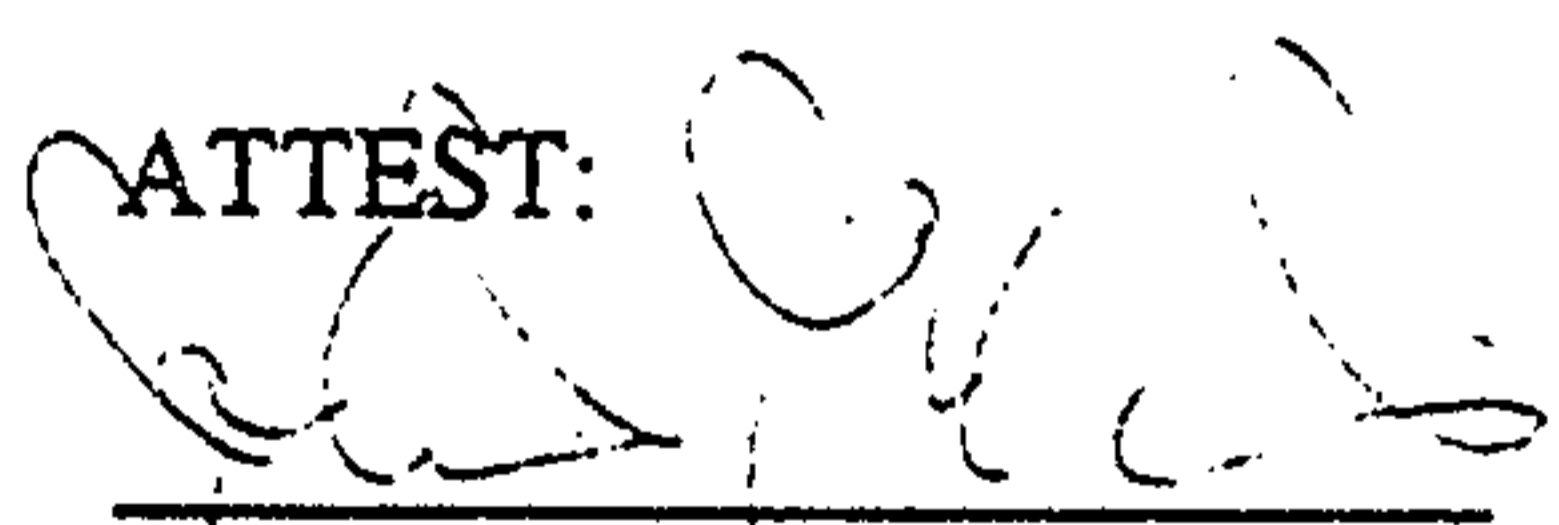

D. Christian Brugman, Commissioner


Paul W. Chesser, Commissioner


Frances P. Eagan, Commissioner

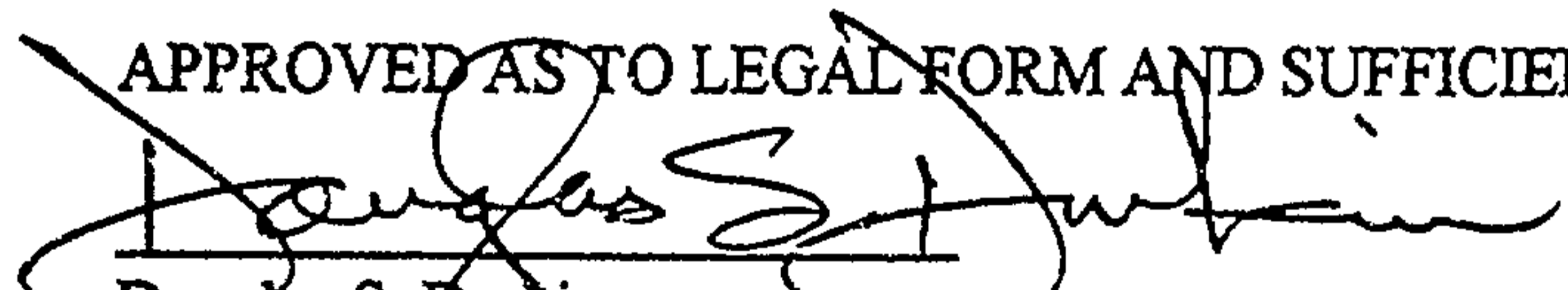
Lawrence D. Jarboe, Commissioner

ATTEST:



John J. Kachmar Jr.
County Administrator

APPROVED AS TO LEGAL FORM AND SUFFICIENCY:



Douglas S. Durkin
County Attorney

RECORDING FEE 0.00
TOTAL 8.00
Res#SM03 Rcpt#999999
EHA TLG BLK#934
AUG 14, 1996 12:38 PM

August 1996

**FEE SCHEDULE
ST. MARY'S COUNTY SOLID WASTE ACCEPTANCE FACILITIES**

CLASSIFICATION	FEE	REMARKS
Residential	No Fee; Sticker Required	Transfer Station Use Only
Residential	\$5.00 Per Pick-up Load	Landfill Disposal Only
All Other Users	\$35.00 Per Ton	Landfill Disposal Only
Tire Disposal	\$158.00 Per Ton	

HOURS OF OPERATION

<u>FACILITY</u>	<u>MONDAY-FRIDAY</u>	<u>SATURDAY</u>	<u>SUNDAY</u>
St. Andrews Landfill	8:00 a.m. - 4:30 p.m.	8:00 a.m. - 4:30 p.m.	Closed
Transfer Stations	9:30 a.m. - 5:00 p.m.	8:00 a.m. - 4:30 p.m.	8:00 a.m. - 4:30 p.m.

Resolution No. W/S 96-04
Subj: 1995 Comprehensive Water
and Sewerage Plan

RECORDING FEE 0.00
TOTAL 0.00
Res#3463 Rpt#4999999
EHA NB BIK#483
Sep 06, 1996 12:11 PM

RESOLUTION

WHEREAS section 1.5 of the St. Mary's County Comprehensive Water and Sewerage Plan (CWSP) sets forth the procedures for amending the plan; and

WHEREAS, pursuant to those procedures, certain amendments to the text and maps of the plan described in ATTACHMENT A hereto were considered and recommended for APPROVAL by the Planning Commission following a public hearing held November 13, 1995, having been found to be consistent with section 9-506(a)(3) of the Annotated Code of Maryland; and

WHEREAS the Board of County Commissioners held public hearing regarding same on August 13, 1996; and

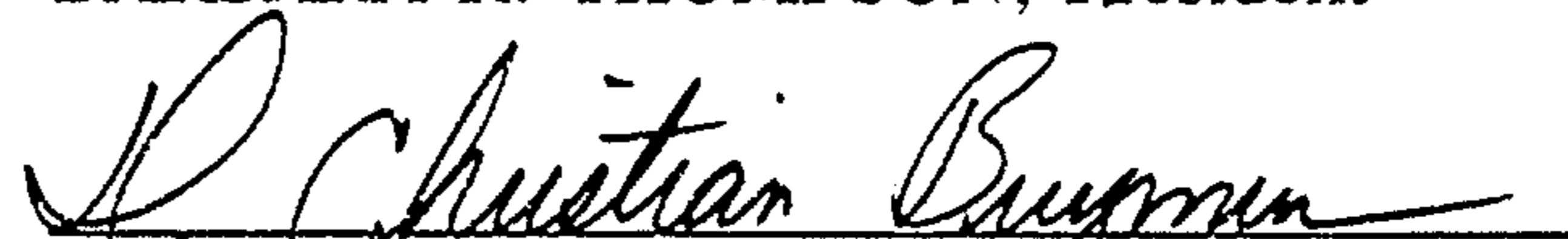
WHEREAS on August 27, 1996 the Board of County Commissioners did concur with said findings by the Planning Commission and did APPROVE said amendments,

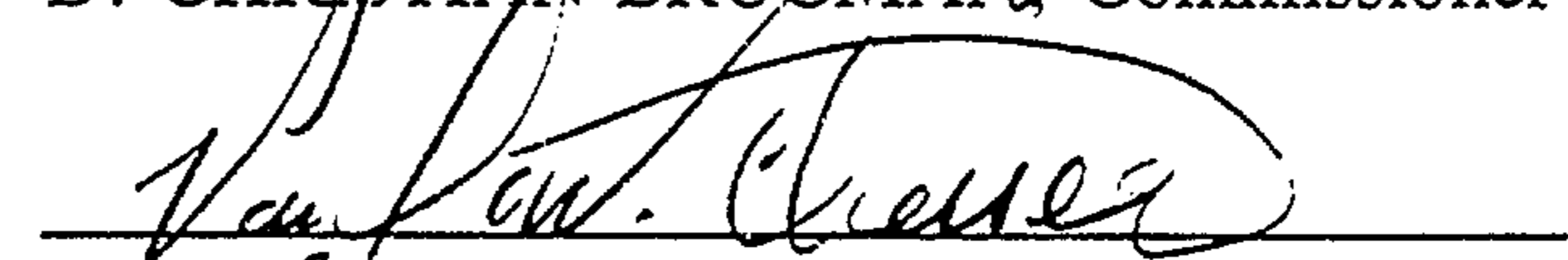
NOW THEREFORE BE IT RESOLVED that the 1995 St. Mary's County Comprehensive Water and Sewerage Plan be amended as described in ATTACHMENT A hereto.

