



## ARLINGTON COUNTY, VIRGINIA

### County Board Agenda Item Meeting of January 21, 2012

**DATE:** January 9, 2012

**SUBJECT:** Authorizing the sale of General Obligation Refunding Bonds in an amount not to exceed \$200,000,000.

**C. M. RECOMMENDATION:**

Adopt the attached resolution (Attachment 1) authorizing the sale of General Obligation Refunding Bonds in an amount not to exceed \$200,000,000.

**ISSUES:** Should the County issue long-term bonds to refund outstanding bonds to achieve debt service savings?

**SUMMARY:** The County Manager is asking the County Board to authorize the issuance of refunding bonds in the maximum amount of \$200,000,000 to achieve debt service savings.

**BACKGROUND:** The County has historically taken advantage of favorable market conditions to refinance a portion of its outstanding bonds to achieve debt service savings. Over the past two years, unprecedented low interest rates allowed for the issuance of general obligation bonds at rates that were among the lowest recorded by the County since at least 1987, the date when accurate records are available. Since the last issuance in June, rates have dropped significantly more, allowing for further debt service savings.

In compliance with Board policy reaffirmed in July 2008, the aggregate net present value (NPV) savings on any refunding will be at least 3 percent of the refunded principal amount. Under current market conditions, the County could refund approximately \$90 million and achieve 5.0 percent NPV savings. If rates drop by 20 basis points, the County could refund approximately \$105 million and achieve 6.6 percent NPV savings. The additional refunding authorization would be valid through the end of fiscal year 2013, or June 30, 2013. If market conditions do not warrant a refunding of the entire authorized amount at the time of the first refunding bond sale, the County may undertake separate refunding bond sales prior to June 30, 2013 when the savings meet the County Board's refunding criteria.

County Manager:

*BMD/mjs*

County Attorney:

*[Signature]* *[Signature]*

Staff: Michelle Cowan, Director, Department of Management and Finance  
Jason Friess, Analyst, Department of Management and Finance

35.

It should be noted that when the County issued bonds this past summer, the County Board authorized refunding bonds of up to \$80 million. Based on interest rates at the time, the County did not undertake a refunding and this authorization remains outstanding. The attached resolution would replace the currently authorized amount, increase the authorized amount by \$120 million to a not to exceed amount of \$200 million, and extend the term of the authorization through the end of fiscal year 2013. This will provide the County with flexibility to achieve further interest savings should rates decline significantly over the next 18 months.

## **DISCUSSION:**

**Refunding:** Depending on market conditions at the time of the refunding bond sale in February, an amount less than the full authorization may be refunded. The attached resolution asks for the authority to issue the refunding bonds at separate times to have the ongoing flexibility to quickly react to market conditions. Currently, \$90 million in outstanding debt that meets the County's refunding criteria is eligible for refunding.

**Authorization Resolution:** The attached resolution (Attachment 1) authorizes the County Manager, the Deputy County Managers, and the Director of the Department of Management and Finance to issue one or more Preliminary Official Statements and to receive competitive bids for the sale of general obligation refunding bonds in the maximum par amount of \$200 million. The bonds are expected to be sold in February 2012. The County Manager or her designee would receive the results of the bids and award the bonds to the responsive bidder who bids the lowest true interest cost. For bonds sold via the pre-selected underwriting team, the County Manager or her designee, in consultation with the County's Financial Advisor, would be authorized to negotiate the appropriate terms and rates on the bonds, subject to the parameters set forth in the Resolution.

**Bond Structure:** The terms of the refunding bonds will generally match the terms of the original bonds. The bonds also will carry an optional redemption feature, or call provision, that will allow the bonds to be retired early at the option of the County at any time commencing no later than ten years from issuance.

**Other Agreements:** In conjunction with this bond issue the County also will execute a continuing disclosure agreement as required by the Securities and Exchange Commission. This agreement obligates the County to provide certain annual financial and operating information to the financial market as long as the bonds are outstanding. The County will also execute an escrow agreement that will provide for the redemption of the outstanding bonds selected to be refunded.

