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**COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND**

Legislative Session

1992

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Resolution No. CR-107-

1992

Proposed by The Chairman (by request - County Executive)

Introduced by Council Member MacKinnon

Co-Sponsors

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Date of Introduction October 13,  
1992

**RESOLUTION**

A RESOLUTION concerning

Economic Development Revenue Bonds

FOR the purpose of authorizing and providing for the issuance, sale and delivery by Prince George's County, Maryland (the "County") of its revenue refunding bonds pursuant to the provisions of the Maryland Economic Development Revenue Bond Act or such other statutory authority as may be effective when such revenue bonds are issued, in order to lend or otherwise make available the proceeds thereof to Centre Group Limited Partnership, a Maryland limited partnership, for the purpose of

refunding the outstanding aggregate principal amount of the Prince George's County, Maryland Sports Arena Revenue Bonds (Washington National Arena Limited Partnership)

Due 1980-2002; authorizing the acceptance of a letter of intent as evidence of the present intent of the County to issue such revenue bonds; providing that the principal amount of such revenue bonds and the interest thereon (a) shall be payable solely from the revenues to be received in connection with the refunding and from any other moneys made available to the County for such purpose, and (b) shall never constitute an indebtedness or a charge against the full faith and credit or taxing powers of the County and shall never constitute or give rise to any pecuniary liability of the County; providing that the maximum aggregate principal amount of revenue bonds that may be issued may not exceed \$14,000,000; and generally providing for and determining various matters in connection with the authorization, issuance, sale and delivery of such revenue bonds and the consummation of the transactions contemplated by this Resolution.

RECITALS

The Maryland Economic Development Revenue Bond Act, Sections 14- 101 through 14-109 of Article 41 of the Annotated Code of Maryland (1990 Replacement Volume and 1992 Cumulative Supplement) (the "Act"), empowers the counties and municipalities of the State of Maryland to borrow money by issuing revenue bonds for the purpose of financing and

refinancing the costs of "acquisition" of one or more "facilities" for one or more "facility users" or of refunding outstanding "bonds" (as such terms are defined in the Act). Among the declared legislative purposes of the Act are to relieve conditions of unemployment in the State of Maryland (the "State"), to encourage the increase of industry and commerce and a balanced economy in the State, to assist in the retention of existing industry and commerce and in the attraction of new industry and commerce in the State through, among other things, port development and the control, reduction, or abatement of environmental pollution and disposal of wastes, to promote economic development, to protect natural resources and encourage resource recovery, and generally to promote the health, welfare and safety of the residents of each of the counties and municipalities of the State.

Centre Group Limited Partnership, a Maryland limited partnership (the "Borrower") has submitted a letter of intent (the "Letter of Intent") dated September 30, 1992, a copy of which is attached hereto as Exhibit A, to Prince George's County, Maryland (the "County"), requesting the issuance of revenue bonds in a principal amount not exceeding \$14,000,000 and the loan of the proceeds to the Borrower for the purpose of refunding the outstanding aggregate principal amount of the \$20,000,000 Prince George's County, Maryland Sports Arena Revenue Bonds (Washington National Arena Limited Partnership) Due 1980-2002 issued by the County on January 5, 1978 (the "1978 Bonds") and thus refinancing the costs of acquisition

(within the meaning of the Act) of certain sports arena facilities consisting of the Capital Centre and office building, and parking lots adjacent thereto, and the costs of construction, acquisition and installation of improvements, machinery and equipment necessary or useful in connection therewith, and used in connection with the operation thereof (the "Facilities") financed and refinanced by the 1978 Bonds and located in the County at One Harry S. Truman Drive, Landover, Maryland 20785, together with all existing improvements thereon. By virtue of a Certificate of Amendment to its Certificate of Limited Partnership, effective on or about March 31, 1989, the Borrower changed its name from Washington National Arena Limited Partnership to Centre Group Limited Partnership.

The 1978 Bonds are referred to herein as the "Outstanding Bonds".