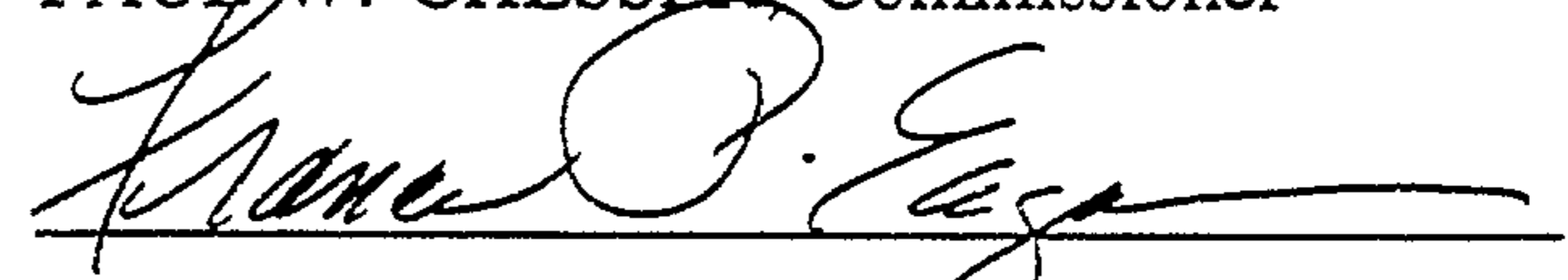
Date of adoption and effective date: August 27, 1996.

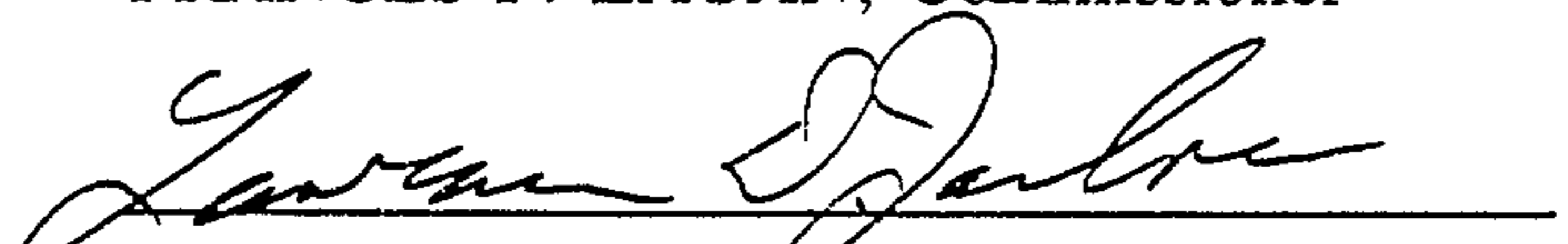
BOARD OF COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY, MARYLAND


BARBARA R. THOMPSON, President



D. CHRISTIAN BRUGMAN, Commissioner


PAUL W. CHESSER, Commissioner


FRANCES P. EAGAN, Commissioner


LAWRENCE D. JARBOE, Commissioner

Attest:


County Administrator

MAP AMENDMENTS

1. Case CWSP 95-2590 (Bruce Knolls Subdivision): Map III-12 of the Comprehensive Water and Sewerage Plan (CWSP) is hereby amended to change the service area category from NPS (no planned service) to RW (rural water service) for 70.3 acres described as Parcel 71 of Grid 12 of Tax Map 12. Bounded on the north by Mechanicsville Road, this property is located between Country Lakes and Mechanicsville in the fourth election district. Such change anticipates community water service from the Country Lakes water supply system for approximately 23 houses to be constructed within said parcel 71.
2. Case CWSP 96-0068 (Rue Woods Subdivision): Maps III-43 and IV-43 of the Comprehensive Water and Sewerage Plan (CWSP) are hereby amended to change service area category from W-6 and S-6 (Service in 6 to 10 years) to W-3D and S-3D (Service within 3 to 5 years, developer financed) for Parcel 212 and 268 of Tax Map 43 in the California area of the Eighth Election District. Such change anticipates water service from the Lexington Park water system and sewerage service by the Pinehill Run wastewater treatment plant for 35 dwellings.
3. Case CWSP 96-0625 (Rodney Thompson Property): Maps III-34 and IV-34 of the Comprehensive Water and Sewerage Plan (CWSP) are hereby amended to change service area category from W-6 and S-6 (Service in 6 to 10 years) to W-3D and S-3D (Service within 3 to 5 years, developer financed) for Parcel 337 of Tax Map 34 in the Hollywood area of the Sixth Election District. Such amendment is anticipates water service from the Lexington Park water system and sewerage service by the Pinehill Run wastewater treatment plant for a single dwelling unit.

NO.

SUBJECT: Mallard Creek Court,
Mallard Creek Taxing District Ordinance

BOOK 0010 PAGE 0152

ORDINANCE

WHEREAS, the County Commissioners of St. Mary's County, Maryland, are empowered under the provisions of Section 109-2 (C) of the Code of the Public Local Laws for St. Mary's County to construct and improve private roads after the approval of a petition of a majority of the property owners whose property benefits from said improvements; and

WHEREAS, the County Commissioners of St. Mary's County, Maryland, have been petitioned by a majority of the residents in the Mallard Creek Subdivision, requesting the County to construct and improve roads in that portion of the Mallard Creek Subdivision, which is located in the Second (2nd) Election District of St. Mary's County, Maryland, as shown on Tax Map 61 and recorded among the Land Records of St. Mary's County, Maryland. The following street, as shown on the aforementioned plat of said subdivision, shall be improved to the approximate limits indicated herein:

Mallard Creek Court from Drayden Road (County Route 30899) to the end of the cul-de-sac, approximately 1,260 linear feet.

WHEREAS, the County Commissioners of St. Mary's County, Maryland, held a public hearing on September 3, 1996 in order to consider said petition; and

WHEREAS, the County Commissioners of St. Mary's County, Maryland, have determined to approve said petition in accordance with the provisions and conditions hereinafter set forth.

17th NOW, THEREFORE, BE IT ORDAINED by the County Commissioners of St. Mary's County, Maryland, this day of September, 1996, that the petition of the owners of property adjoining that portion of Mallard Creek Court in the Mallard Creek Subdivision for the construction and improvement of said streets in said subdivision be approved; and

IT IS FURTHER ORDAINED that the County Commissioners of St. Mary's County shall construct and improve said streets in accordance with the specifications approved by the Director of Public Works and authorized by the County Commissioners.

IT IS FURTHER ORDAINED that upon completion of said construction and improvement, the County Commissioners of St. Mary's County, Maryland shall accept said streets into the County Highway Maintenance System; and

IT IS FURTHER ORDAINED that the costs of said improvements and reconstruction shall be borne by the County and the property owners in accordance with the following:

1. The lot owners are responsible for approximately \$68,376 of the construction costs. This sum represents the lot owners' share of the estimated cost required to bring the said streets to the condition required by the approved set of plans, said share being equivalent to the cost of improving the streets to a condition that would have been acceptable for inclusion within the County Highway Maintenance System at the time the subdivision was recorded.
2. The lot owners are responsible for all design costs for work performed by consultant engineers retained by the County for this project, with the exception of cost incurred for inspection of construction work.
3. The County is responsible for all in-house design and engineering costs.
4. The lot owners are responsible for all utility relocation costs.
5. The inspection costs associated with the construction shall be borne by the County.
6. The property owners are responsible for all interest costs associated with the funding of the work.

RECORDING FEE 0.00
TOTAL 0.00
Res#3803 Rcft#399999
EWA LP Bk#1450
Sep 23, 1996 01:25 PM

IT IS FURTHER ORDAINED that the cost of said construction and improvements attributable to those properties hereinafter named shall be paid over a 20-year period by an annual benefit assessment levied against said properties; and

IT IS FURTHER ORDAINED that said annual benefit assessment shall be computed as follows:

1. The "total benefit assessment" shall represent total costs of reconstruction and improvements to be borne by the lot owners, or a greater number if a further subdivision of any lot occurs on any of said lots in the future, and is the total of the aforementioned items.
2. The "total benefit assessment" shall be divided by 20 to determine the "annual benefit assessment" to be levied against all of the lot owners for 20 years.
3. The "annual benefit assessment" shall be divided by the number of lots in existence in the subdivision on the first day of May of each assessment year to determine the annual cost to each lot for the following assessment year beginning July 1.

BOOK 0010 PAGE 0153

NO:
Mallard Creek Court
Mallard Creek Subdivision
Taxing District Ordinance
Page 2

IT IS FURTHER ORDAINED that the "annual benefit assessment" to be levied against all of the lots in that portion of the subdivision shall be approximately Four Hundred and Twenty-Seven Dollars and Thirty-Five Cents (\$427.35) per year; and

IT IS FURTHER ORDAINED that the County Commissioners of St. Mary's County, Maryland, shall certify the amount of each assessment to the Treasurer of St. Mary's County, Maryland on or before May 1 of the year following completion of the construction; and

IT IS FURTHER ORDAINED that the Treasurer of St. Mary's County, Maryland, shall place said annual benefit assessment on the State and County real estate tax bills for said lots for the next twenty (20) succeeding fiscal years and that said annual benefit assessments shall be subject to such discount allowances and interest penalties and charges as may be provided by law; and

IT IS FURTHER ORDAINED that said benefit assessment shall constitute a first lien on the lots against which they are assessed, until paid, subject only to prior State and County taxes; and

IT IS FURTHER ORDAINED that said benefit assessment shall not be prepaid without prior written consent of the Board of County Commissioners; and

IT IS FURTHER ORDAINED that no deed or conveyance of real estate subject to said lien shall be transferred by the Assessor of St. Mary's County, Maryland, until proof of payment of all benefit assessments then due has been exhibited; and