**FISCAL IMPACT:** Based on market conditions on January 6, 2012, annual debt service savings are projected to range from \$120,000 to \$850,000 annually. These savings will be allocated between the County, Schools and Utilities Fund. The County's previous general obligation bond issues have been rated Aaa/AAA/AAA by Moody's Investors Service, Standard & Poor's, and Fitch Ratings, respectively. While Moody's has given the County a negative outlook on their AAA rating, no significant impact on pricing is expected to occur based on recent market feedback.

**ATTACHMENT 1**

**A RESOLUTION OF THE COUNTY BOARD OF  
ARLINGTON COUNTY, VIRGINIA  
AUTHORIZING THE ISSUANCE AND SALE OF  
GENERAL OBLIGATION REFUNDING BONDS,  
SERIES 2012 A**

WHEREAS, the County has issued certain general obligation bonds (the "Prior Bonds") and the County Board proposes to authorize the issuance of general obligation refunding bonds in the maximum aggregate principal amount of \$120,000,000 (the "Refunding Bonds") to refund all or a portion of the Prior Bonds; and

WHEREAS, by resolution adopted May 14, 2011, the County Board authorized the issuance of \$80,000,000 general obligation refunding bonds, of which \$80,000,000 remains authorized and unissued (the "Unissued Bonds").

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA:

1. Authorization of Bonds and Use of Proceeds. The County Board hereby determines that it is advisable to contract a debt and to issue and sell, in one or more series, the Refunding Bonds and the Unissued Bonds in the maximum aggregate principal amount of \$200,000,000 (the "Bonds").

The proceeds from the issuance and sale of the Bonds shall be used to pay the costs of issuing the Bonds and to refund all or a portion of the Prior Bonds. The authorization of the issuance and sale of the Bonds contained in this Section 1 shall expire on June 30, 2013.

2. Pledge of Full Faith and Credit. The full faith and credit of the County are hereby irrevocably pledged for the payment of the principal of, premium, if any, and interest on the Bonds as the same become due and payable. The County Board shall levy an annual ad valorem

tax upon all property in the County, subject to local taxation, sufficient to pay the principal of, premium, if any, and interest on the Bonds as the same shall become due for payment unless other funds are lawfully available and appropriated for the timely payment thereof.

3. Details and Sale of Bonds. The Director of the Department of Management and Finance or her designee is authorized to determine and approve the final details of the Bonds, including without limitation, the aggregate principal amount of the Bonds, the series designation of the Bonds, the maturity date of the Bonds, the redemption provisions of the Bonds, the sale price of the Bonds and the interest rates and interest rate provisions on the Bonds; provided that (i) the maximum aggregate principal amount of Bonds shall not exceed \$200,000,000, (ii) the final maturity of the Bonds shall not be later than 21 years from the date of issuance of the Bonds, and (iii) the minimum savings achieved by the issuance of the Bonds on a net present value basis is at least 3% of the refunded principal amount.

The Bonds shall be issued, in one or more series, upon the terms established pursuant to this Resolution and upon such other terms as may be determined in the manner set forth in this Resolution. The Bonds shall be issued in fully registered form, shall be dated such date as the Director of the Department of Management and Finance may approve, shall be in the denominations of \$5,000 each or whole multiples thereof, may be issued at one time or from time to time in one or more series (with appropriate series designations), and the Bonds of any series shall be numbered from R-1 upwards consecutively.

The Bonds shall be offered for sale in such manner as the County Manager or her designee may determine to be in the best interests of the County. The County Manager or her designee are authorized and directed to accept the bid or proposal for the purchase of all or a portion of the Bonds, provided such bid results in the lowest true interest cost to the County and

that the debt service savings meet the parameter set forth above. The County Manager reserves the right to reject any or all bids. If the County Manager or her designee determines that it is in the best interest of the County to sell all or a portion of the Bonds in a negotiated sale, then the County Manager or her designee are hereby authorized to enter into a bond purchase agreement with an underwriter or group of underwriters with demonstrated experience in underwriting municipal securities to be selected by the County Manager or her designee.

4. Redemption of Bonds. The Bonds shall be subject to optional redemption on such terms as the Director of the Department of Management and Finance may approve.

The Bonds may also be subject to mandatory sinking fund redemption at the option of the successful bidder. In such case, the successful bidder shall specify not more than three term bonds which will be required to be redeemed before maturity in the years and amounts equivalent to the corresponding principal maturities for each such year determined by the Director of the Department of Management and Finance, at a redemption price equal to the principal amount to be redeemed, plus accrued interest to the redemption date.

