NEW ISSUE – BOOK-ENTRY ONLY

Ratings: Standard & Poor's Ratings: AAA
Moody's Investors Service, Inc.: Aa2
(See "RATINGS" herein)

In the opinion of Bond Counsel, assuming compliance with certain covenants described herein, (i) interest on the Bonds will be excludable from gross income for federal income tax purposes under existing statutes, regulations and decisions and (ii) by the terms of the Transportation Article of the Annotated Code of Maryland (2008 Replacement Volume, as amended and supplemented), the Bonds, their transfer, the interest payable on them, and any income derived from them, including any profit realized in their sale or exchange, shall be exempt at all times from every kind and nature of taxation by the State of Maryland or by any of its political subdivisions, municipal corporations, or public agencies of any kind; no opinion is expressed as to estate or inheritance taxes or any other taxes not levied or assessed directly on the Bonds, their transfer or the income therefrom. Interest on the Bonds is not includable in the alternative minimum taxable income of individuals, corporations or other taxpayers as an enumerated item of tax preference or other specific adjustment and is not taken into account in determining "adjusted current earnings;" however, interest on the Bonds will be included in a corporation's "adjusted current earnings" in the calculation of a corporation's alternative minimum taxable income for federal income tax purposes and will be subject to the branch profits tax imposed on foreign corporations engaged in a trade or business in the United States of America. See the information contained herein under the caption "TAX MATTERS."

Department of Transportation of Maryland
$25,345,000 County Transportation Revenue Bonds, Series 2012
and
$12,910,000 County Transportation Revenue Bonds, Refunding Series 2012

Dated: Date of Delivery **Due: As shown on the inside front cover**

The Department of Transportation of Maryland County Transportation Revenue Bonds, Series 2012 (the "Construction Bonds") and the Department of Transportation of Maryland County Transportation Revenue Bonds, Refunding Series 2012 (the "Refunding Bonds" and together with the Construction Bonds, the "Bonds") will be issued as fully registered bonds in the denomination of $5,000 each or any integral multiple thereof. The Bonds will be registered initially in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Bonds will be made so long as Cede & Co. is the registered owner of the Bonds. Interest on the Construction Bonds will accrue from the date of their issuance and delivery and will be payable commencing April 1, 2013 and semiannually thereafter on October 1 and April 1 of each year, unless redeemed prior to maturity. Interest on the Refunding Bonds will accrue from the date of their issuance and delivery and will be payable commencing December 1, 2012 and semiannually thereafter on June 1 and December 1 until maturity. The registration, exchange and transfer of the Bonds shall be made at the Department of Transportation of Maryland (the "Department") at its principal office in Anne Arundel County, Maryland or at the principal office of any other registrar/paying agent designated by the Secretary of the Department (the "Registrar/Paying Agent").

The Construction Bonds are subject to redemption prior to their stated maturities at the option of the Department, as described under "THE BONDS – Redemption."

The Refunding Bonds are not subject to optional redemption.

The Bonds constitute limited obligations of the Department payable solely from (i) all amounts payable by the Participant (hereinafter defined) under the Participation Agreement (hereinafter defined), except prepayments with respect to the administrative expenses of the Department, (ii) all Highway User Revenues (hereinafter defined) withheld by the Comptroller of the State of Maryland (the "Comptroller") from the Mayor and City Council of Baltimore ("Baltimore City" or the "Participant") and credited to a sinking fund maintained on the books of the Comptroller for such purpose pursuant to a participation agreement related to the Bonds entered into by the Participant with the Department dated as of September 12, 2012 (the "Participation Agreement"), (iii) any investment earnings on amounts held under the Indenture (hereinafter defined), and (iv) to the extent provided in the trust indenture, as supplemented, as further described herein (the "Indenture"), the proceeds of the Bonds.

Neither the State of Maryland (the "State") nor the Department shall be obligated to pay the principal of and interest on the Bonds except from the Revenues (hereinafter defined) and other amounts available therefor under the Indenture, and neither the faith and credit nor the taxing powers of the State or the Department is pledged to the payment of the principal of or the interest on the Bonds. The issuance of the Bonds does not directly or indirectly or contingently obligate, morally or otherwise, the State or the Department to levy or pledge any form of taxation whatsoever therefor or to make any appropriation for their payment.

THE BONDS ARE NOT AND SHALL NOT BE DEEMED TO CONSTITUTE A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OF MARYLAND OR OF THE DEPARTMENT. THE DEPARTMENT DOES NOT HAVE TAXING POWERS.

The Bonds are offered for delivery when, as and if issued, and subject to the unqualified approving opinion of McKennon Shelton & Henn LLP, Baltimore, Maryland, Bond Counsel. Certain legal matters will also be passed upon by the Office of the Attorney General of the State of Maryland and by Funk & Bolton, P.A., Baltimore, Maryland, Special Counsel to Baltimore City. It is expected that the Bonds in book-entry form will be available for delivery to The Depository Trust Company in New York, New York on or about October 4, 2012.

The date of this Official Statement is September 19, 2012.

JANNEY MONTGOMERY SCOTT LLC

$25,345,000 County Transportation Revenue Bonds, Series 2012
Maturities, Amounts, Interest Rates, Prices and CUSIP Numbers

Maturing October 1	Principal Amount	Interest Rate[1]	Price[1]	CUSIP[2]
2015	$1,545,000	3.000%	107.724	574203MC6
2016	1,590,000	3.000	109.659	574203MD4
2017	1,650,000	4.000	115.893	574203ME2
2018	1,715,000	4.000	117.087	574203MF9
2019	1,795,000	5.000	124.274	574203MG7
2020	1,890,000	5.000	125.752	574203MH5
2021	1,985,000	5.000	123.803*	574203MJ1

Maturing October 1	Principal Amount	Interest Rate[1]	Price[1]	CUSIP[2]
2022	$2,055,000	2.000%	99.550	574203MK8
2023	2,105,000	3.000	105.232*	574203ML6
2024	2,170,000	3.000	104.265*	574203MM4
2025	2,230,000	2.250	98.004	574203MN2
2026	2,280,000	2.375	97.951	574203MP7
2027	2,335,000	2.500	98.154	574203MQ5

$12,910,000 County Transportation Revenue Bonds, Refunding Series 2012
Maturities, Amounts, Interest Rates, Prices and CUSIP Numbers

Maturing December 1	Principal Amount	Interest Rate[1]	Price[1]	CUSIP[2]
2015	$2,385,000	4.000%	111.186	574203MR3
2016	2,480,000	2.000	105.867	574203MS1
2017	2,580,000	4.000	116.138	574203MT9
2018	2,680,000	2.000	105.466	574203MU6
2019	2,785,000	4.000	117.873	574203MV4

* Priced to the first par call on October 1, 2020.

[1] The interest rates shown above are the interest rates payable by the Department resulting from the successful bid for the Bonds on September 19, 2012 by a group of banks and investment banking firms. The prices shown above were furnished by the successful bidder. All the information concerning the terms of reoffering of the Bonds should be obtained from the successful bidder and not from the Department. See "SALE AT COMPETITIVE BIDDING."

[2] CUSIP numbers on the inside cover page of this Official Statement are copyrighted by the American Bankers Association. CUSIP data herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. and the Department takes no responsibility for the accuracy thereof. These data are not intended to create a database and do not serve in any way as a substitute for the CUSIP service.

STATE OF MARYLAND

Martin O'Malley, Governor

Department of Transportation of Maryland

Darrell B. Mobley, Acting Secretary

Leif A. Dormsjo, Acting Deputy Secretary

Approving Legal Opinion

McKennon Shelton & Henn LLP
Baltimore, Maryland
Bond Counsel

Financial Advisor

Public Resources Advisory Group
New York, New York

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No dealer, broker, salesman or any other person has been authorized by the Department or Baltimore City to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the Department or Baltimore City. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities described herein by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been provided by the Department and other sources. The Department believes that the information contained in this Official Statement is correct and complete and has no knowledge of any inaccuracy or incompleteness as to any of the information herein contained. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Department or Baltimore City since the date hereof.