IT IS FURTHER ORDAINED that upon approval of this Ordinance by the County Commissioners, the County shall immediately assume responsibility for maintaining this road in the said subdivision; and

IT IS FURTHER ORDAINED that the properties affected by this Ordinance are as follows:

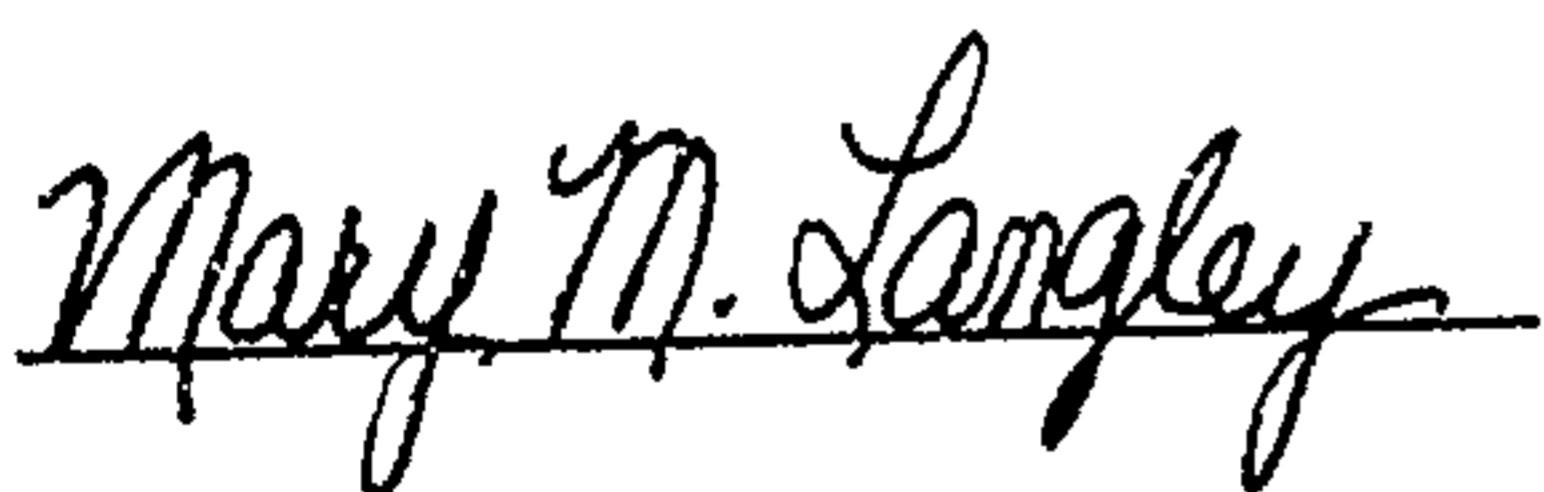
Tax Map 61, Parcel 402. Lots 1, 2, 3, 4, 5, 6, 7 and 8

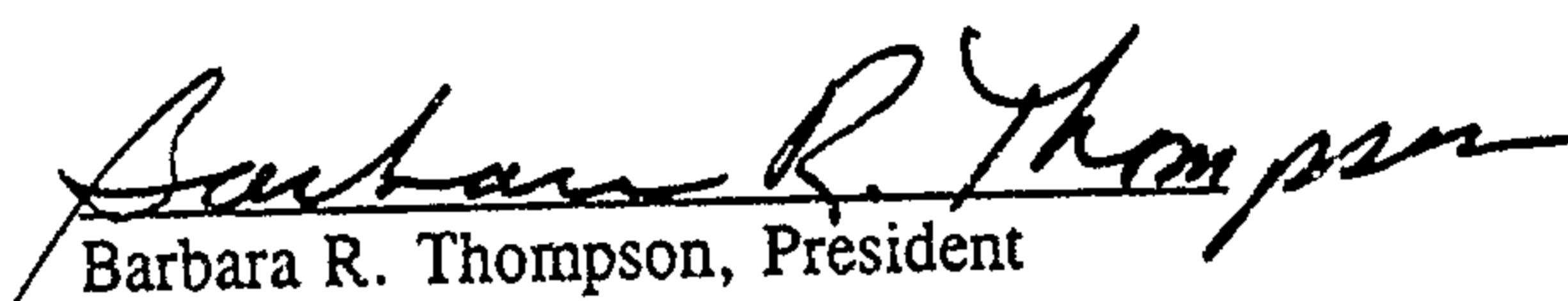
as shown on the aforesaid plat of the subdivision;

IT IS FURTHER ORDAINED that this Ordinance shall only be effective as aforesaid.

ATTEST:

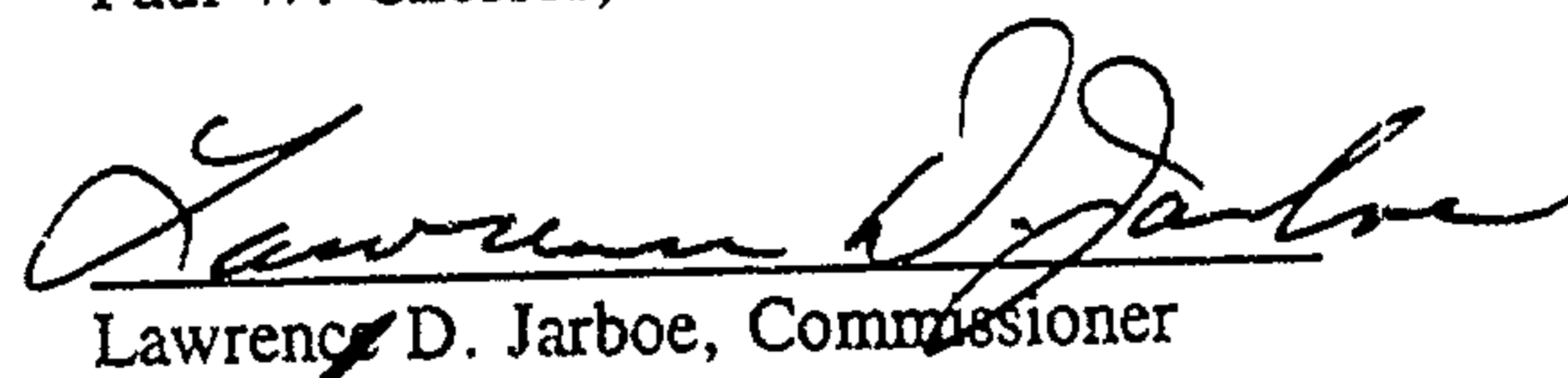
BOARD OF ST. MARY'S COUNTY COMMISSIONERS

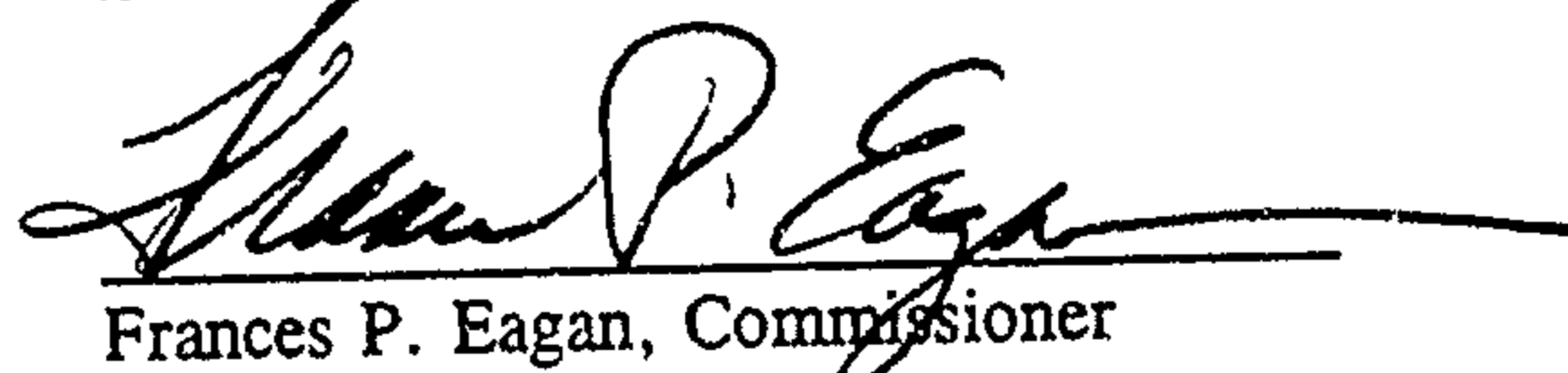

Mary M. Langley


Barbara R. Thompson, President

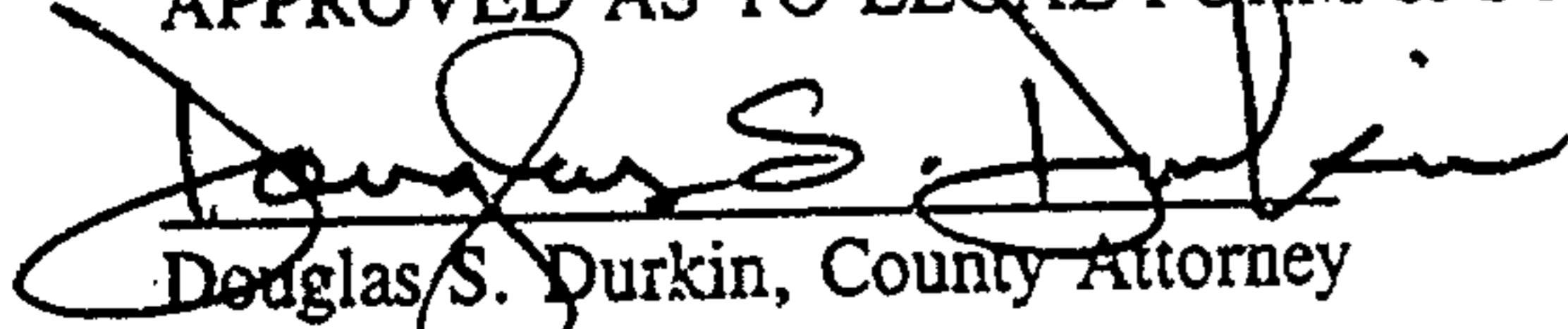
D. Christian Brugman, Commissioner

Paul W. Chesser, Commissioner


Lawrence D. Jarboe, Commissioner


Frances P. Eagan, Commissioner

APPROVED AS TO LEGAL FORM & SUFFICIENCY:


Douglas S. Durkin, County Attorney

DATE OF ADOPTION: 09/17/96

EFFECTIVE DATE: 09/17/96

RESOLUTION

WHEREAS, Health-General Article, §3-302 requires the governing body of each county to establish the process by which the county nominates an individual as health officer.