5. Form of Bonds. The Bonds shall be in substantially the form attached to this Resolution as Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by this Resolution or subsequent resolution of the County Board. There may be endorsed on the Bonds such legend or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

6. Book-Entry-Only Form. The Bonds shall be issued in book-entry-only form. The Bonds shall be issued in fully-registered form 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 Bonds, and immobilized in the custody of DTC. One fully registered Bond in typewritten or printed form for the principal amount of each maturity of the Bonds shall be registered to Cede & Co. Beneficial owners of the Bonds shall not receive physical delivery of the Bonds. Principal, premium, if any, and interest payments on the Bonds shall be made to DTC or its nominee as registered owner of the Bonds on the applicable payment date.

Transfer of ownership interest in the Bonds shall be made by DTC and its participants (the "Participants"), acting as nominees of the beneficial owners of the Bonds in accordance with rules specified by DTC and its Participants. The County shall notify DTC of any notice required to be given pursuant to this Resolution or the Bonds not less than fifteen (15) calendar days prior to the date upon which such notice is required to be given. The County shall also comply with the agreements set forth in the County's Letter of Representations to DTC.

Replacement Bonds (the "Replacement Bonds") shall be issued directly to beneficial owners of the Bonds rather than to DTC or its nominee but only in the event that:

- (i) DTC determines not to continue to act as securities depository for the Bonds; or
- (ii) The County has advised DTC of its determination not to use DTC as a securities depository; or
- (iii) The County has determined that it is in the best interest of the beneficial owners of the Bonds or the County not to continue the book-entry system of transfer.

Upon occurrence of the events described in (i) or (ii) above, the County shall attempt to locate another qualified securities depository. If the County fails to locate another qualified

securities depository to replace DTC, the appropriate officers and agents of the County shall execute and deliver Replacement Bonds substantially in the form set forth in Exhibit A attached hereto to the Participants. In the event the County Board, in its discretion, makes the determination noted in (iii) above and has made provisions to notify the beneficial owners of the Bonds by mailing an appropriate notice to DTC, the appropriate officers and agents of the County shall execute and deliver Replacement Bonds substantially in the form set forth in Exhibit A attached hereto to any Participants requesting such Replacement Bonds. Principal of, premium, if any, and interest on the Replacement Bonds shall be payable as provided in this Resolution and in the Bonds and such Replacement Bonds will be transferable in accordance with the provisions of paragraphs 10 and 11 of this Resolution and the Bonds.

7. Appointment of Bond Registrar and Paying Agent. The County Manager, the Deputy County Managers, and the Director of the Department of Management and Finance, or any of them, are authorized and directed to appoint a Bond Registrar and Paying Agent for the Bonds and as long as the Bonds are in book-entry-only form the County Manager, the Deputy County Managers, or the Director of the Department of Management and Finance may serve as Bond Registrar and Paying Agent.

The County Manager, the Deputy County Managers, and the Director of the Department of Management and Finance, or any of them, may appoint a subsequent bond registrar and/or one or more paying agents for the Bonds upon giving written notice to the owners of the Bonds specifying the name and location of the principal office of any such bond registrar or paying agent.

8. Execution of Bonds. The County Manager and the Clerk of the County Board are authorized and directed to execute appropriate negotiable Bonds and to affix the seal of the

County thereto and to deliver the Bonds to the purchaser or purchasers thereof upon payment of the applicable purchase price. The manner of execution and affixation of the seal may be by facsimile, provided, however, that if the signatures of the County Manager and the Clerk of the County Board are both by facsimile, the Bonds shall not be valid until signed at the foot thereof by the manual signature of the Bond Registrar.

9. CUSIP Numbers. The Bonds shall have CUSIP identification numbers printed thereon. No such number shall constitute a part of the contract evidenced by the Bond on which it is imprinted and no liability shall attach to the County, or any of its officers or agents by reason of such numbers or any use made of such numbers, including any use by the County and any officer or agent of the County, by reason of any inaccuracy, error or omission with respect to such numbers.