No quotations from or summaries or explanations of provisions of law and documents herein purport to be complete and reference is made to such laws and documents for full and complete statements of their provisions. This Official Statement is not to be construed as a contract or agreement between the Department or Baltimore City and the purchasers or holders of any of the securities described herein. Any statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinions and not as representations of fact. The cover page hereof, inside cover page, list of officials, this page and the appendices attached hereto are part of this Official Statement.

NO REGISTRATION STATEMENT RELATING TO THE BONDS HAS BEEN FILED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR WITH ANY STATE SECURITY AGENCY. THE BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

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SUMMARY STATEMENT

(Subject in all respects to more complete information in this
Official Statement to which the reader is specifically referred)

THE DEPARTMENT OF TRANSPORTATION OF MARYLAND — The Department of Transportation of Maryland (the "Department") has responsibility for most transportation facilities and programs owned by the State of Maryland (the "State"), exclusive of toll facilities.

PURPOSE OF THE BONDS — The net proceeds of the $25,345,000 Department of Transportation of Maryland County Transportation Revenue Bonds, Series 2012 (the "Construction Bonds") will be used by the Mayor and City Council of Baltimore ("Baltimore City" or the "Participant") for transportation facilities in accordance with the Transportation Article of the Annotated Code of Maryland (2008 Replacement Volume, as amended and supplemented). The net proceeds of the $12,910,000 Department of Transportation of Maryland County Transportation Revenue Bonds, Refunding Series 2012 (the "Refunding Bonds" and, together with the Construction Bonds, the "Bonds") will be used to refund certain maturities of outstanding County Transportation Revenue Bonds.

SECURITY — The Bonds are limited obligations of the Department, payable as to both principal and interest solely from the funds credited to a sinking fund maintained on the books of the Comptroller of the State of Maryland (the "Comptroller") for such purpose. The Participant has entered into an agreement with the Department (the "Participation Agreement") authorizing the Comptroller to withhold in each year from its portion of Highway User Revenues (defined herein) funds sufficient to maintain a sinking fund in an amount equal to its debt service requirements for the current and next succeeding fiscal years. The revenues of the State and the Department are not pledged and may not be used to pay the principal of or interest on the Bonds.

HIGHWAY USER REVENUES — In general, highway user revenues ("Highway User Revenues" or "HURs") consist of certain motor fuel taxes and fees, a portion of an excise tax on the fair market value of motor vehicles for which title certificates are issued, net receipts from motor vehicle registration fees, a portion of the net receipts of the State's 8.25% corporation income tax and a portion of the sales and use tax on short-term vehicle rentals. Highway User Revenues are allocated to Baltimore City, to the counties and their municipalities and to the Department.

ADDITIONAL BONDS AND DEBT SERVICE COVERAGE — The Department will not issue additional County Transportation Revenue Bonds on behalf of a participant if, upon delivery of such bonds, such participant's share of Highway User Revenues for the latest fiscal year is less than twice such participant's maximum annual debt service on outstanding County Transportation Revenue Bonds. Baltimore City was the sole participant in the $30,000,000 County Transportation Revenue Bonds, Series 2004, the $30,000,000 County Transportation Revenue Bonds, Series 2007, the $45,000,000 County Transportation Revenue Bonds, Series 2009 (collectively, the "Outstanding Bonds") and is the sole participant in the issuance of the Bonds. Debt service coverage for Baltimore City on the Outstanding Bonds and for the proposed Bonds is as follows:

	Unaudited Highway User Revenue Fiscal Year 2012	**Maximum Annual Debt Service[1]**	**Times Covered**
Baltimore City…………………	$123,814,050	$12,478,937	9.93

(1) This amount includes the maximum annual debt service on the Outstanding Bonds, adjusted for the refunding, and the maximum annual debt service on the Bonds.

See APPENDIX D- DEBT SERVICE REQUIREMENTS FOR THE PARTICIPANTS and APPENDIX E- DEBT SERVICE COVERAGE.

BONDS ARE NOT DEBT OF THE STATE OR OF THE DEPARTMENT — The Bonds are limited obligations of the Department payable solely from the Revenues (defined herein) and other amounts pledged therefor under the Indenture (defined herein), and neither the State nor the Department is obligated to pay the principal of or interest on such Bonds. Neither the faith and credit nor the taxing power of the State, or of the Department, is pledged to the payment of the principal of or interest on the Bonds.

CONTINUING DISCLOSURE — The Department will provide annual Highway User Revenues information, including notice of certain events, in order to assist the successful bidder in complying with the United States Securities and Exchange Commission Rule 15c2-12(b)5. Appropriate periodic credit information will be provided to the rating agencies maintaining ratings on the Bonds. See APPENDIX B - FORM OF CONTINUING DISCLOSURE AGREEMENT.

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OFFICIAL STATEMENT
OF THE
DEPARTMENT OF TRANSPORTATION OF MARYLAND
RELATING TO
$25,345,000 COUNTY TRANSPORTATION REVENUE BONDS, SERIES 2012
AND
$12,910,000 COUNTY TRANSPORTATION REVENUE BONDS, REFUNDING SERIES 2012

INTRODUCTION

This Official Statement sets forth information concerning the sale by the Department of Transportation of Maryland ("Department"), of $25,345,000 County Transportation Revenue Bonds, Series 2012 (the "Construction Bonds") and of $12,910,000 County Transportation Revenue Bonds, Refunding Series 2012 (the "Refunding Bonds" and, together with the Construction Bonds, the "Bonds"). The Department is authorized to issue the Bonds pursuant to Section 3-501 through 3-519, inclusive (the "Act"), of the Transportation Article of the Annotated Code of Maryland (2008 Replacement Volume, as amended and supplemented) (the "Transportation Article"), by a resolution of the Secretary of Transportation of Maryland dated as of August 27, 2012 (the "Resolution") and by a trust indenture by and between The First National Bank of Maryland, as trustee, and the Department, dated as of November 1, 1993 (the "1993 Indenture"), as supplemented by the First Supplemental Trust Indenture dated as of December 1, 2004 between the Department and Manufacturers and Traders Trust Company (successor to The First National Bank of Maryland) as trustee (the "Trustee") (the "First Supplemental Indenture") as further supplemented by the Second Supplemental Trust Indenture dated as of May 15, 2007 between the Department and the Trustee (the "Second Supplemental Indenture") as further supplemented by the Third Supplemental Trust Indenture dated as of June 18, 2009 between the Department and the Trustee (the "Third Supplemental Indenture") and as further supplemented by the Fourth Supplemental Trust Indenture dated as of October 4, 2012 between the Department and the Trustee (the "Fourth Supplemental Indenture"). The 1993 Indenture, the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture and the Fourth Supplemental Indenture are collectively referred to herein as the "Indenture".

The Department was created as a principal department of the government of the State of Maryland (the "State") in 1971. The head of the Department is the Secretary of Transportation ("Secretary") who is appointed by the Governor of the State (the "Governor") with the advice and consent of the Senate of the State (the "State Senate").