The Borrower recognizes that any revenue bonds issued pursuant to this Resolution will be limited obligations of the County and will not be issued upon the County's faith and credit or taxing powers. The County has determined to authorize the issuance of such revenue bonds. The County intends that, because such revenue bonds will be used exclusively to refund the Outstanding Bonds and will be issued in an amount not in excess of the outstanding aggregate principal amount of the Outstanding Bonds, such revenue bonds will not be subject to any limit on the amount of "private activity bonds" that may be issued within the State imposed by

the Internal Revenue Code of 1986 or the Internal Revenue Code of 1954.

SECTION 1. NOW, THEREFORE, BE IT RESOLVED by the County

Council of Prince George's County, Maryland, that, acting pursuant to the Act, it is hereby found and determined as follows:

(a) When used in this Resolution the following terms shall have the meanings given them by the Act: acquisition; bonds; facility or facilities; facility applicant; and facility user.

(b) When used in this Resolution the term "Authorized Officer" shall mean the County Executive or, to the extent heretofore or hereafter provided by order of the County Executive or otherwise, the Chief Administrative Officer or other duly authorized officer.

(c) The County intends to issue and sell its bonds (the "Bonds") in an aggregate principal amount not to exceed \$14,000,000 in order to lend or otherwise make available the proceeds thereof (the "Loan") to the Borrower, for the purpose of refunding the aggregate principal amount of the Outstanding Bonds. The Facilities shall include such land, interests in land, buildings, structures, machinery, equipment, furnishings and other real or personal property as may be necessary or desirable in connection with the construction, acquisition and installation of the Facilities and approved by the Authorized Officer as hereinafter provided.

(d) The Facilities constitute "facilities" and the Borrower constitutes a "facility applicant" and a "facility user," all as evidenced by the Letter of Intent. The Outstanding Bonds constitute "bonds" as defined in the Act.

(e) In order better to accomplish the public purposes of the Act it is important that the cost of financing the Facilities be stabilized and reduced insofar as practicable. The Outstanding Bonds were issued at a fixed rate of 9% per annum. The Borrower is also required to pay "Additional Interest" annually equal to .75% of the Borrower's gross revenues. Because long-term, fixed interest rates are currently low, refunding the Outstanding Bonds with bonds bearing interest at a lower rate than that payable on the Outstanding Bonds (including Additional Interest) will significantly reduce the cost of financing the Facilities.

(f) The issuance, sale and delivery of the Bonds in order to refund the Outstanding Bonds is thus expected to result in the stabilization and reduction in the cost of financing the Facilities. The accomplishment of the transactions contemplated and authorized by this Resolution, including (without limitation) the acquisition of the Facilities and the financing and refinancing thereof, shall promote the declared legislative purposes of the Act by encouraging the increase of industry and commerce and a balanced economy in the County and the State; assisting in the retention of existing industry and commerce by enhancing the economic viability of the Borrower and in the attraction of new

industry and commerce in the County and the State through, among other things, promoting economic development; and generally promoting the health, welfare and safety of the residents of the County and the State.

(g) The issuance of bonds to refund the Outstanding Bonds will also promote the declared legislative purposes of Section 24 of Article 31 of the Annotated Code of Maryland (1990 Replacement Volume, 1992 Supplement) by achieving a debt restructuring that will be in the best interests of the Borrower and the County, be consistent with the long term financial goals of the Borrower and the County with respect to the financing of the acquisition of the Facilities, and realize financial objectives of the Borrower and the County with respect to the financing of the acquisition of the Facilities, including stabilization and reduction of the annual interest costs of such financing.

(h) The principal of and premium, if any, and interest on the Bonds shall never constitute an indebtedness or a charge against the full faith and credit or taxing powers of the County within the meaning of any constitutional or charter provision or statutory limitation and shall never constitute or give rise to any pecuniary liability of the County. The Bonds shall be limited obligations of the County, the principal of and premium, if any, and interest on which shall be payable solely from the revenues received in connection with the financing and refinancing of the Facilities and from any other moneys made available to the County for such purpose.