WHEREAS, after consideration by the Board of County Commissioners and upon recommendations received by the St. Mary's Community Health Advisory Committee, the Board of County Commissioners desires to establish a nomination process.

RECORDING FEE 0.00

NOW, THEREFORE, be it resolved by the Board of County Commissioners of St. Mary's County, that the nomination process of the health officer is established in accordance with Health-General Article, §3-302, as follows:

TOTAL 0.00

1. The nomination process for St. Mary's County Health Officer shall comply with all applicable state codes and regulations. The process shall maintain strict Equal Employment Opportunity (EEO) compliance;

Rest#0#03 Rct#3999999

2. The Board of County Commissioners shall determine whether the Health Officer position should be filled by a physician or a public health administrator with a physician deputy.

3. The candidate selection process for nomination shall conform to the St. Mary's County Manual of Personnel Policies and Procedures and the St. Mary's County Procurement Policy;

4. The candidate selection and recruitment process will include standard procedures employed by the Board of County Commissioners for selection of department heads, as well as the Maryland Department of Health and Mental Hygiene job posting process, and any other method deemed necessary by the Board of County Commissioners;

5. There shall be a Search and Selection Committee to consist of:

EMA PL B1k#145
Oct 22, 1996 10:15 am

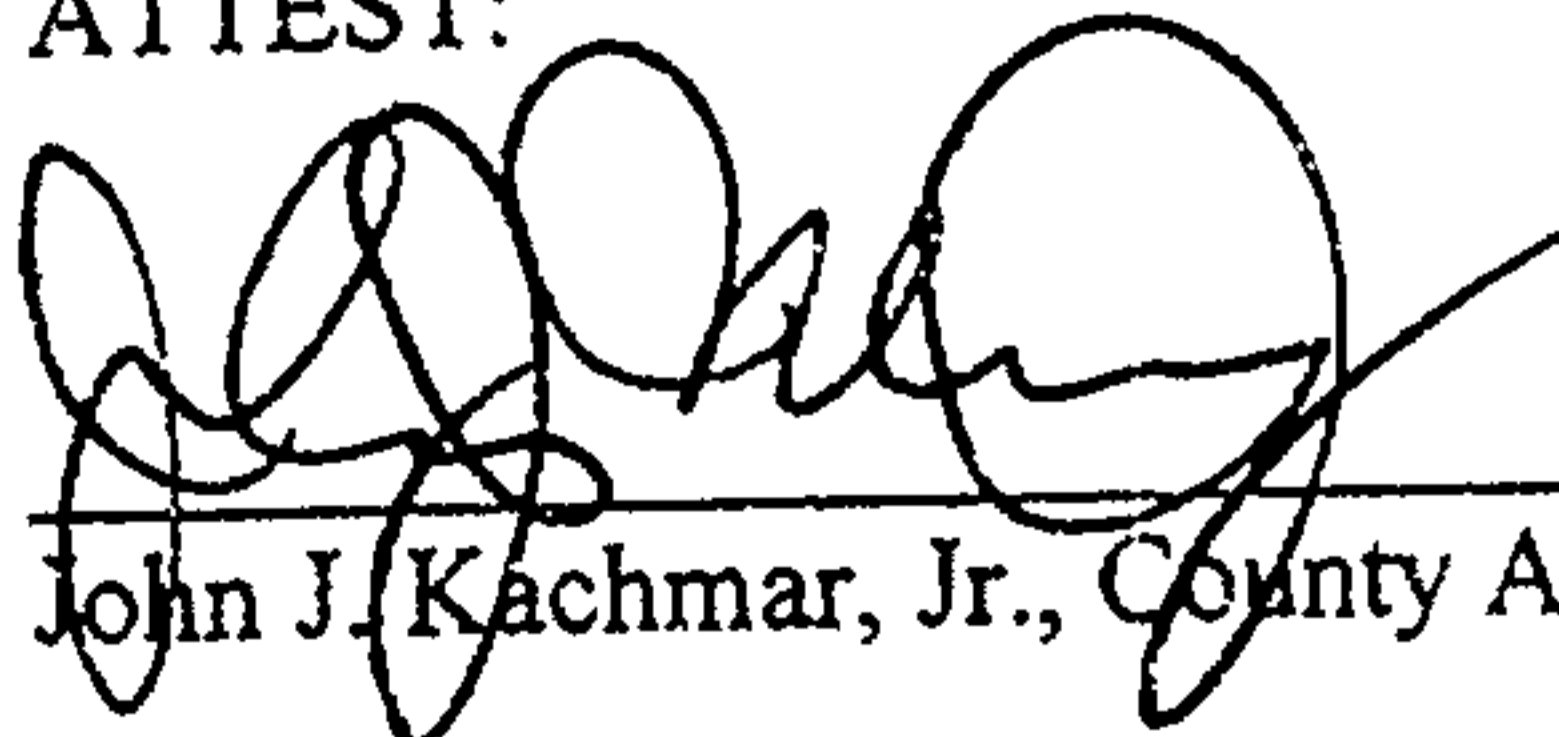
- a. Two members of the Community Health Advisory Committee,
- b. Retiring Health Officer,
- c. St. Mary's County Personnel Officer, and
- d. Two County Commissioners or their designee.

6. The Search and Selection Committee shall rank and recommend the five (5) highest ranked applicants to the Board of County Commissioners, sitting as the Board of Health, for their evaluation and consideration.

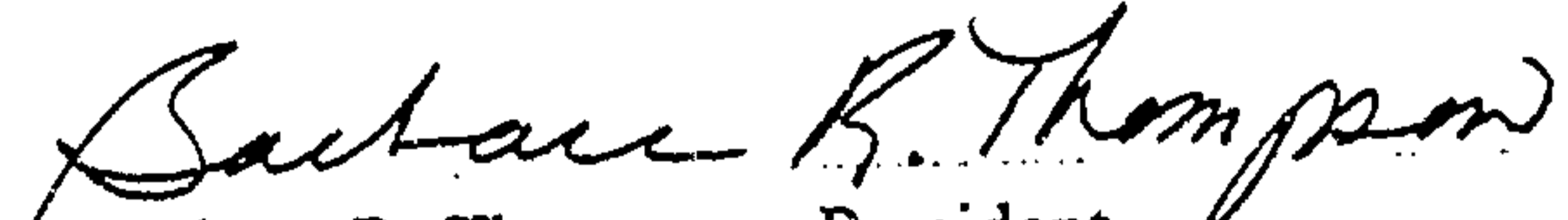
7. The Board of County Commissioners, sitting as the Board of Health, may interview the five highest ranked applicants and may nominate a final candidate to the Secretary of the Department of Health and Mental Hygiene for consideration and appointment.

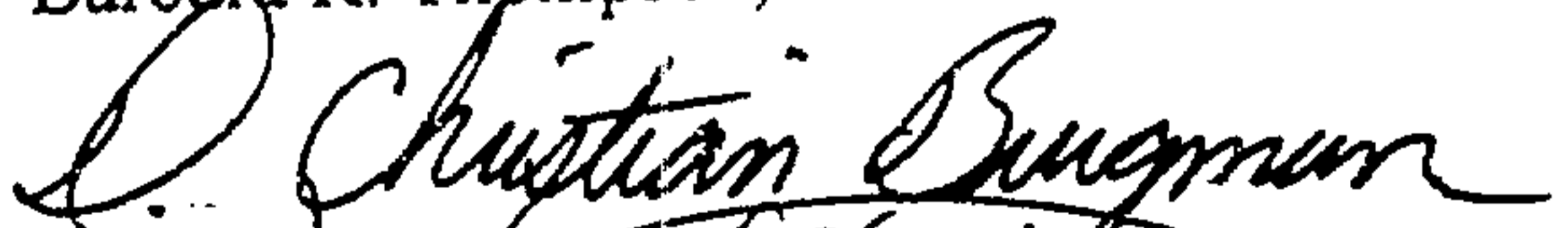
8. The Board of County Commissioners, sitting as the Board of Health, may reject the final candidates and direct the Search and Selection Committee to recommend alternate candidates for consideration and nomination.