Background

The Department previously issued County Transportation Bonds ("County Transportation Bonds") under Sections 3-301 through 3-310, inclusive, of the Transportation Article ("Subtitle 3"). The outstanding County Transportation Bonds were special obligations of the Department only, payable as to both principal and interest solely from the funds credited to a sinking fund maintained on the books of the Comptroller for the State (the "Comptroller") for such purpose. By terms of the agreements between the Department and each participating county of the State, including the Mayor and City Council of Baltimore ("Baltimore City") and in accordance with the terms of Subtitle 3, the Comptroller was authorized, during each fiscal year, beginning with the fiscal year in which the County Transportation Bonds were issued, to withhold from highway user revenues ("Highway User Revenues" or "HURs") allocated to each participant in accordance with the terms of Title 8, Subtitle 4 of the Transportation Article (the "Highway User Revenue Act"), funds sufficient to maintain in a sinking fund an amount equal to debt service on the County Transportation Bonds payable in the current and next succeeding fiscal years and to credit such funds to the sinking fund. There currently are no County Transportation Bonds outstanding and unpaid. The Department has no intention of issuing additional County Transportation Bonds under Subtitle 3.

The Act, initially enacted at the 1993 Session of the Maryland General Assembly (the "General Assembly"), created a new class of obligations which are obligations of the participating counties secured by revenues of such counties ("County Transportation Revenue Bonds"). These revenue obligations may be secured by Highway User Revenues, a general obligation pledge or any other revenues acceptable to the Department. The Department issued $30,000,000 County Transportation Revenue Bonds, Series 2004 (the "Series 2004 Bonds") in December 2004 with Baltimore City as the sole participant. As of June 30, 2012, the Series 2004 Bonds outstanding total $19,490,000 and have a final maturity of December 1, 2019. The Department issued $30,000,000 County Transportation Revenue Bonds, Series 2007 (the "Series 2007 Bonds") in May 2007 with Baltimore City as the sole participant. As of June 30, 2012, the Series 2007 Bonds outstanding total $23,285,000 and have a final maturity of May 15, 2022. The Department issued $45,000,000 County Transportation Revenue Bonds, Series 2009 (the "Series 2009 Bonds") in June 2009 with Baltimore City as the sole participant. As of June 30, 2012, the Series 2009 Bonds outstanding total $40,170,000 and have a final maturity of June 15, 2024.

PURPOSE OF THE BONDS

The Act authorizes the Department to assist Baltimore City and the counties of the State in financing, without the issuance of debt of the State or of the Department, the capital cost of transportation facilities as defined in Section 3-101 of the Transportation Article through the Department's sale of County Transportation Revenue Bonds.

Construction Bonds

The net proceeds from the sale of the Construction Bonds will be allocated by the Department to Baltimore City, the sole participant, (the "Participant") in accordance with the approved request of the Participant after deducting the costs of issuing the Bonds.

Refunding Bonds

The Department is issuing the Refunding Bonds to provide funds sufficient, together with other available moneys, to refund in advance of their maturities certain Series 2004 Bonds previously issued to finance certain transportation projects in order to realize savings on debt service costs. The bonds to be refunded (the "Refunded Bonds") consist of the following:

Issue	Maturity	Par Amount	Call Date	Call Price	CUSIP#
Series 2004 Bonds	12/01/2015	$ 2,365,000	12/01/2014	100.00%	574203 KT1
Series 2004 Bonds	12/01/2016	2,480,000	12/01/2014	100.00	574203 KU8
Series 2004 Bonds	12/01/2017	2,605,000	12/01/2014	100.00	574203 KV6
Series 2004 Bonds	12/01/2018	2,735,000	12/01/2014	100.00	574203 KW4
Series 2004 Bonds	12/01/2019	2,870,000	12/01/2014	100.00	574203 KX2

On the day of delivery of the Refunding Bonds, a portion of the Refunding Bonds proceeds will be applied to the purchase of direct obligations of, or obligations that are unconditionally guaranteed by the United State of America (the "Government Obligations"), which will be held by U.S. Bank N.A. (the "Escrow Agent") in an escrow deposit fund (the "Escrow Deposit Fund") established under the Escrow Deposit Agreement dated as of the date of issuance and delivery of the Refunding Bonds (the "Escrow Deposit Agreement"), by and between the Department and the Escrow Agent. The Government Obligations on deposit in the Escrow Deposit Fund will mature at stated fixed amounts as to principal and interest at such times as will be sufficient, together with other available moneys, to pay interest when due on the Refunded Bonds prior to December 1, 2014 and to pay the redemption price of and accrued interest on the Refunded Bonds on the call date set forth above. The Government Obligations will be pledged only to the payment of the Refunded Bonds and are not available for the payment of principal of, premium, if any, or interest on the Bonds.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Prior to the delivery of the Refunding Bonds, Samuel Klein and Company, Certified Public Accountants, ("Samuel Klein and Company") will deliver to the Department a verification report (the "Verification Report") indicating that Samuel Klein and Company has verified, in accordance with standards established by the American Institute of Certified Public Accountants, the arithmetic accuracy of the schedules prepared by the Department's Financial Advisor with respect to (a) the mathematical computations of the adequacy of the cash and the maturing principal amounts of the Government Obligations held in the Escrow Deposit Fund for the payment of principal of, premium, if any, and interest on the Refunded Bonds and (b) the mathematical computations required by Bond Counsel to support its conclusion that the interest on the Refunding Bonds is exempt from federal taxation. The terms and conditions of Samuel Klein and Company's engagement are such that it has no obligation to update its report because of events occurring or data or information coming to their attention subsequent to the date of such report.

THE BONDS

General

The Construction Bonds, in the aggregate principal amount of $25,345,000, are dated as of the date of their delivery, and will mature on October 1 of the years and in the principal amounts shown on the inside cover page of this Official Statement. The Construction Bonds shall bear interest from their date until paid at the rate or rates set forth on the inside cover hereof (computed on the basis of a 360-day year composed of twelve 30-day months) payable commencing on April 1, 2013 and semiannually thereafter on October 1 and April 1 of each year (the "Construction Bond Interest Payment Dates") until maturity unless redeemed prior to maturity as provided herein under "Redemption Provisions."

The Refunding Bonds, in the aggregate principal amount of $12,910,000, are dated as of the date of their delivery, and will mature on December 1 of the years and in the principal amounts shown on the inside cover page of this Official Statement. The Refunding Bonds shall bear interest from their date until paid at the rate or rates set forth on the inside cover hereof (computed on the basis of a 360-day year composed of twelve 30-day months) payable commencing on December 1, 2012 and semiannually thereafter on June 1 and December 1 of each year (the "Refunding Bond Interest Payment Dates" and, collectively with the Construction Bond Interest Payment Dates, the "Interest Payment Dates") until maturity.

If an Interest Payment Date is not a Business Day (herein defined), then interest will be paid on the next succeeding Business Day. "Business Day" means a day other than a Saturday, Sunday or day on which banking institutions are closed.

The Bonds are issuable as fully registered bonds as to both principal and interest in the denomination of $5,000 each, or any integral multiple thereof. The Bonds will be maintained under a book-entry system. Individual purchasers ("Beneficial Owners") shall have no right to receive physical possession of the Bonds, and any payment of the principal or redemption price of, and interest on, the Bonds will be made as described under "Book-Entry Only System" below. The registration, exchange and transfer of the Bonds shall be made at the Department at its principal office in Anne Arundel County, Maryland or at the principal office of any other registrar/paying agent designated by the Secretary (the "Registrar/Paying Agent"). The Department is initially designated as the Registrar/Paying Agent.

So long as the Bonds are maintained in book-entry form, interest on the Bonds will be paid by electronic funds transfer to the registered owner thereof in whose name the Bonds are registered at the close of business on the 15th day of the month immediately preceding the applicable interest payment date. The principal of and any redemption premium of the Bonds will be payable upon presentation and surrender of the Bonds on or after the date of maturity or redemption at the principal office of the Department or at the principal office of any other Registrar/Paying Agent designated by the Secretary.