(i) Neither the proceeds of the Bonds nor the payments on account of the principal of and premium, if any, and interest on the Bonds will be commingled with the County's funds or will be subject to the absolute control of the County, but will be subject only to such limited supervision and checks as are deemed necessary or desirable to insure that the proceeds of the Bonds are used to accomplish the public purposes of the Act and this Resolution. The transactions contemplated by this Resolution do not constitute the acquisition of any physical public betterment or improvement of property for public use.

(j) The Borrower recognizes that the tax exempt status of the Bonds, if issued, will be determined under federal and state laws which are not subject to the County's control and which may be changed without the County's knowledge or consent and that, consequently, the County can give no assurance and makes no representation that the income from the Bonds, if issued, will be tax exempt.

SECTION 2. BE IT FURTHER RESOLVED that the County Executive of the County is hereby authorized to accept, on behalf of the County, the Letter of Intent to evidence the County's intent to issue the Bonds as provided in this Resolution.

SECTION 3. BE IT FURTHER RESOLVED that the County is hereby authorized to issue, sell and deliver the Bonds at any time and from time to time in one or more series, in the maximum aggregate principal amount of FOURTEEN MILLION DOLLARS

(\$14,000,000), in order to lend or otherwise make available the proceeds thereof to the Borrower for the purpose of refunding all or a portion of the Outstanding Bonds. The principal of and premium, if any, and interest on the Bonds shall be payable solely from the revenues to be received in connection with the financing and refinancing of the Facilities and from any other moneys made available to the County for such purpose--all as more particularly specified, prescribed and determined by the Authorized Officer in accordance with the provisions of this Resolution.

SECTION 4. BE IT FURTHER RESOLVED that the Authorized Officer is hereby authorized to specify, prescribe, determine, provide for and approve--all within the limitations of this Resolution and the Act--all matters, details, forms, documents and procedures pertaining to the sale, security, issuance, delivery and payment of or for the Bonds, including (without limitation):

(a) the principal amount of the Bonds to be issued at any one time and from time to time; the rate or rates of interest thereon; the date or dates of maturity thereof; provisions for the payment, prepayment and redemption thereof; provisions for a sinking fund; the designation or designations of the Bonds and of any series; and the date or dates of issuance thereof;

(b) the form, tenor, terms and conditions of the Bonds and provisions for the registration and transfer of the Bonds;

(c) the form and contents of, and provisions for the

execution and delivery of, such financing documents as the Authorized Officer shall deem necessary or desirable to evidence, secure or effectuate the Loan and the issuance, sale and delivery of the Bonds, including (without limitation) any loan agreements, trust agreements or indentures, notes, mortgages, security agreements, assignments, guarantees, financing agreements or escrow agreements;

(d) provision for the payment directly by the Borrower, whether or not the proposed financing is consummated, of all expenses of preparing, printing and selling the Bonds (including, without limitation, any and all costs, fees and expenses incurred by or on behalf of the County in connection with the authorization, issuance, sale and delivery of the Bonds) and of all costs incurred in connection with the development of the appropriate legal documents (including the fees of counsel to the County and bond counsel and compensation to any persons, other than full-time employees of the County, or entities performing services for or on behalf of the County in connection therewith and in connection with all other transactions contemplated by this Resolution);

(e) the creation of security for the Bonds and provision for the administration of the Bonds, including (without limitation) the appointment of such trustees, escrow agents, paying agents, registrars or other agents as the Authorized Officer shall deem necessary or desirable to effectuate the transactions authorized hereby;

(f) the preparation and distribution, in conjunction

with representatives of the Borrower and the prospective purchasers of or underwriters for the Bonds of any series, of both preliminary and final official statements, placement memoranda or offering circulars in connection with the sale of the Bonds of any series, if such preliminary and official statements, placement memoranda or offering circulars are determined to be necessary or desirable for the sale of the Bonds of such series;