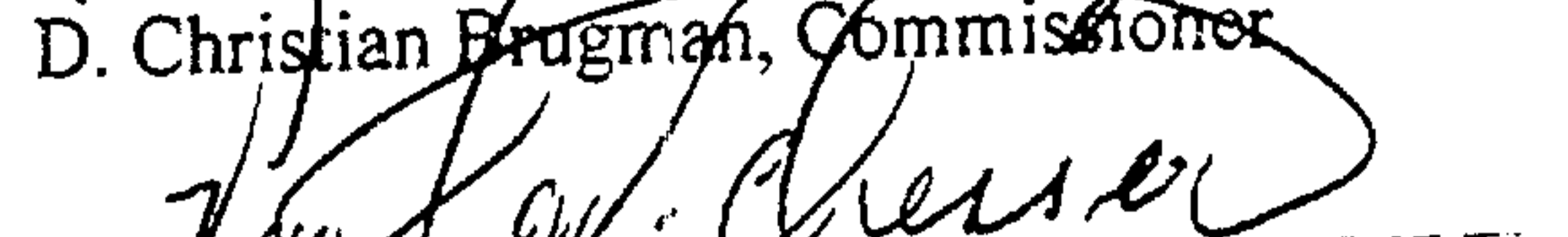
ATTEST:



John J. Kachmar, Jr., County Administrator

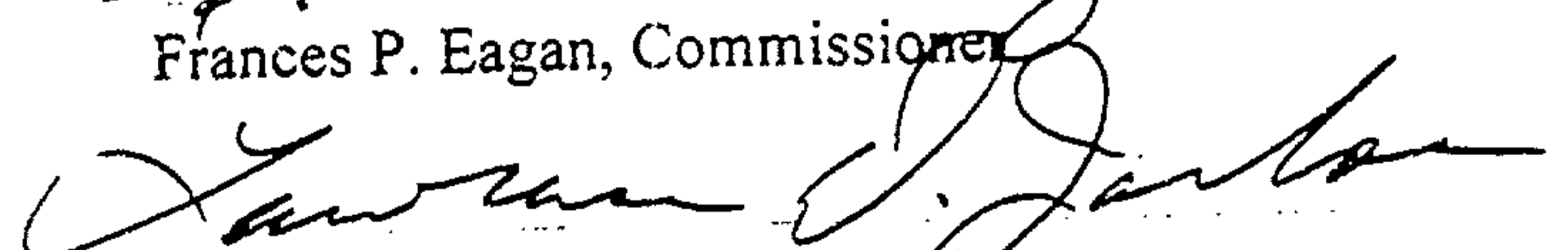
BOARD OF COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY, MARYLAND


Barbara R. Thompson, President


D. Christian Brugman, Commissioner


Paul W. Chesser, Commissioner


Frances P. Eagan, Commissioner


Lawrence D. Jarboe, Commissioner

Date of Adoption:

9-26-96

ORDINANCE

WHEREAS, the Board of County Commissioners believe it is in the best interest of the County to amend the Fiscal Year 1997 General Fund Operating Budget to increase the appropriation for the Office of Children and Youth, Alliance for Alcohol/Drug Abuse Prevention for St. Mary's County, and

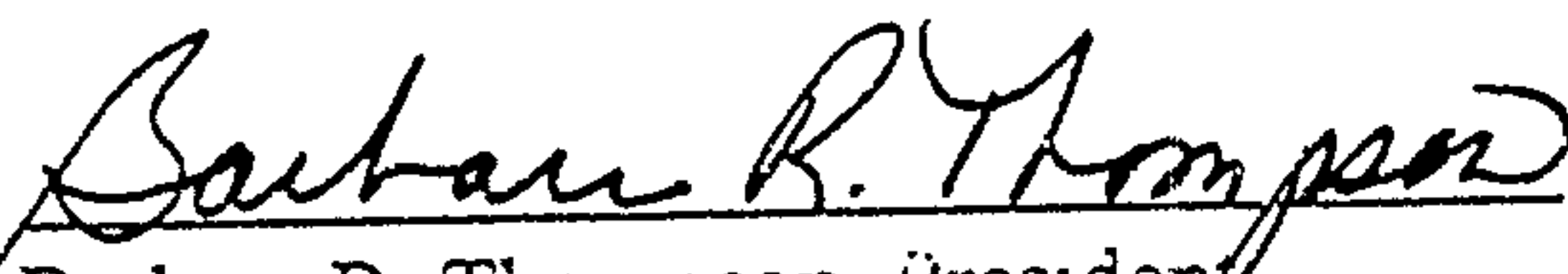
WHEREAS, the St. Mary's County Director of Finance has certified in writing that such funds in the amount of \$40,000 are available in the form of Federal grant funds administered through the Governor's Office of Crime Control and Prevention, and \$2,500 in private grant funds for the purpose of establishing the St. Mary's County Youth Service Corps, providing year-round Counselors-in-Training Program for high risk youth, which would supplement the existing Summer of Safety Counselors-in-Training Program for St. Mary's County;

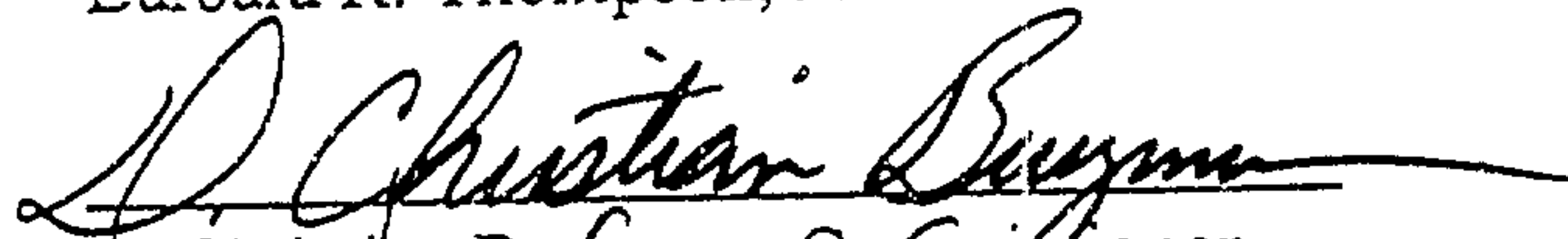
NOW, THEREFORE, BE IT ORDAINED that the Board of County Commissioners after due notice conducted a public hearing on September 17, 1996 to present and explain the requirements to increase the Fiscal Year 1997 Budget in the amount of \$42,500.00 (Forty-Two Thousand Five Hundred Dollars), and such increase is hereby approved this first day of October, 1996, by the Board of County Commissioners of St. Mary's County, Maryland.

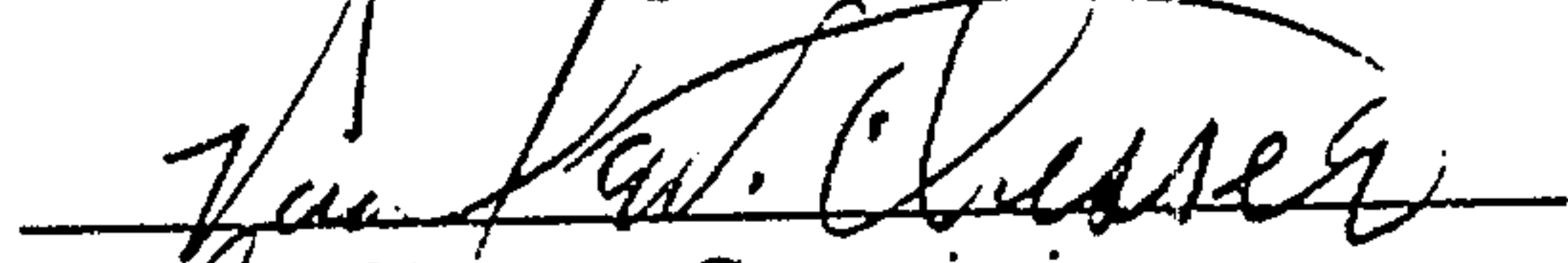
Date of Adoption: 10-1-96


Effective Date: 10-1-96

BOARD OF COUNTY COMMISSIONERS
OF ST. MARY'S COUNTY, MARYLAND


Barbara R. Thompson, President



D. Christian Brugman, Commissioner



Paul W. Chesser, Commissioner


Frances P. Eagan, Commissioner


Lawrence D. Jarboe, Commissioner

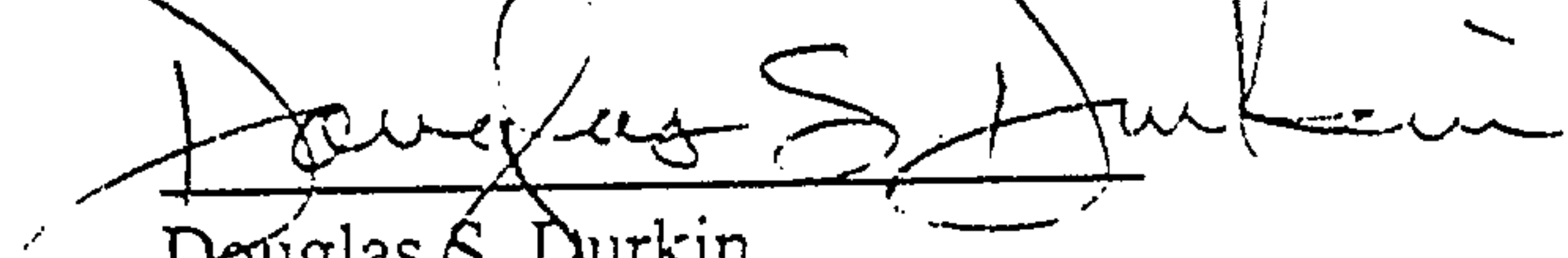
ATTEST:


John J. Kachmar Jr.
County Administrator


Steven E. Welkos
Director of Finance

RECORDING FEE 0.00
TOTAL 0.00
Res#5402 Rct#1333999
EHA MAB BIK#271
Oct 03, 1996 02:54 PM

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:


Douglas S. Durkin
County Attorney

No: 96-28
Subject: FY 1997 Supplemental
Appropriation
Local Interagency Childhood
Committee

ORDINANCE

WHEREAS, the Board of County Commissioners believe it is in the best interest of the County to amend the Fiscal Year 1997 General Fund Operating Budget to increase the appropriation for the Office of Children and Youth for St. Mary's County, and

WHEREAS, the St. Mary's County Director of Finance has certified in writing that such funds in the amount of \$3,200 are available in the form of State grant funds administered by the Governor's Office for Children, Youth, and Families for the purpose of providing support for the Southern Maryland Interagency Children's Committee to plan programs for parent and community education concerning family and children issues, promoting collaboration among family-serving agencies in the County.