Indenture

The Indenture entered into between the Trustee and the Department contains provisions concerning the issuance of the Bonds including details of the Bonds, redemption of the Bonds, if applicable, and deposit of Highway User Revenues into sinking funds as required by the Act described in more detail below. **In accordance with the Indenture, the Trustee will act as a default trustee without any rights and obligations unless an event of default occurs.** The following events constitute an event of default under the Indenture:

(a) the amount required to pay the principal of any Bond shall not have been paid when the same shall have become due and payable, either at maturity or by proceedings for redemption or otherwise;

(b) the amount required to pay the interest on any Bond shall not have been paid when the same shall have become due and payable;

(c) any proceeding shall be instituted with the consent or acquiescence of the Department for the purpose of effecting an arrangement between the Department and its creditors, or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the trust estate; or

(d) the Department shall default in the due and punctual performance of any of the covenants, conditions, agreements and provisions contained in any Bond or in the Indenture on the part of the Department to be performed (other than as described in clause (a) or (b) above), which default shall continue for 30 days after receipt by the Department of written notice from the Trustee or the holders of not less than twenty-five percent of the Bonds specifying such default and requiring the same to be remedied. If the Department proceeds to take any curative action which, if begun and prosecuted with due diligence, cannot be completed within a period of 30 days, then such period shall be increased to such extent as shall be necessary to enable the Department to complete such curative action through the exercise of due diligence; provided, however, such period shall not be extended beyond 90 days without the agreement of the Trustee.

Redemption

The Construction Bonds maturing on or after October 1, 2021 are subject to redemption on or after October 1, 2020 as a whole or in part at the option of the Secretary, on behalf of the Department, on at least 30 days prior notice and, if in part, in any order of maturity at the option of the Secretary, at the redemption price of par (100%), plus accrued interest thereon, if any, to the date fixed for redemption.

The Refunding Bonds are not subject to optional redemption.

Book-Entry Only System

The Bonds will be registered initially in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Bonds will be made so long as Cede & Co. is the registered owner of the Bonds. Individual purchases of the Bonds will be made only in book-entry form. Individual purchasers ("Beneficial Owners") of the Bonds will not receive physical delivery of bond certificates. See Appendix C "BOOK-ENTRY ONLY SYSTEM" for a complete description of this process.

RATINGS

Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc., and Moody's Investors Service, Inc. have given the Bonds ratings of "AAA" and "Aa2," respectively. An explanation of the significance of each rating may be obtained from the rating agency furnishing it. The Department furnished to such rating agencies certain materials and information about the Bonds. Generally, rating agencies base their ratings on such materials and information, as well as their own investigations, studies and assumptions. It should be noted that the ratings may be changed at any time and that no assurance can be given that they will not be revised downward, suspended or withdrawn by any or all rating agencies, if in the judgment of any or all, circumstances should warrant such actions. Any downward revision, suspension or withdrawal of any of the ratings could have an adverse effect on the market prices for the Bonds.

SALE AT COMPETITIVE BIDDING

The Bonds were sold by the Department at a competitive bidding on September 19, 2012 in accordance with the Official Notice of Sale. The Official Notice of Sale is attached hereto as Appendix F. The interest rates shown on the inside cover of this Official Statement are the interest rates resulting from the award of the Bonds at the competitive bidding.

The award of the Bonds was made to the bidder offering the lowest true interest cost to the Department. The lowest true interest cost was determined in accordance with the true interest cost ("TIC") method, 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, not including interest accrued to the date of delivery.

The yields or prices shown on the inside cover page of this Official Statement were furnished by the successful bidder for the Bonds. Other information concerning the terms of reoffering of the Bonds, including yields or prices, should be obtained from the successful bidder and not from the Department.

SECURITY

General

The Bonds are limited obligations of the Department, payable as to both principal and interest solely from the funds credited to a sinking fund maintained on the books of the Comptroller for such purpose. Pursuant to a participation agreement related to the Bonds entered into by the Participant with the Department dated as of September 12, 2012 (the "Participation Agreement") and in accordance with the terms of the Act, the Comptroller shall, during each fiscal year, beginning with the fiscal year in which the Bonds are issued, withhold from Highway User Revenues allocated to the Participant in accordance with the terms of the Highway User Revenue Act, funds sufficient to maintain in the sinking fund an amount equal to debt service on the Bonds payable in the current and next succeeding fiscal years and shall credit such funds to the sinking fund.

The Act and the Participation Agreement provide for the use of Highway User Revenues allocated to the Participant for payment of debt service and for certain of the Department's costs of administering the County Transportation Revenue Bond Program under the Act. See "HIGHWAY USER REVENUE SOURCES AND ALLOCATIONS."

The Bonds will be of equal priority with previously issued and outstanding, or subsequently issued County Transportation Bonds and County Transportation Revenue Bonds of the Participant. The principal of and interest on the Bonds are payable only from the funds credited to the sinking fund maintained on the books of the Comptroller for such purposes.

Neither the State nor the Department is obligated to pay the principal of or the interest on the Bonds except from Highway User Revenues credited to the sinking fund created for the Bonds and other amounts pledged therefor under the Indenture. Neither the faith and credit nor the taxing power of the State or the Department is pledged to the payment of the principal of or the interest on the Bonds. The issuance of the Bonds does not directly or indirectly or contingently obligate, morally or otherwise, the State or the Department to levy or to pledge any form of taxation whatsoever therefor or to make any appropriation for their payment. **THE BONDS ARE NOT THE DEBT OF THE STATE OR OF THE DEPARTMENT.** The revenues of the State and the Department are not pledged, and may not be used, to pay the principal of or interest on the Bonds. The Transportation Trust Fund (as defined herein) is not pledged and may not be used to pay the principal of or interest on the Bonds.

Pledge of Revenues

Pursuant to the Indenture, the Department pledges and assigns to the Trustee the revenues, as defined in the Indenture ("Revenues"). The Trustee, as set forth in the Indenture, shall have no rights or obligations under the Indenture unless an event of default occurs under the Indenture. The Revenues consist of (i) all amounts payable by the Participant under the Participation Agreement except payments with respect to the administrative expenses of the Department, (ii) all Highway User Revenues withheld by the Comptroller pursuant to the Participation Agreement,

(iii) any investment earnings on amounts held under the Indenture and (iv) to the extent provided in the Indenture, the proceeds of the Bonds. The pledge made to the Trustee in the Indenture is for the equal and ratable benefit of the holders of the Bonds and each other series of Additional Bonds of the Participant as defined in the Indenture.

Participation Agreement with the Participant

The Participation Agreement entered into between the Participant and the Department contains provisions providing for the payment of the principal of and interest on the Bonds through the pledge of the Highway User Revenues deposited in the sinking fund described below.

In accordance with the provisions of the Participation Agreement, the Participant has pledged its Highway User Revenues for the payment of the debt service on the Bonds and has agreed that the Comptroller shall, during each fiscal year, beginning with the fiscal year in which the Bonds are issued, withhold from Highway User Revenues allocated to the Participant, in accordance with the terms of the Highway User Revenue Act, funds sufficient to maintain in a fund an amount equal to debt service on the Bonds payable in the current and next succeeding fiscal year and shall credit such funds to the sinking fund.

In addition, the Participation Agreement constitutes a covenant by the Participant to keep its pledged share of Highway User Revenues free of conflicting commitments and to expend the proceeds of the Bonds for purposes permitted by the Act. The Participation Agreement also contains representations by the Participant that the pledge of Highway User Revenues shall not preclude the Participant from having made or making borrowings secured by the net amount of Highway User Revenues after withholding by the Department and the Comptroller of the Participant's annual debt service requirement relating to County Transportation Bonds or County Transportation Revenue Bonds, and that the Participant has complied with constitutional and statutory limitations or restrictions, if any, on its power to borrow money or to participate in the Bonds.