(g) the form and contents of, and provisions for the execution and delivery of, a contract or contracts for the purchase and sale of the Bonds of any series (or any portion thereof); and

(h) such other matters in connection with the authorization, issuance, execution, sale, delivery and payment of the Bonds, the security for the Bonds and the Loan, and the consummation of the transactions contemplated by this Resolution as may be deemed appropriate and approved by the Authorized Officer, including (without limitation) establishing procedures for the execution, acknowledgment, sealing and delivery of such other and further agreements, documents and instruments, and the authorization of the officials of the County to take any and all actions, as may be necessary or appropriate to consummate the transactions contemplated by this Resolution in accordance with the Act and this Resolution.

The Authorized Officer is hereby authorized to prescribe procedures to facilitate the prompt determination and approval of one or more of the matters set forth above. Such

procedures may include telephonic approval and subsequent telegraphic or written confirmation of one or more of such matters by a designated officer of the County within guidelines or parameters prescribed by the Authorized Officer. The Authorized Officer is further authorized (1) to establish procedures for the utilization of variable or floating rates of interest, (2) to enter into arrangements with a bank or other appropriate institution to facilitate the purchase, repurchase, sale, transfer or payment of Bonds, including (without limitation) the use of general or standby letters of credit, revolving credit facilities, repurchase agreements or other similar arrangements and (3) to take such actions as may be necessary to implement a program for the issuance of Bonds in the nature of commercial paper, demand notes or floating rate obligations.

Orders issued pursuant to this Resolution shall be deemed to be of an administrative nature and shall be effective upon the effective date specified therein.

SECTION 5. BE IT FURTHER RESOLVED that, as permitted by the Act, the Bonds of each series shall be sold at private (negotiated) sale and at par, unless the Authorized Officer deems it to be in the best interests of the County to sell the Bonds of any series at public sale or at above or below par, in which event the Bonds of such series shall be sold in such manner, at such price or prices and upon such terms as the Authorized Officer deems to be in the best interests of the County. The Bonds of each series shall be sold at such times,

on such dates and to such persons, firms or corporations (including, without limitation, banks or other financial institutions) as shall be determined by the Authorized Officer.

SECTION 6. BE IT FURTHER RESOLVED that the Bonds shall be executed in the name of the County and on its behalf by the manual or facsimile signature of the Authorized Officer and attested by the manual or facsimile signature of the Clerk of the County Council or the acting Clerk of the County Council, and the seal of the County shall be affixed thereon.

The County Executive, the Chief Administrative Officer, the Clerk of the County Council and other officials of the County are hereby authorized and empowered to do all such acts and things and to execute, acknowledge, seal and deliver such documents and certificates as the Authorized Officer may determine to be necessary to consummate the transactions contemplated by this Resolution, subject to the limitations set forth in the Act and the provisions of this Resolution.

SECTION 7. BE IT FURTHER RESOLVED that the Bonds shall never constitute or give rise to any pecuniary liability of the County and, notwithstanding any provision of any agreement or document to which the County may become a party or may become subject in connection with the transactions contemplated by this Resolution, neither the Borrower nor the bondholders nor any other person shall have any claim against the County or any of its officers, officials, agents or employees for damages suffered as a result of the County's failure to perform in any respect

any covenant, undertaking or obligation under the Bonds or under any agreement, document, instrument or certificate executed, delivered or approved in connection with the issuance, sale and delivery of the Bonds (collectively, the "Bond Documents") nor as a result of the incorrectness of any representation in or any omission from any of the Bond Documents. Nothing contained in any of the Bond Documents shall be construed to preclude any action or proceeding (other than that element in any action or proceeding involving a claim for monetary damages) in any court or before any governmental body, agency or instrumentality against the County or any of its officers, officials, agents or employees to enforce the provisions of any of the Bond Documents.