NOW, THEREFORE, BE IT ORDAINED that the Board of County Commissioners after due notice conducted a public hearing on September 17, 1996 to present and explain the requirements to increase the Fiscal Year 1997 Budget in the amount of \$3,200.00 (Three Thousand Two Hundred Dollars), and such increase is hereby approved this 10th day of October, 1996, by the Board of County Commissioners of St. Mary's County, Maryland.

Date of Adoption: 10-1-96

Effective Date: 10-1-96

BOARD OF COUNTY COMMISSIONERS
OF ST. MARY'S COUNTY, MARYLAND

Barbara R. Thompson
Barbara R. Thompson, President

D. Christian Brugman
D. Christian Brugman, Commissioner

Paul W. Chesser
Paul W. Chesser, Commissioner

Frances P. Eagan
Frances P. Eagan, Commissioner

Lawrence D. Jarboe
Lawrence D. Jarboe, Commissioner

ATTEST:

John J. Kachmar Jr.
John J. Kachmar Jr.
County Administrator

Steven E. Welkos
Steven E. Welkos
Director of Finance

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

Douglas S. Durkin
Douglas S. Durkin
County Attorney

RECORDING FEE 0.00
TOTAL 0.00
Res#SN02 Rcpt#999999
EWA MAB BIK#271
Oct 09, 1996 02:55 PM

RESOLUTION NO: 96- 29

SUBJECT: Operation of St. Mary's Nursing Center

RESOLUTION

WHEREAS, the Board of County Commissioners of St. Mary's County has owned and operated a nursing home for many decades, starting with the Almshouse, followed by the first nursing home which is now occupied by the St. Mary's County Health Department, and now the current Nursing Center built in 1986 and expanded in 1992;

RECORDING FEE 0.00
TOTAL 0.00

WHEREAS, the St. Mary's Nursing Center has at all times been owned by the Board of County Commissioners and operated as a branch of County Government, with the exception of a brief period of time in 1985 to 1986 when the assets were temporarily conveyed to a non-profit corporation. Upon discovery that the non-profit corporation could not finance the construction of the current nursing home, ownership, management and control were reconveyed to the Board of County Commissioners in 1986;

REGISTERED COPY #999999
FVA MAR 21/1996

WHEREAS, the Department of Health and Mental Hygiene issued the St. Mary's Nursing Center license to the St. Mary's County Commissioners in 1986;

WHEREAS, upon receipt of the assets of the non-profit corporation, the Board of County Commissioners of St. Mary's County, Maryland transferred the St. Mary's County Nursing Home, Inc. project to the St. Mary's County Building Authority Commission on March 11, 1986, as evidenced by Resolution No. 86-20 adopted August 19, 1986;

Oct 09, 1996 02:56 PM

WHEREAS, the St. Mary's County Building Authority Commission issued \$5,360,000 in municipal bonds to finance construction of the current Nursing Center in 1986;

WHEREAS, the St. Mary's County Building Authority Commission issued \$8,910,000 in municipal bonds in 1992 in order to refinance the 1986 bonds and expand the Nursing Center;

WHEREAS, the Board of County Commissioners of St. Mary's County and the St. Mary's County Building Authority Commission entered into a Lease Agreement dated July 15, 1986 and again on September 15, 1992 for the Nursing Center wherein the Building Authority agreed to operate the Nursing Center and the Project for and on behalf of the Board of County Commissioners until otherwise notified in writing by the County, as set forth in §5.03 of the Lease Agreement;

WHEREAS, the St. Mary's County Building Authority Commission and the Board of Directors of St. Mary's Nursing Center entered into an Operation Agreement on July 15, 1986 which designated the Board of Directors of St. Mary's Nursing Home as supervisor of the Nursing Center and operator of the Facility;

WHEREAS, the term of the Operation Agreement was extended to July 15, 1996 by Addendum dated July 28, 1992;

WHEREAS, the Operation Agreement was further amended by agreement dated September 15, 1992 to facilitate the refinancing of the bonds and expansion of the facility but the termination date of July 15, 1996 was not extended;

WHEREAS, the Operation Agreement expired on July 15, 1996;

WHEREAS, in order for the Board of County Commissioners to exercise more direct control and involvement in Nursing Center operations, it is the desire of the Board of County Commissioners and the St. Mary's Nursing Center Board that full management and operational control of the St. Mary's Nursing Center be exercised by the Board of County Commissioners;

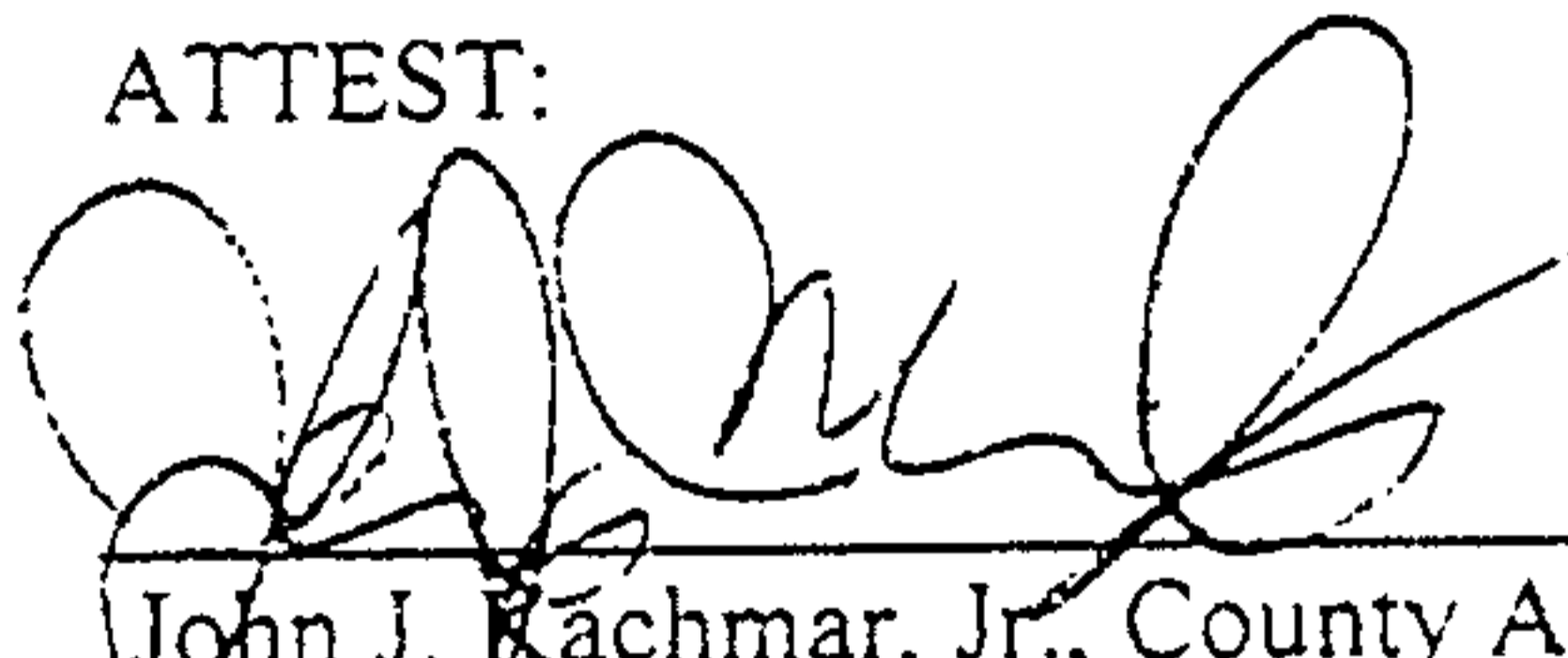
WHEREAS, the Nursing Center Board and the Building Authority Commission have expressed their desire to relinquish whatever management and operational authority they may have previously held;

NOW, THEREFORE, be it resolved by the Board of County Commissioners of St. Mary's County, as follows:


1. The Board of County Commissioners of St. Mary's County shall assume full management responsibilities, and operational control of the St. Mary's Nursing Center effective at twelve o'clock noon on October 3, 1996.
2. In accordance with §5.03 of the Lease Agreement between the Board of County Commissioners and the Building Authority Commission, this Resolution shall serve as notice to the Building Authority Commission that the Board of County Commissioners will assume operation of the Nursing Center.
3. The Building Authority Commission's role and responsibility in the operation and management of the St. Mary's Nursing Center is hereby removed and terminated. However, all agreements between the Board of County Commissioners and the Building Authority Commission relating to the Building Authority Commission bonds for the Nursing Center shall remain in full force and effect.
4. All other management and operational functions of the St. Mary's Nursing Center shall remain as currently provided.
5. Under County Commissioner management, the St. Mary's Nursing Center shall be operated under a separate personnel system from that of St. Mary's County Government, with its own wage and salary scale and with its independent pension program, unless alternative arrangements are made in the future.
6. There shall be no alteration of any existing contracts entered into by or on behalf of the Nursing Center, except as may be specifically provided for in the future.
7. The Board of County Commissioners hereby accepts the resignation of the Board of Directors of the Nursing Home as an operating board and reappoints the present Nursing Center Board members for the remainder of their terms as an advisory board to the Board of County Commissioners.