Without limiting the generality of the foregoing, the covenants and representations of the Participant described above with respect to pledges of Highway User Revenues do not preclude the Participant from having made or making borrowings through the issuance of its Stormwater Special Revenue Bond (West Branch Moores Run Stormwater Project) Series 2004 (issued in the original amount of $6,881,961 to the Maryland Water Quality Financing Administration) or any other debt issuance, the payment of which is (i) secured by the net amount of Highway User Revenues distributed to the Participant after withholding by the Department and the Comptroller of the annual Participant's bond debt service requirement and the Participant's obligations under any other participation agreements with the Department relating to County Transportation Bonds or County Transportation Revenue Bonds or (ii) subject to annual appropriation by the Participant.

The Participant further covenants and agrees that it will request the Baltimore City Council to adopt a budget amendment authorizing payment of the amount due on the Bonds from other funds lawfully available in the event that the Participant's share of the Highway User Revenues is inadequate to provide for the payment of debt service on the Bonds.

Moneys withheld by the Comptroller, pursuant to the Act and the Participation Agreement, may be reinvested as determined by the Department and in accordance with the provisions of the Indenture.

The Participant may prepay its obligations under the Participation Agreement by depositing money or callable or noncallable government obligations in such amounts with such maturities respectively as the Department deems acceptable. The enforceability of the Participation Agreement is subject to bankruptcy, insolvency, moratoriums, reorganization and other laws affecting creditors' rights and to general principles of equity.

ADDITIONAL BONDS

Within the limitations of the Act and the Indenture, the Department may issue additional County Transportation Revenue Bonds. By the terms of the Resolution, the Department will not issue County Transportation Revenue Bonds under the Indenture on behalf of a participant if such participant's share of Highway User Revenues for the latest fiscal year is less than twice such participant's maximum annual debt service on County Transportation Revenue Bonds and the County Transportation Bonds issued under Subtitle 3.

THE DEPARTMENT

The Department will be responsible for administering all aspects related to the issuance, delivery and sale of the Bonds and the payment of Construction Bond proceeds to the Participant.

The Department has the responsibility for most State-owned transportation facilities and programs. This responsibility includes the planning, financing, construction, operation and maintenance of various modes of transportation and carrying out various related licensing and administrative functions. The statutorily created transportation agencies that are encompassed by the Department are the Maryland Aviation Administration, the Maryland Port Administration, the Maryland Transit Administration, the Motor Vehicle Administration and the State Highway Administration (collectively, the "Administrations"). The Secretary is empowered, on behalf of the Department, to exercise or perform any power or duty which any of the Administrations may exercise or perform. These powers and duties, include, among others, the operation of the Baltimore/Washington International Thurgood Marshall Airport, including the power to set landing fees and to rent space to airlines and concessionaires; the operation of various State-owned buildings and marine terminals in the Port of Baltimore, including the power to fix and collect rental and other fees for the use of these facilities; the construction and maintenance of the State Highway System; the operation of all mass transit facilities in the Baltimore Metropolitan Transit District, including the operation of the bus and rail systems in this District, and the power to fix and collect the fares for these systems; the operation of the MARC commuter rail system by contract with Amtrak and CSX railroad companies, including the power to fix and collect the fares for this system; the licensing and registration of all motor vehicles and motor vehicle operations in the State; and the power to acquire any property by purchase or condemnation that is necessary to exercise or perform these powers and duties.

Certain transportation facilities, which are not part of the Department, are operated as toll facilities by the Maryland Transportation Authority (the "Authority"). Although the Authority acts on behalf of the Department, none of the tolls and other revenues received from these facilities are credited to the Transportation Trust Fund (as defined herein). None of the tolls and other revenues received from the transportation facilities operated by the Authority constitute any security for the Bonds.

As described in "SECURITY," only those Highway User Revenues allocated to the Participant constitute security for the Bonds. No part of any other fees, rentals, fares or other charges imposed and collected by the Department or the Authority constitutes security for the Bonds.

Officials of the Department

Darrell B. Mobley, Acting Secretary of Transportation: Mr. Mobley was appointed by Governor Martin O'Malley to serve as Acting Secretary of the Maryland Department of Transportation ("Acting Secretary") effective August 1, 2012. He has been the Deputy Secretary since the Governor's initial appointment in January 2011. As Acting Secretary, he oversees the Administrations, a $3.6 billion annual budget and approximately10, 000 employees. In addition to his Chief Operating Officer role as Deputy Secretary, Mr. Mobley was a member of the Montgomery County Transit Task Force and continues to chair the Maryland Electric Vehicle Infrastructure Council. From July to December 2011, he also served as the Interim State Highway Administrator until the new Administrator was appointed. Earlier in his career, Mr. Mobley was the State Highway Administrations' District Engineer for Prince George's and Montgomery counties where he oversaw an estimated annual capital expenditures budget of $250 million and provided leadership and direction to a workforce of approximately 500 state and contractual employees. A native of Baltimore, Mr. Mobley has more than 22 years of public and private sector experience combined. He has also worked for two consulting engineering firms throughout his career. Mr. Mobley's notable accomplishments include overseeing the design and construction of the nation's first American Recovery and Reinvestment Act stimulus project, the Hughesville Transportation Improvement Project, and several interchange projects along MD 32 at Airfield, Canine and Samford Roads. Mr. Mobley has a Bachelor of Science in Civil Engineering from the University of Delaware and has two Associate Degrees, one in Construction Management and the other in Land Surveying Technology.

Leif Dormsjo, Acting Deputy Secretary of Transportation: Mr. Dormsjo was appointed by Governor Martin O'Malley to serve as Acting Deputy Secretary of the Maryland Department of Transportation ("Acting Deputy Secretary") on August 1, 2012. In this capacity, he oversees the Administrations and a $3.6 billion annual budget as the Chief Operating Officer for approximately 10, 000 employees. Prior to his appointment, Mr. Dormsjo was the Senior Advisor to the Maryland Transportation Secretary for Business Development. In this role, he focused on advancing real estate, infrastructure, Transit-Oriented Development (TOD) projects and MDOT's public-private partnership program. Mr. Dormsjo also has served as the Secretary's Chief of Staff from 2007 to 2010. He has significant experience in public-sector management, having served as the Chief of Staff for the Baltimore Department of Transportation as well as the Deputy Director of the CitiStat Program in the Baltimore Mayor's Office. He received a bachelor's degree in Modern European history from Wesleyan University in Middletown, Conn. Mr. Dormsjo earned a master's degree in public policy from Harvard University's John F. Kennedy School of Government, with a concentration in transportation policy and urban affairs. He currently sits on the Board of Directors for the Maryland Economic Development Corporation and the Governor's Workforce Investment Board's Interagency Committee.

Denise R. Ferguson, Assistant Attorney General and Counsel to the Department of Transportation: Ms. Ferguson was appointed Counsel to the Department on December 11, 2002. Prior to her appointment, Ms. Ferguson served as Assistant Secretary of the Maryland Department of the Environment from 2001 to 2002. Ms. Ferguson held the position of Director of the Division of Air and Waste Management with the Delaware Department of Natural Resources and Environmental Control from 1999 to 2001. Ms. Ferguson also served as Deputy Counsel and Counsel to the Maryland Department of the Environment from 1989 to 1992 and 1993 to 1999, respectively. She has worked in the federal government as a Branch Chief and Assistant Enforcement Counsel in the Superfund Division of the Office of Enforcement for the U.S. Environmental Protection Agency from 1992 to 1993. Ms. Ferguson also was a Trial Attorney with the U.S. Department of Justice Lands and Natural Resources Division from 1987 to 1989 and an Assistant United States Attorney in the U.S. Attorney's Office for the Southern District of Texas from 1983 to 1987. Ms. Ferguson was an associate with the New York law firm of Davis Polk and Wardwell from 1980 to 1983. Ms. Ferguson is a graduate of Wellesley College and Harvard Law School.