10. Registration, Transfer and Exchange. Upon surrender for transfer or exchange of any Bond at the principal office of the Bond Registrar, the County shall execute and deliver and the Bond Registrar shall authenticate in the name of the transferee or transferees a new Bond or Bonds of any authorized denomination in an aggregate principal amount equal to the Bond surrendered and of the same form and maturity and bearing interest at the same rate as the Bond surrendered, subject in each case to such reasonable regulations as the County and the Bond Registrar may prescribe. All Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and substance reasonably satisfactory to the County and the Bond Registrar, duly executed by the registered owner or by his or her duly authorized attorney-in-fact or legal representative. No Bond may be registered to bearer.

New Bonds delivered upon any transfer or exchange shall be valid obligations of the County, evidencing the same debt as the Bonds surrendered, shall be secured by this Resolution and entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

11. Charges for Exchange or Transfer. No charge shall be made for any exchange or transfer of Bonds, but the County may require payment by the registered owner of any Bond of a sum sufficient to cover any tax or other governmental charge which may be imposed with respect to the transfer or exchange of such Bond.

12. Non-Arbitrage Certificate and Tax Covenants. The County Manager and such officers and agents of the County as she may designate are authorized and directed to execute a Non-Arbitrage Certificate and Tax Covenants setting forth the expected use and investment of the proceeds of the Bonds and containing such covenants as may be necessary in order to comply with the provisions of the Internal Revenue Code of 1986, as amended ("Code"), including the provisions of Section 148 of the Code and applicable regulations relating to "arbitrage bonds." The County Board covenants on behalf of the County that the proceeds from the issuance and sale of the Bonds will be invested and expended as set forth in the County's Non-Arbitrage Certificate and Tax Covenants, to be delivered simultaneously with the issuance and delivery of the Bonds and that the County shall comply with the other covenants and representations contained therein.

13. Refunding of Prior Bonds. The County Manager, the Deputy County Managers, or the Director of the Department of Management and Finance, or any of them, is authorized to (a) approve the issuance of the Bonds and the aggregate principal amount of the Bonds (not to exceed the amount set forth in paragraph 1) sufficient to provide for the refunding of such maturities of the Prior Bonds as such officer or officers may determine and (b) enter into an

escrow agreement with an escrow agent to be selected by the Director of the Department of Management and Finance providing for the deposit and investment of such portion of the proceeds of the Bonds to be applied to the redemption or payment of the portion of the Prior Bonds to be refunded on the earliest practicable date.

14. Disclosure Documents. The County Manager, the Deputy County Managers, and the Director of the Department of Management and Finance, or any of them, and such officers and agents of the County as any of them may designate are hereby authorized and directed to prepare, execute, if required, and deliver an appropriate notice of sale, preliminary official statement, official statement and such other offering or disclosure documents as may be necessary to expedite the sale of the Bonds, including such documentation as may be necessary to provide for the submission of electronic bids for the Bonds if electronic bidding is determined by such officer or officers to be advantageous. The notice of sale, preliminary official statement, official statement or other documents shall be published in such publications and distributed in such manner, including by electronic distribution, and at such times as the County Manager, or such officers and agents of the County as she may designate, shall determine. The County Manager, or such other officer or agent of the County as she may designate, is authorized and directed to deem the preliminary official statement "final" for purposes of Securities and Exchange Commission Rule 15c2-12.

15. Continuing Disclosure. The County Manager is authorized and directed to enter into a Continuing Disclosure Agreement for the benefit of the owners of the Bonds to assist the underwriter for the Bonds in complying with the provisions of Section (b)(5) of Securities and Exchange Commission Rule 15c2-12.

16. Further Actions. The County Manager, the Deputy County Managers, and the Director of the Department of Management and Finance, or any of them, and such officers and agents of the County as any of them may designate are authorized and directed to take such further action to improve or clarify the County's position or make adjustments to account for force majeure as they deem necessary regarding the issuance and sale of the Bonds and all actions taken by such officers and agents in connection with the issuance and sale of the Bonds are ratified and confirmed.

17. Filing of Resolution. The County Attorney is authorized and directed to file or cause to be filed a certified copy of this Resolution with the Circuit Court of Arlington County pursuant to Section 15.2-2607 of the Code of Virginia of 1950, as amended.