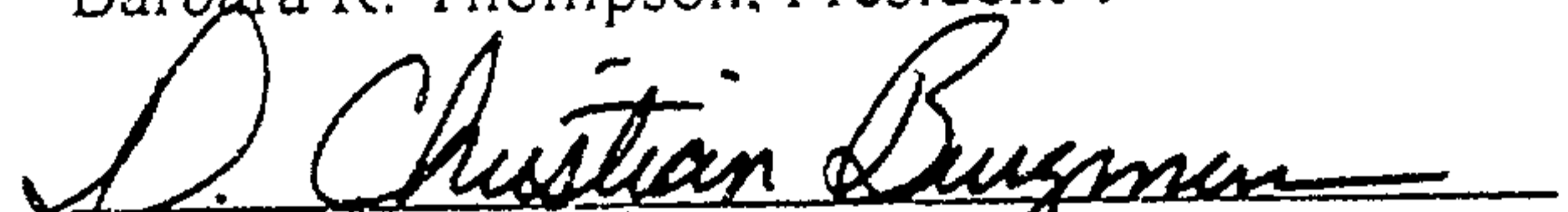
DATE OF ADOPTION: 10-1-96
EFFECTIVE DATE: 10-3-96

ATTEST:


John J. Kachmar, Jr., County Administrator


BOARD OF COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY, MARYLAND


Barbara R. Thompson, President

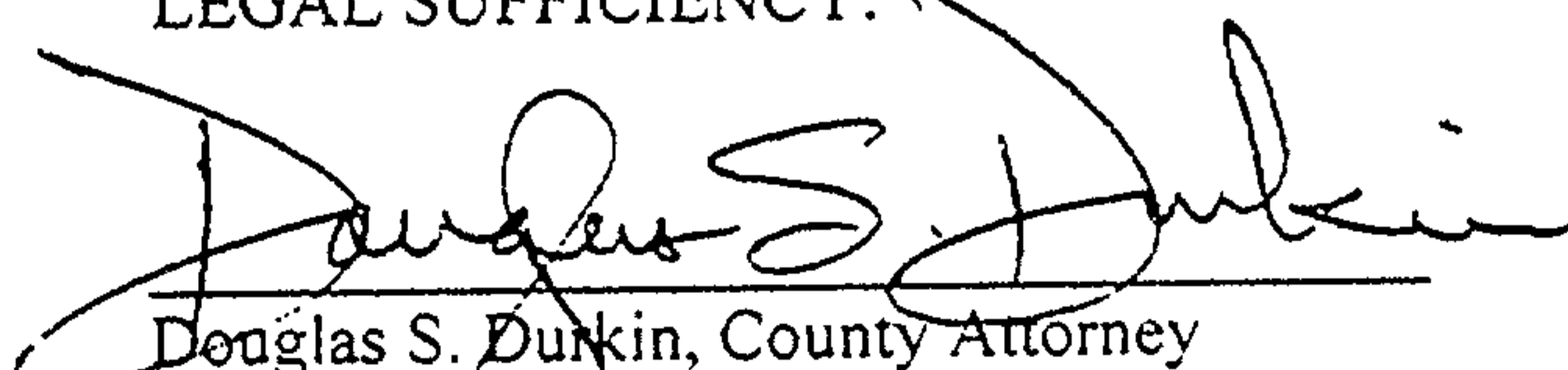

D. Christian Brugman, Commissioner


Paul W. Chesser, Commissioner


Frances P. Eagan, Commissioner


Lawrence D. Jarboe, Commissioner

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:


Douglas S. Dunkin, County Attorney

RESOLUTION NO: 96-30

SUBJECT: Municipal Infractions

RESOLUTION

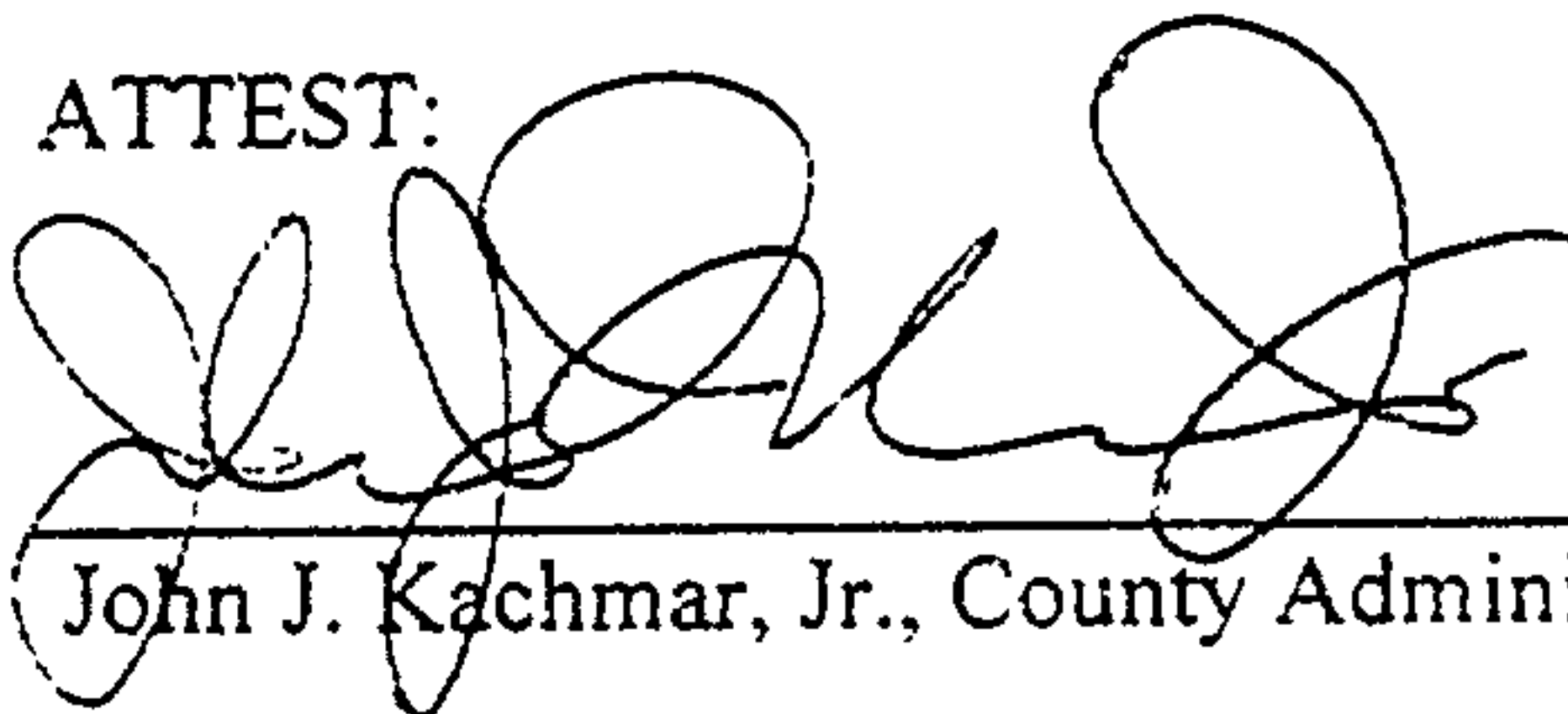
WHEREAS, Article 23A, §3(a)(15) authorizes the Board of County Commissioners to designate an attorney other than the State's Attorney to prosecute municipal infractions. Previously, the Board of County Commissioners designated the State's Attorney's Office to prosecute municipal infractions.

WHEREAS, upon the request of the State's Attorney's Office and upon consent of the Honorable C. Clarke Raley, it is the desire of the Board of County Commissioners to designate the County Attorney's Office to prosecute municipal infractions effective on the date of the appointment of the Assistant County Attorney.


NOW, THEREFORE, be it resolved by the Board of County Commissioners of St. Mary's County, that the County Attorney's Office is hereby designated as being responsible for prosecution of municipal infractions upon the appointment of the Assistant County Attorney.