David L. Fleming, Chief Financial Officer: Mr. Fleming was appointed Director of Finance and Chief Financial Officer on May 11, 2005. He oversees the State's Transportation Trust Fund that supports all capital and operating programs for the Department, the $3.6 billion annual budget, and the development of the Transportation Six-year Financial Plan. He began his career in transportation in 1987 at the Department's Secretary's Office in the Office of Finance. He has served as a Senior Financial Analyst, Manager of Financial Planning and Analysis, and Deputy Director of the Office of Finance before being appointed Chief Financial Officer for the Department. Prior to joining the Department, Mr. Fleming worked in private industry for eight years in various accounting positions. He holds a Bachelor's Degree in Accounting and Finance from Towson University in Maryland and a Master's Degree in Business Administration from Loyola College.

THE TRANSPORTATION TRUST FUND

The Transportation Trust Fund (the "Transportation Trust Fund") was established in 1971 by Chapter 526 of the Laws of Maryland of 1970. The Transportation Trust Fund is credited with taxes, fees, charges, bond proceeds, federal grants for transportation purposes and other receipts (excluding airline passenger facility charges and airport rental car customer facility charges and, to the extent required for debt service on obligations issued on behalf of the Department by the Authority, certain parking revenues) of the Department. All expenditures of the Department are made from the Transportation Trust Fund. The Department may use funds in the Transportation Trust Fund for any lawful purpose related to the exercise of its powers, duties and obligations, after meeting its debt service requirements.

The Transportation Trust Fund is held by the Treasurer of the State (the "Treasurer") and administered in cooperation with the Department. The sinking fund into which Highway User Revenues are deposited is separately maintained and accounted for by the Comptroller as a part of the Transportation Trust Fund.

HIGHWAY USER REVENUE SOURCES AND ALLOCATIONS

Pursuant to legislation enacted by the General Assembly at its 2011 Session (Chapter 397), which became effective on July 1, 2011, the total Highway User Revenues will be allocated as follows:

Fiscal Year 2012: 79.8% to the Department (less a one-time $40,000,000 distribution to the Revenue Stabilization Account), 11.3% to the State's General Fund (the "General Fund"), and the balance to pay allocations to the counties, municipalities and Baltimore City.

Fiscal Year 2013: 90% to the Department and the balance to pay allocations to the counties, municipalities and Baltimore City.

Fiscal year 2014 and Fiscal Years thereafter: 90.4% to the Department and the balance to pay allocations to the counties, municipalities and Baltimore City.

Highway User Revenues Highway User Revenues include the following taxes and fees after the deduction of certain programmatic expenses provided by law:

1. Motor Fuel Tax and Fees These taxes and fees consist of the following:

   (a) The 23 1/2¢ on each gallon other than aviation gasoline and 24 1/4¢ on each gallon of special fuels other than turbine fuel after deductions for certain refunds and collection costs and a 2.3% distribution to the Chesapeake Bay 2010 Trust Fund and the General Fund; and

   (b) The fee for a 15-day trip permit for a commercial vehicle at an amount equal to the tax rate on special fuel other than turbine fuel, in effect at the time the permit is issued, and payable on 174 gallons of motor vehicle fuel.

2. Motor Vehicle Titling Tax As of July 1, 2008, two-thirds of the excise tax imposed at the rate of 6% of the fair market value, excluding trade in allowance, of certain motor vehicles for which certificates of title are issued.

3. Sales and Use Tax – 80% of 45% of the revenues from the collection of the Sales and Use Tax on short-term vehicle rentals.

4. Motor Vehicle Registration Fees A registration fee on all motor vehicles that ranges from $2.50 to $1,800.00 per vehicle.

5. Corporation Income Tax — 24% of the revenues derived from the State's 8.25% corporation income tax after certain General Fund reductions. In Fiscal Year 2013, beginning July 1, 2012, the percentage distribution will be 9.5%. For Fiscal Years 2014 through 2016, the percentage distribution will be 19.5%. For Fiscal Year 2017 and future Fiscal Years, the percentage distribution will be 17.2%.

The following table shows Highway User Revenue allocations to the counties and municipalities, to Baltimore City and to the Department in the fiscal years 2008 through 2011, inclusive, and as estimated and projected for fiscal years 2012 and 2013, respectively. This table shows the impact of certain legislation as discussed in Notes 1, 2, and 3 below.

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Actual and Projected Collection of Highway User Revenues
Department of Transportation of Maryland
Transportation Trust Fund
Fiscal Years Ended June 30,
(in thousands)

	Actual				Estimated	Projected
	2008	**2009**	**2010[1]**	**2011[2]**	**2012[2&3]**	**2013[2&3]**
Revenues:						
Motor Fuel Tax						
And Fees	$ 755,176	$ 736,105	$ 721,295	$ 752,319	$ 733,563	$ 742,600
Motor Vehicle Titling Tax	649,657	514,155	543,411	594,938	632,356	702,000
Motor Vehicle Registration Fees	354,967	354,982	350,099	360,514	357,247	367,500
Corporation Income Tax	167,102	151,304	155,254	157,993	180,653	70,000
Sales and Use on						
Rental Vehicles	23,659	21,498	22,201	24,362	23,581	25,930
	$1,950,561	$1,778,044	$1,792,260	$1,890,126	$1,927,400	$1,803,000
Deductions:						
1% Portion-						
Motor Vehicle Titling Tax	$ (129,931)	$ (171,385)	$ (181,137)	$ (198,313)	$ (210,785)	$ (234,000)
Other to the Trust Fund	(7,526)	(6,178)	(6,615)	(6,859)	(6,797)	(7,255)
Other	(47,337)	(44,407)	(46,972)	(45,585)	(57,413)	(52,437)
Total Deductions	(184,794)	(221,970)	(234,724)	(250,757)	(274,996)	(293,692)
Net Highway User Revenues	$1,765,767	$1,556,074	$1,557,536	$1,639,369	$1,652,404	$1,614,338
Allocations:						
Dept. of Transportation	$1,236,037	$1,089,252	$1,090,276	$1,122,968	$1,318,618	$1,452,904
General Fund Share	N/A	N/A	N/A	N/A	N/A	N/A
Counties & Municipalities	313,564	279,232	29,593	9,836	23,134	30,673
Baltimore City	216,166	187,590	133,948	129,510	123,814	130,761
Local Share to General Fund	N/A	N/A	303,719	377,055	186,722	N/A
TOTAL	$1,765,767	$1,556,074	$1,557,536	$1,639,369	$1,652,404	$1,614,338

Note 1: The 2009 Session of the General Assembly enacted legislation effective as of July 1, 2009, (a) requiring the transfer into the General Fund of $101,920,000 of the share of HURs of Baltimore City, the counties and municipalities for fiscal years 2010 and 2011 only and (b) requiring the transfer into the General Fund of $60,000,000 of the share of HURs of Baltimore City and the counties for fiscal year 2010 only. The legislation also reduced the percentage of HURs that will be distributed to Baltimore City, the counties and the municipalities from 30% to 28.5%, effective as of July 1, 2011 and applicable to all fiscal years beginning on or after July 1, 2011. See "HIGHWAY USER REVENUE SOURCES AND ALLOCATIONS" above.

Note 2: Pursuant to legislation enacted by the Maryland General Assembly at its 2010 Session, effective July 1, 2010, the total Highway User Revenues allocated to Baltimore City is as follows: Fiscal year 2010: 8.6%, Fiscal year 2011: 7.9%, and Fiscal Year 2012: 7.5%. Prior to fiscal year 2010, Baltimore City's allocation was an amount equal to the sum of (1) the greater of $157,500,000 or 11.5% of the total Highway User Revenues for the fiscal year and (2) 11.5% of the amount by which (a) 30% of the total Highway User Revenues for the fiscal year minus the greater of $157,500,000 or 11.5% of total Highway User Revenues for the fiscal year exceeds (b) 30% of the total Highway User Revenues for the fiscal year that began July 1, 1997 minus the greater of $157,500,000 or 11.5% of the total Highway User Revenues for the fiscal year that began July 1, 1997. As of July 1, 2010, Baltimore City no longer has a minimum allocation.