SECTION 8. BE IT FURTHER RESOLVED that the provisions of this Resolution are severable, and if any provision, sentence, clause, section or part thereof shall be held to be illegal, invalid or unconstitutional or inapplicable to any person, entity or circumstances, such illegality, invalidity or unconstitutionality or inapplicability shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Resolution or their application to other persons, entities or circumstances. It is hereby declared to be the legislative intent that this Resolution would have been adopted if such illegal, invalid or unconstitutional provision, sentence, clause, section or part had not been included herein and if the person, entity or circumstances to which this Resolution or any part hereof is inapplicable had been specifically exempted herefrom; provided, however, that neither the principal of nor the premium, if any, or interest on the bonds shall ever constitute an indebtedness of the County or a charge against the general credit or taxing powers of the County within the meaning of any constitutional or charter provision or statutory limitation or shall ever constitute or give rise to any pecuniary liability of the County.

SECTION 9. BE IT FURTHER RESOLVED that in the event that the financing transactions contemplated by this Resolution shall not have occurred on or before December 31, 1993, the County's authorization under this Resolution shall terminate

unless otherwise extended by Resolution of the County Council, approved by the County Executive.

SECTION 10. BE IT FURTHER RESOLVED that this Resolution constitutes approval of the issuance of the Bonds as authorized pursuant to Section 147(f) of the Internal Revenue Code of 1986, such approval having been given after due notice and public hearing.

SECTION 11. BE IT FURTHER RESOLVED that this Resolution shall take effect upon its approval by the County Executive.

Adopted this 10th day of November, 1992.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY:

\_\_\_\_\_

Richard J. Castaldi  
Chairman

ATTEST:

\_\_\_\_\_  
Joyce T. Sweeney  
Acting Clerk of the Council

APPROVED:

DATE: \_\_\_\_\_  
\_\_\_\_\_

By:  
Parris N. Glendening  
County Executive

**EXHIBIT A**

Centre Group Limited Partnership  
One Harry S. Truman Drive  
Landover, Maryland 20785

September 30, 1992

Prince George's County, Maryland  
County Administration Building  
14741 Governor Oden Bowie Drive  
Upper Marlboro, Maryland 20772

Re: Prince George's County, Maryland  
Sports Arena Revenue Refunding Bonds  
(Washington National Arena Limited Partnership)  
Due 1980-2002

Ladies and Gentlemen:

Centre Group Limited Partnership, a Maryland limited partnership, (the "Borrower"), respectfully requests that Prince George's County, Maryland (the "Issuer") participate, pursuant to the provisions of the Maryland Economic Development Revenue Bond Act, Sections 14-101 to 14-109, inclusive, of Article 41 of the Annotated Code of Maryland (the "Act") and Section 24 of Article 31 of the Annotated Code of Maryland or such other statutory authority as may exist when the Bonds (hereinafter defined) are issued, in the refunding of the outstanding \$20,000,000 Prince George's County, Maryland Sports Arena Revenue Bonds (Washington National Arena Limited Partnership) Due 1980-1992 issued January 5, 1978 (the "1978 Bonds") in order to refinance the acquisition as defined in the Act (the "Acquisition") by the Borrower of a "facility", as defined in the Act, known as the Capital Centre, Landover, Maryland, and related improvements (including an office building and parking areas adjacent thereto) (the "Facility"), by authorizing, issuing, and selling its refunding revenue bonds in a principal amount not to exceed \$14,000,000 (the "Bonds"). By virtue of a Certificate of Amendment to its Certificate of Limited Partnership, effective on or about March 31, 1989, the Borrower changed its name from Washington National Arena Limited Partnership

to Centre Group Limited Partnership. The 1978 Bonds may be referred to herein as the "Outstanding Bonds." It is intended that this letter, if accepted by the Issuer, shall constitute a "letter of intent" as contemplated by Section 14-101(h) of the Act.