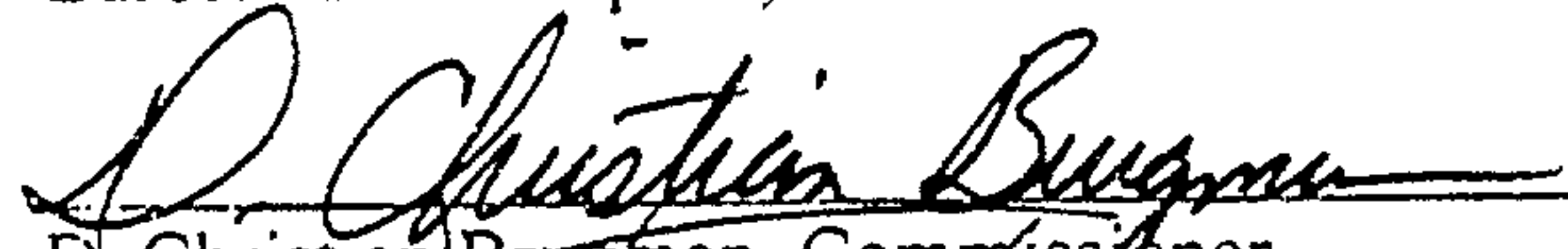
DATE OF ADOPTION: 10-1-96

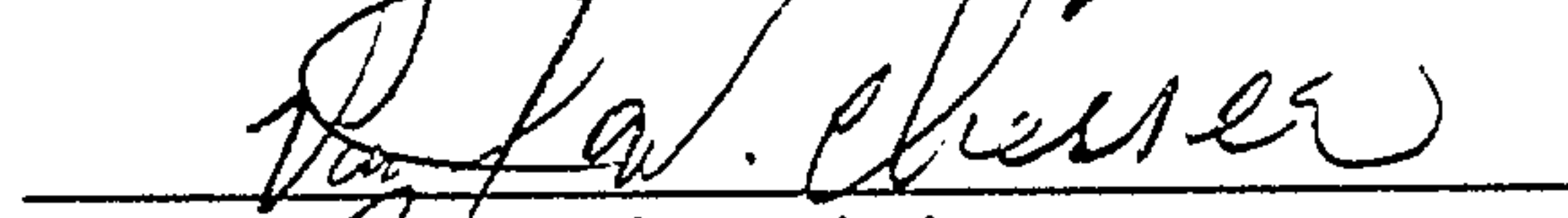
ATTEST:

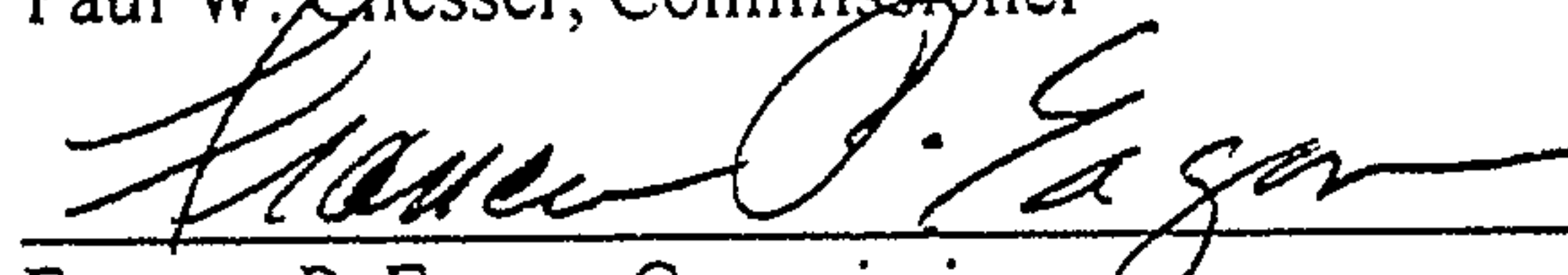

John J. Kachmar, Jr., County Administrator

BOARD OF COUNTY COMMISSIONERS OF
ST. MARY'S COUNTY, MARYLAND


Barbara R. Thompson, President

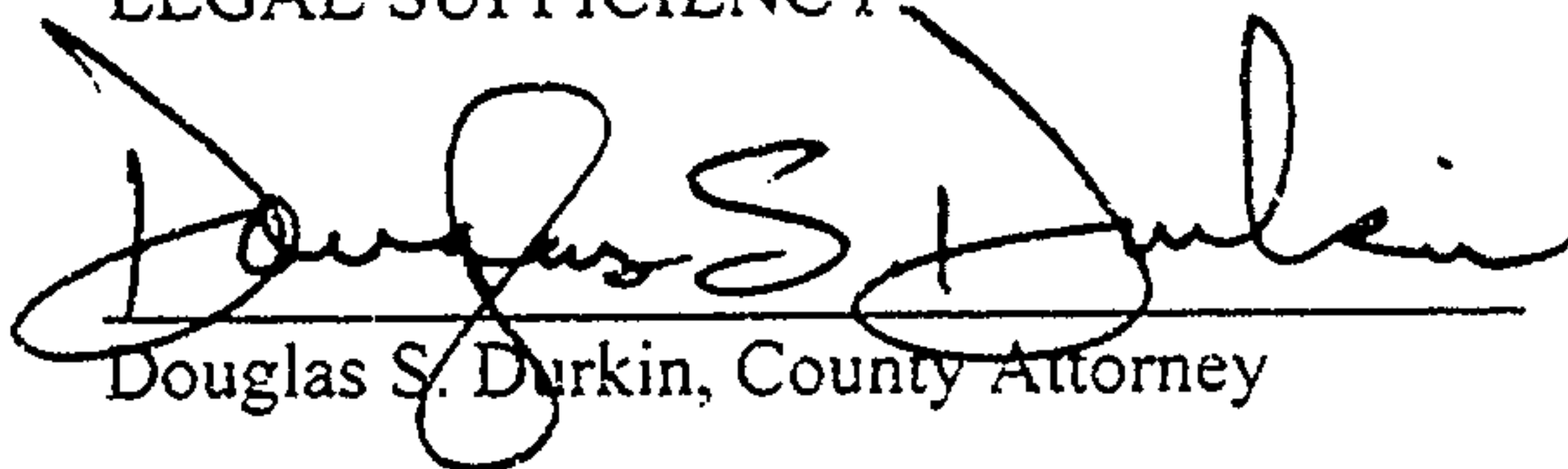

D. Christian Brugman, Commissioner


Paul W. Chesser, Commissioner


Frances P. Eagan, Commissioner


Lawrence D. Jarboe, Commissioner

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:


Douglas S. Durkin, County Attorney

RECORDING FEE 0.00
TOTAL 0.00
Rec#3402 Rcpt#999999
EWA MAB BIK#271
Oct 09, 1996 02:57 PM

RESOLUTION

WHEREAS, the Board of County Commissioners adopted Resolution No. 89-21 on August 8, 1989, adopting certain Impact Fees for new residential construction in St. Mary's County, Maryland; and

WHEREAS, under Resolution 89-21, the Impact Fees were payable upon issuance of a building permit; and

WHEREAS, under Resolution 91-10, effective May 1, 1991, the payment of Impact Fees was deferred until the earlier of the issuance of any Certificate of Use and Occupancy or one year from issuance of building permit; and

WHEREAS, under Resolution No. 93-28, which amended Resolution No. 91-10 and Resolution No. 89-21, a penalty and interest was assessed for delinquent payments; and

WHEREAS, on May 10, 1994, the Board of County Commissioners received a report commissioned by the Board entitled "Streamlining St. Mary's Development Review and Approval Process", which among other things, recommends elimination of the Impact Fee deferral in order to further streamline the building permit process; and

WHEREAS, the Development Review Forum has reviewed the proposal and recommends elimination of the fee in order to further streamline the building permit process; and

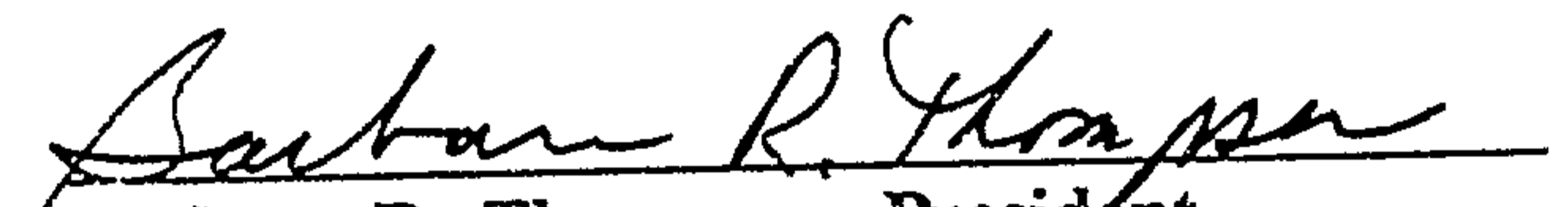
WHEREAS, the economic conditions that led to Impact Fee deferral no longer exist.


NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of St. Mary's County, Maryland, that Resolution No. 91-10 and Resolution No. 93-28 are rescinded and Resolution No. 89-21 reenacted so that the Impact Fees are payable upon the issuance of any building permit issued on or after December 2, 1996.

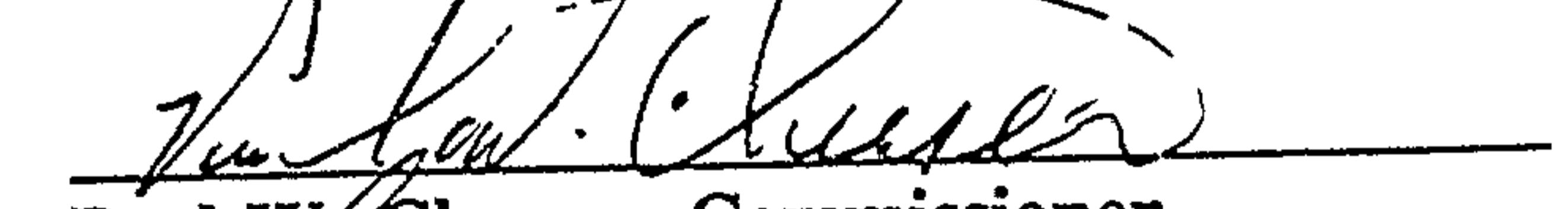
ADOPTION DATE: 10/8/96


BOARD OF COUNTY COMMISSIONERS
ST. MARY'S COUNTY, MARYLAND

EFFECTIVE DATE: 12/2/96



Barbara R. Thompson, President


D. Christian Brugman, Commissioner


Paul W. Chesser, Commissioner


Frances P. Eagan, Commissioner

Lawrence D. Jarboe, Commissioner

ATTEST: 
John J. Kachmar, County Administrator

RECORDING FEE 0.00
TOTAL 0.00
Res#3482 Rct#333333
EWA MAB BIK#271
Oct 09, 1996 02:58 PM