Note 3: Pursuant to legislation enacted by the General Assembly at its 2011 Session (Chapter 397), which became effective on July 1, 2011, the total Highway User Revenues will be allocated as follows: Fiscal Year 2012: 79.8% to the Department (less a one-time $40,000,000 distribution to the Revenue Stabilization Account), 11.3% to the State's General Fund (the "General Fund"), and the balance to pay allocations to the counties, municipalities and Baltimore City; Fiscal Year 2013: 90% to the Department and the balance to pay allocations to the counties, municipalities and Baltimore City; Fiscal year 2014 and Fiscal Years thereafter: 90.4% to the Department and the balance to pay allocations to the counties, municipalities and Baltimore City. Highway User Revenues allocated to Baltimore City is as follows: Fiscal year 2012: 7.5%, Fiscal year 2013: 8.1%, and Fiscal Year 2014 and Fiscal Years thereafter: 7.7%.

The following table presents statistics regarding transactions that generated Highway User Revenues for fiscal years 2007 through 2011 inclusive and estimate for FY 2012.

Selected Statistics Supporting
Highway User Revenues
Fiscal Years Ended June 30,
(in thousands)

	2007	**2008**	**2009**	**2010**	**2011**	**2012***
Motor Vehicle Fuel Gallons Sold	3,238,849	3,223,523	3,139,152	2,862,256	3,178,835	3,149,605
Motor Vehicle Titles Issued	1,166	1,097	931	939	994	995
Motor Vehicle Registration Transactions	3,581	3,378	3,346	3,337	4,101	4,349

***Unaudited**

The Maryland Economy. Maryland's economy is growing, but at a very slow rate. Employment growth of roughly 1% is forecast for the next several years, with wage growth of approximately 3.5% annually. Significant uncertainties abound, particularly with regard to potential federal budget cutbacks. Reductions in federal employment in Maryland appear to be likely in one form or another over the next several years. In light of the uncertainties, the State's general fund revenue forecast accounts for a loss of nearly 5,000 jobs in fiscal year 2013, 12,000 in fiscal year 2014, and 12,700 in fiscal year 2015—roughly half of a percentage point of the State's employment in the latter years. Ultimately, the impact on the State of federal budget cuts could be greater or less than projected at this time.

LITIGATION

There is no litigation pending which in any manner will affect the validity of the Act or the Bonds.

The Department and its Administrations, officials and employees are parties to various legal proceedings before the courts, many of which occur in the normal course of the Department's operations. In addition, the Department is also a party to a number of legal proceedings before the Maryland State Board of Contract Appeals, which hears and decides bid protests and contract disputes. These legal proceedings are not, in the opinion of the Office of the Attorney General of the State, likely to have a material adverse impact on the Department's financial position, and such legal proceedings will not materially affect the amount or availability of Highway User Revenues allocated for and pledged to debt service on the Bonds.

STATE GOVERNMENT

Legislature

The State has a bicameral legislature, the General Assembly, composed of the State Senate and the House of Delegates of the State (the "House of Delegates"). Currently, the State Senate consists of 47 members and the House of Delegates 141 members. The General Assembly meets annually for a ninety-day session beginning on the second Wednesday in January. This regular session may be extended by the General Assembly or the Governor and the Governor may call special sessions; however no extended or special session may last longer than thirty days, except for the purpose of enacting the budget.

Executive Branch

The Executive Branch of the State includes four officials elected by the voters on a statewide basis for four-year terms: the Governor, the Lieutenant Governor, the Comptroller and the Attorney General. The Treasurer is elected by joint ballot of the State Senate and the House of Delegates for a four-year term.

The Governor is the chief executive officer of the State. The Lieutenant Governor has such duties as are delegated by the Governor. The Comptroller is required to exercise general superintendence over the fiscal affairs of the State, to prepare plans for the improvement and management of revenue and support of public credit, to keep the accounts of the State, including the Transportation Trust Fund and the special accounts therein, to prescribe the form of completing and stating such accounts and to superintend and enforce the collection of all taxes and revenues. The Attorney General is legal counsel to the Governor, the General Assembly and all departments and units of the State government except the Public Service Commission and certain authorities. The Treasurer is responsible for the custody of all deposits of State moneys, prepares all checks drawn for the disbursement of State funds, is in charge of the investment of surplus funds in the State Treasury and administers and has custody of all securities. Included among the State funds for which the Treasurer is responsible are the moneys in the Transportation Trust Fund.

Board of Public Works

The Governor, the Comptroller and the Treasurer are the members of the Board of Public Works of Maryland (the "Board"). A constitutional body, the Board supervises the expenditure of all sums obtained by State loans (general obligation bond issues) and all funds appropriated for capital improvements other than roads, bridges and highways. The Board must approve all contracts for such expenditures after review by the Department of Budget and Management or the Department of General Services.

The Board considers, acts upon and authorizes all issues of State general obligation bonds and the Department's Consolidated Transportation Bonds, fixes the rate of the State property tax required to be devoted to debt service and administers through the Interagency Committee on School Construction, a State program for payments to the counties and Baltimore City for public school construction.

State Budget

The Governor is required, by Section 52 of Article III of the Maryland Constitution, to submit annually to the General Assembly shortly after it convenes in January in regular session a balanced budget (the "Budget Bill") containing a complete plan of proposed expenditures and estimated revenues for the ensuing fiscal year, including a plan of proposed expenditures and estimated revenues for the Department. The Budget Bill incorporates appropriations for Highway User Revenues and must include the funds necessary to pay debt service on the Bonds.

The General Assembly may not amend the Budget Bill to affect payment of State debt or otherwise to change its provisions, except to increase or decrease the appropriations relating to the General Assembly or the judiciary, or to strike out or reduce other appropriations submitted by the Governor. It must, however, enact a balanced budget. The General Assembly may authorize an appropriation apart from the Budget Bill, but it may only do so by a separate supplementary appropriation bill limited to a single object or purpose and providing for or levying a specific tax or taxes in such bill sufficient to fund the appropriation.

The Department's expenditures are made in accordance with appropriations provided for in the annual budget, except that the Department may submit to the Governor a budget amendment and, if the Governor approves the amendment, the Department may make disbursements in accordance with the budget amendment. By budget amendment, the Department may increase or decrease the amount of the appropriation for any project or transfer funds from one project or administration to another. A budget amendment may not, however, increase the salary or salaries of any office or position, except in certain acute emergencies, or change any language or substantive provision in the budget. All amendments approved by the Governor are required to be reported by him to the next session of the General Assembly. By means of a constitutional amendment in 1978, the General Assembly is permitted to enact bills that may require the Governor to provide specific program funding in the annual budget.

FINANCIAL STATEMENTS

The financial statements of the State of Maryland and the Department are available upon request from David L. Fleming, Director, Office of Finance, Department of Transportation of Maryland, 7201 Corporate Center Drive, P.O. Box 548, Hanover, Maryland 21076 (telephone 410-865-1035). Financial Statements are also available on the Electronic Municipal Market Access ("EMMA") system. Financial information concerning the Participant is filed with the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401 (telephone 410-841-3761).

FINANCIAL ADVISOR

Public Resources Advisory Group ("PRAG"), New York, New York, has been retained as Financial Advisor to the Department in connection with the sale of the Bonds and other matters pertinent thereto.