18. Effective Date. This Resolution shall take effect immediately.

EXHIBIT A

No. R-

UNITED STATES OF AMERICA  
COMMONWEALTH OF VIRGINIA

ARLINGTON COUNTY

GENERAL OBLIGATION REFUNDING BOND  
SERIES 2012A

MATURITY DATE

INTEREST RATE

CUSIP

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

ARLINGTON COUNTY, VIRGINIA ("County"), for value received, acknowledges itself indebted and promises to pay to the registered owner of this Bond or legal representative, the principal amount stated above on the maturity date set forth above and to pay interest on the principal amount of this Bond at the rate specified above per annum, payable semiannually on \_\_\_\_\_ and \_\_\_\_\_ beginning on \_\_\_\_\_, 20\_\_\_. This Bond shall bear interest (a) from \_\_\_\_\_, 20\_\_\_, if this Bond is authenticated before \_\_\_\_\_, 2012 or (b) otherwise from the \_\_\_\_\_ or \_\_\_\_\_ that is, or immediately precedes the date on which this Bond is authenticated; provided that, if at the time of authentication of this Bond, interest on this Bond is in default, this Bond shall bear interest from the date to which interest has been paid. Both principal of and interest on this Bond are payable in lawful money of the United States of America. The principal of this Bond is payable upon presentation and surrender hereof at the office of the Director of the Department of Management and Finance, as Bond Registrar and Paying Agent ("Bond Registrar"). Interest on this Bond is payable by check or draft mailed to the registered owner hereof at its address as it appears on the registration books maintained by the Bond Registrar without presentation of this Bond; provided that as long as Cede & Co. is the registered owner of this Bond, interest shall be paid by wire transfer. All interest payments shall be made to the registered owner as it appears on the registration books kept by the Bond Registrar on the first day of the month in which each interest payment date occurs.

This Bond has been duly authorized by the County Board of the County and is issued for the purpose of: (i) refunding certain of the County's outstanding bonds; and (ii) paying the costs of issuance of the Bonds. The full faith and credit of the County are irrevocably pledged for the payment of the principal of, premium, if any, and interest on this Bond in accordance with its terms.

This Bond is one of a series of \$\_\_\_\_\_ General Obligation Refunding Bonds, Series 2012A of the County, ("Bonds") of like date and tenor, except as to number,

denomination, rate of interest and maturity, issued under the authority of and in full compliance with the Constitution and statutes of the Commonwealth of Virginia, and, more particularly, issued pursuant to the Public Finance Act of 1991, Chapter 26 of Title 15.2 of the Code of Virginia of 1950, as amended, and resolution adopted by the County Board on January 21, 2012 (the "Resolution").

The Bonds maturing on or before \_\_\_\_\_, 20\_\_, are not subject to redemption before maturity. Bonds maturing on or after \_\_\_\_\_, 20\_\_, are subject to optional redemption before maturity on or after \_\_\_\_\_, 20\_\_, at the direction of the County, in whole or part in installments of \$5,000 at any time, in such order as may be determined by the Director of the Department of Management and Finance (except that if at any time less than all of the Bonds of any maturity are called for redemption, the particular Bonds of such maturity or portions thereof to be redeemed shall be selected by lot) upon payment of the principal amount to be redeemed together with the interest accrued thereon to the date fixed for redemption.

[Sinking Fund Provisions, If Applicable]

If any of the Bonds or portions thereof are called for redemption, the Bond Registrar shall send notice of the call for redemption identifying the Bonds by serial or CUSIP numbers, and in the case of partial redemption, identifying the principal amount to be redeemed, and identifying the redemption date and price and the place where Bonds are to be surrendered for payment, by first class mail not less than 30 nor more than 60 days before the redemption date to the registered owner of each Bond to be redeemed at such owner's address as it appears on the registration books maintained by the Bond Registrar, but failure to mail such notice shall not affect the validity of the proceedings for redemption. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Resolution and shall not be deemed to be outstanding. If a portion of this Bond shall be called for redemption, a new Bond in principal amount equal to the unredeemed portion hereof will be issued to the registered owner upon the surrender of this Bond.

Any notice of optional redemption of the Bonds may state that it is conditioned upon there being available an amount of money sufficient to pay the redemption price plus interest accrued and unpaid to the redemption date, and any conditional notice so given may be rescinded at any time before the payment of the redemption price of any such condition so specified is not satisfied. If a redemption does not occur after a conditional notice is given due to an insufficient amount of funds on deposit by the County, the corresponding notice of redemption shall be deemed to be revoked.