The Borrower believes that the issuance, sale, and delivery of the Bonds by the Issuer will stabilize and reduce the interest costs associated with the financing of the Acquisition of the Facility and thus promote the declared legislative purposes of the Act accomplished by financing the Acquisition of the Facility by, among other things, encouraging the increase of industry and commerce and a balanced economy in Prince George's County and the State of Maryland, assisting in the retention of existing industry and commerce by enhancing the economic viability of the Borrower and in the attraction of new industry and commerce in Prince George's County and the State of Maryland through, among other things, promoting economic development, and generally promoting the health, welfare, and safety of the residents of Prince George's County and the State of Maryland. The Borrower believes that the issuance of Bonds on its behalf will have no significant negative effect on other business entities within the County.

The Borrower further believes that the issuance, sale, and delivery of the Bonds by the Issuer will promote the public purposes described in Section 24 of Article 31 of the Annotated Code of Maryland by achieving a debt restructuring that will be in the best interests of the Borrower and the Issuer, be consistent with the long term financial goals of the Borrower and the Issuer with respect to the financing of the Acquisition of the Facilities, and realize financial objectives of the Borrower and the Issuer with respect to the financing of the Acquisition of the Facilities, including stabilization and reduction of the annual interest costs of the financing.

The Bonds shall be limited obligations of the Issuer, the principal of and premium, if any, and interest on which shall be payable solely from certain revenues of the Issuer to be derived from its participation in financing the Acquisition pursuant to the terms and provisions of the Loan Agreement (hereinafter defined) and from any other moneys made available to the Issuer for such purpose. The Borrower proposes that the Issuer lend or otherwise make available the proceeds of the Bonds (the "Loan") to the Borrower pursuant to the terms and provisions of a Loan Agreement to be entered into by and among the Issuer and the Borrower (and other necessary parties, if any) (the "Loan Agreement"). The Loan Agreement will require the Borrower to use the proceeds of the Loan for the sole and exclusive purpose of refunding all or a portion of the

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Outstanding Bonds.

The Loan Agreement will require the payment to or to the order of the Issuer of amounts sufficient to pay (a) the principal of and interest and redemption premium, if any, on the Bonds and (b) all expenses incurred by the Issuer in connection with the issuance and sale of the Bonds and the making and administration of the Loan, as the same become due and payable. The Borrower agrees that all costs of acquiring the Facility in excess of the proceeds of the Loan will be paid by the Borrower. The Loan Agreement will contain such other provisions as may be required by law as to which the Borrower, the Issuer, the purchaser of the Bonds, and any other necessary parties may agree, as permitted by law.

The Act empowers all the counties and municipalities of the State to borrow money by issuing negotiable revenue bonds and to lend or otherwise make available the proceeds of the sale thereof to a facility applicant (as defined in the Act) to finance the acquisition by such facility applicant of a facility or facilities (as defined in the Act). The Borrower is a "facility applicant" and a "facility user" within the meaning of the Act. The Facility constitutes a "facility" or "facilities" as defined in the Act. The Outstanding Bonds constitute "bonds" as defined in the Act.

It is expressly understood and agreed that (a) the Issuer will not incur any direct or indirect liability or cost in connection with the issuance or sale of the Bonds, the making of the Loan, the refunding of the Outstanding Bonds or otherwise in connection with the financing and refinancing of the Acquisition of the Facility, and (b) the refunding of the Outstanding Bonds and the financing and refinancing of the Acquisition of the Facility will conform to the requirements of the Borrower. Accordingly, the Borrower shall to the extent not already accomplished by the Borrower (a) select, supervise, and work with the suppliers and contractors that will provide, construct, and equip the Facility, (b) negotiate and approve all contracts, construction plans, drawings, specifications, and all financing arrangements in connection with the Acquisition of the Facility, and (c) pay all costs incurred by or on behalf of the Issuer in connection with the issuance, sale, delivery, and administration of the Bonds, the making of the Loan (including the administration thereof), and in connection with the Acquisition of the Facility. The Borrower shall also pay all costs incurred in connection with the development of the appropriate legal documents necessary to effectuate the proposed refunding and refinancing, including (without limitation) the fees of counsel to the Issuer and bond counsel and compensation to any other person (other than full-time employees of the

Issuer) or entity performing services by or on behalf of the Issuer in connection with the transactions contemplated by this Letter of Intent, whether or not the proposed financing and acquisition are consummated. The Borrower acknowledges that a portion of such fees shall be paid in advance upon terms to be established by the Issuer.