If the County gives an unconditional notice of redemption, then on the redemption date the Bonds called for redemption will become due and payable. If the County gives a conditional notice of redemption, and the amount of money to pay the redemption price of the affected Bonds shall have been set aside with an escrow agent or a depository (either, a "depository") for the purpose of paying such Bonds, then on the redemption date the Bonds will become due and payable. In either case, if on the redemption date the County holds money to pay the Bonds called for redemption, thereafter no interest will accrue on those Bonds, and a Bond owner's only right will be to receive payment of the redemption price upon surrender of those Bonds.

The Bonds are issuable as fully registered bonds in denominations of \$5,000 and integral multiples thereof. Any Bond may be exchanged for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations at the principal office of the Bond Registrar.

This Bond may be transferred only by an assignment duly executed by the registered owner hereof or such owner's attorney or legal representative in a form satisfactory to the Bond Registrar. Such transfer shall be made in the registration books kept by the Bond Registrar upon presentation and surrender hereof and the County shall execute, and the Bond Registrar shall authenticate and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in names as requested by the then registered owner hereof or such owner's attorney or legal representative. Any such exchange shall be at the expense of the County, except that the Bond Registrar may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The County may designate a successor Bond Registrar and/or paying agent, provided that written notice specifying the name and location of the principal office of any such successor shall be given to the registered owner of the Bonds. Upon registration of transfer of this Bond, the Bond Registrar shall furnish written notice to the transferee of the name and location of the principal office of the Bond Registrar and/or the paying agent.

The Bond Registrar shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as the owner on the registration books on the first day of the month in which each interest payment date occurs.

This Bond shall not be valid or obligatory for any purpose unless and until authenticated at the foot hereof by the Bond Registrar.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and statutes of the Commonwealth of Virginia to happen, exist or be performed precedent to the issuance of this Bond have happened, exist or been performed in due time, form and manner as so required and that the indebtedness evidenced by this Bond is within every debt and other limit prescribed by the Constitution and statutes of the Commonwealth of Virginia.

IN WITNESS WHEREOF, the County Board of Arlington County, Virginia, has caused this Bond to be signed by the facsimile signature of the County Manager, a facsimile of its seal to be affixed and attested by the facsimile signature of its Clerk and this Bond to be dated \_\_\_\_\_, 2012.

ARLINGTON COUNTY, VIRGINIA

By \_\_\_\_\_  
County Manager,  
Arlington County, Virginia

[SEAL]

ATTEST:

\_\_\_\_\_  
Clerk, County Board  
Arlington County, Virginia

ASSIGNMENT

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

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

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

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE: \_\_\_\_\_

the within Bond and does hereby irrevocably constitute and appoint

\_\_\_\_\_, attorney, to transfer said Bond on the books kept for registration of said Bond, with full power of substitution in the premises.

Dated \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
(NOTICE: Signature(s) must be guaranteed by an Eligible Guarantor Institution such as a Commercial Bank, Trust Company, Securities Broker/Dealer, Credit Union or Savings Association which is a member of a medallion program approved by the Securities Association, Inc.)

\_\_\_\_\_

Registered Owner  
(NOTICE: The signature above must correspond with the name of the Registered Owner as it appears on the books kept for registration of this Bond in every particular, without alteration or change.)

CERTIFICATE OF AUTHENTICATION

The undersigned Bond Registrar hereby certifies that this is one of a series of Bonds of Arlington County, Virginia described in the within-mentioned Resolution.

Authentication Date:

By: \_\_\_\_\_  
Director of the Department of Management  
and Finance

CERTIFICATE OF THE CLERK  
OF THE COUNTY BOARD OF  
ARLINGTON COUNTY, VIRGINIA

At a regular meeting of the County Board of Arlington County, Virginia, held on the \_\_\_\_ day of January, 2012, the following County Board members were recorded as present:

PRESENT:

On motion by \_\_\_\_\_, seconded by \_\_\_\_\_, the foregoing Resolution was adopted by a majority of the members of the County Board by the following recorded vote:

MEMBER

VOTE

Dated: \_\_\_\_\_, 2012

\_\_\_\_\_  
CLERK, ARLINGTON COUNTY BOARD