It is further understood and agreed by the Borrower that the proposal contained herein is subject to final approval by the County Executive or other duly authorized officer (including, without limitation, approval of detailed provisions of all documents pertaining to the financing). The acceptance of this letter by the Issuer shall be evidence of the bona fide present intent and commitment of the Issuer to authorize the issuance, sale, and delivery of the Bonds and to authorize the Loan for the purposes described herein; provided, however, that the Borrower recognizes and agrees that:

1. The Issuer cannot make an absolute guarantee, promise or assurance that the terms and conditions of the Bonds as actually authorized to be issued (including, without limitation, the principal amount; the rate or rates of interest; the times and place or places that the Bonds are to be executed, issued, and delivered; the redemption provisions; the form, tenor, and denominations; and the times and place or places of payment of the principal and interest) will be acceptable to the Borrower.

2. The Issuer can give no guarantee, promise or assurance as to the availability of ready, willing, and able purchasers to whom the Bonds lawfully may be sold under, among others, applicable federal and state securities and legal investment laws and current or pending federal tax laws.

3. The tax status of the Bonds, if issued, will be determined under federal and state laws which are not subject to the Issuer's control and which may be changed without the Issuer's knowledge or consent and that, consequently, the Issuer can give no assurance and makes no representation that the Bonds, if issued, or the income therefrom will be tax exempt.

4. The Issuer makes no representation and offers no opinion on the appropriateness of having the Bonds issued for the Facility in lieu of any other financing alternatives or as to any benefit to the Borrower resulting from the issuance of the Bonds.

5. The Bonds shall never constitute or give rise to any pecuniary liability of the Issuer and, notwithstanding any provision of any agreement or document to which the Issuer may become a party or may become subject in

connection with the transactions contemplated by this Letter of Intent, neither the Borrower nor the bondholders nor any other person shall have any claim against the Issuer or any of its officers, officials, agents or employees for damages suffered as a result of the Issuer's failure to perform in any respect any covenant, undertaking, or obligation under this Letter of Intent, the Bonds or any agreement, document, instrument, or certificate executed, delivered or approved in connection with the issuance, sale and delivery of the Bonds (collectively, the "Bond Documents") or as a result of the incorrectness of any representation in, or omission from, any of the Bond Documents. Nothing contained in any of the Bond Documents shall be construed to preclude any action or proceeding (other than those involving a claim for monetary damages) in any court or before any governmental body, agency, or instrumentality against the Issuer or any of its officer, officials, agents or employees to enforce the provisions of any of the Bond Documents.

6. The principal of, premium, if any, and interest on the Bonds shall never constitute an indebtedness or a charge against the general credit or taxing powers of the Issuer within the meaning of any constitutional or charter provision or statutory limitation, and neither the Bonds nor any matter connected with their issuance shall ever constitute or give rise to any pecuniary liability of the Issuer. The Bonds shall be limited obligations of the Issuer, the principal of and premium, if any, and interest on which shall be payable solely from the revenues received in connection with the financing of the Facility and from any other moneys made available to the Issuer for such purpose. Moreover, nothing contained in this Letter of Intent shall be deemed to constitute an undertaking by the Issuer to expend any of its funds to effect any or all of the transactions contemplated by this Letter of Intent.

Very truly yours,

CENTRE GROUP LIMITED

PARTNERSHIP

By:

Abe Pollin, General

\_\_\_\_\_  
Partner

Accepted:  
MARYLAND

PRINCE GEORGE'S COUNTY,

Date:

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By:

Parris N. Glendening  
County Executive