TAX MATTERS

In the opinion of Bond Counsel, assuming compliance with certain covenants described herein, (i) interest on the Bonds will be excludable from gross income for federal income tax purposes under existing statues, regulations and decisions and (ii) by the terms of the Transportation Article, the Bonds, their transfer, the interest payable on them, and any income derived from them, including any profit realized in their sale or exchange, shall be exempt at all times from every kind and nature of taxation by the State or by any of its political subdivisions, municipal corporations, or public agencies of any kind. No opinion is expressed as to estate or inheritance taxes or any other taxes not levied or assessed directly on the Bonds, their transfer or the income therefrom.

In rendering its opinion with respect to the Bonds, Bond Counsel will rely without investigation on certifications provided by the Department and the Participant with respect to certain material facts within the knowledge of the Department and the Participant relevant to the tax-exempt status of interest on the Bonds.

Under the provisions of the Code, there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the Bonds. These include the following: (i) a requirement that certain investment earnings received from the investment of the proceeds of the Bonds be rebated to the United States of America (or that certain payments in lieu of rebate be made), (ii) other requirements applicable to the investment of the proceeds of the Bonds, and (iii) other requirements applicable to the use of the proceeds of the Bonds and the facilities financed or refinanced with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The Department and the Participant have covenanted to regulate the investment of the proceeds of the Bonds and to take such other actions as may be required to maintain the excludability from gross income for federal income tax purposes of interest on the Bonds.

Further, Bond Counsel is of the opinion that interest on the Bonds is not included in the alternative minimum taxable income of individuals, corporations or other taxpayers as an enumerated item of tax preference or other specific adjustment; however, for purposes of calculating the corporate alternative minimum tax, a corporation subject to such tax may be required to increase its alternative minimum taxable income by 75% of the amount by which its "adjusted current earnings" exceed its alternative minimum taxable income (computed without regard to this current earnings adjustment and the alternative tax net operating loss deduction). For such purposes, "adjusted current earnings" would include, among other items, interest income from the Bonds. In addition, interest income on the Bonds will be subject to the branch profits tax imposed by the Code on foreign corporations engaged in a trade or business in the United States of America.

Certain Other Federal Tax Consequences

There are other federal income tax consequences of ownership of obligations such as the Bonds under certain circumstances, including the following: (i) deductions are disallowed for certain expenses of taxpayers allocable to interest on tax-exempt obligations, as well as interest on indebtedness incurred or continued to purchase or carry tax-exempt obligations and interest expense of financial institutions allocable to tax-exempt interest; (ii) for property and casualty insurance companies, the amount of the deduction for losses incurred must be reduced by 15% of the sum of tax-exempt interest income and the deductible portion of dividends received by such companies; (iii) interest income which is exempt from tax must be taken into account for the purpose of determining whether, and what amount of, social security or railroad retirement benefits are includable in gross income for federal income taxation purposes; and (iv) for S corporations having subchapter C earnings and profits, the receipt of certain levels of passive investment income, which includes interest on tax-exempt obligations such as the Bonds, can result in the imposition of tax on such passive investment income and, in some cases, loss of S corporation status.

Purchase, Sale, and Retirement of the Bonds

Except as noted below in the case of market discount, the sale or other disposition of a Bond will normally result in capital gain or loss to its holder. A holder's initial tax basis in a Bond will be its cost. Upon the sale or retirement of a Bond, for federal income tax purposes a holder will recognize capital gain or loss upon the disposition of such security (including sale, early redemption or payment at maturity) in an amount equal to the difference between (a) the amount received upon such disposition and (b) the tax basis in such Bond, determined by adding to the original cost basis in such Bond the amount of original issue discount that is treated as having accrued as described below under "Tax Accounting Treatment of Discount Bonds." Such gain or loss will be long-term capital gain or loss if at the time of the sale or retirement the Bond has been held for more than one year. Present law taxes both long and short-term capital gains of corporations at the rate applicable to ordinary income. For non-corporate taxpayers, however, net capital gains will be taxed at a maximum rate of 15%, while short-term capital gains and other ordinary income will be taxed at a maximum rate of 35%. Net capital gains are the excess of net long-term capital gain (gains on capital assets held for more than one year) over net short-term capital losses. Because of the limitation on itemized deductions and the deduction for personal exemptions applicable to higher income taxpayers, the effective rate of tax may be higher in certain circumstances. The operation of sunset, effective date and similar timing provisions in current law would result in a change in the tax rates in certain future time periods.

If a holder acquires a Bond after its original issuance at a discount below its principal amount (or in the case of a Bond issued at an original issue discount, at a price that produces a yield to maturity higher than the yield to maturity at which such bond was first issued), the holder will be deemed to have acquired the bond at "market discount," unless the amount of market discount is *de minimis,* as described in the following paragraph. If a holder that acquires a Bond with market discount subsequently realizes a gain upon the disposition of the Bond, such gain shall be treated as taxable interest income to the extent such gain does not exceed the accrued market discount attributable to the period during which the holder held such Bond, and any gain realized in excess of such market discount will be treated as capital gain. Potential purchasers should consult their tax advisors as to the proper method of accruing market discount.

In the case of a Bond not issued at an original issue discount, market discount will be *de minimis* if the excess of the Bond's stated redemption price at maturity over the holder's cost of acquiring the Bond is less than 0.25% of the stated redemption price at maturity multiplied by the number of complete years between the date the holder acquires the Bond and its stated maturity date. In the case of a Bond issued with original discount, market discount will be *de minimis* if the excess of the Bond's revised issue price over the holder's cost of acquiring the Bond is less than 0.25% of the revised issue price multiplied by the number of complete years between the date the holder acquires the Bond and its stated maturity date. For this purpose, a Bond's "revised issue price" is the sum of (i) its original issue price and (ii) the aggregate amount of original issue discount that is treated as having accrued with respect to the Bond during the period between its original issue date and the date of acquisition by the holder.

A Bond will be considered to have been issued at a premium if, and to the extent that, the holder's tax basis on the Bond exceeds the amount payable at maturity (or, on the case of a Bond callable prior to maturity, the amount payable on the earlier call date). Under tax regulations applicable to the Bonds, the amount of premium would be determined with reference to the amount payable on that call date (including for this purpose the maturity date), which produces the lowest yield to maturity on the Bond. The holder will be required to reduce his tax basis in the Bond for purposes of determining gain or loss upon disposition of the Bond by the amount of amortizable bond premium that accrues (determined on a constant yield method) during his period of ownership. No deduction (or other tax benefit) is allocable in respect of any amount of amortizable bond premium on the Bonds.

Tax Accounting Treatment of Discount Bonds

Certain maturities of the Bonds may be issued at an initial issue price which is less than the amount payable on such Bonds at maturity (the "Discount Bonds"). The difference between the initial issue price (including accrued interest) at which a substantial amount of the Discount Bonds of each maturity was sold and the principal amount of such Discount Bonds payable at maturity constitutes original issue discount. In the case of any holder of Discount Bonds, the amount of such original issue discount which is treated as having accrued with respect to such Discount Bonds is added to the original cost basis of the holder in determining, for federal income tax purposes, gain or loss upon disposition (including sale, early redemption or repayment at maturity). For federal income tax purposes (i) any holder of a Discount Bond will recognize gain or loss upon the disposition of such security (including sale, early redemption or payment at maturity) in an amount equal to the difference between (a) the amount received upon such disposition and (b) the sum of (1) the holder's original cost basis in such Discount Bond, and (2) the amount of original issue discount attributable to the period during which the holder held such Discount Bond, and (ii) the amount of the basis adjustment described in clause (i)(b)(2) will not be included in the gross income of the holder.

Original issue discount on Discount Bonds will be attributed to permissible compounding periods during the life of such Discount Bonds in accordance with a constant rate of interest accrual method. The yield to maturity of the Discount Bonds of each maturity is determined using permissible compounding periods. In general, the length of the permissible compounding period cannot exceed the length of the interval between debt service payments on the Discount Bonds and must begin or end on the date of such payments. Such yield then is used to determine an amount of accrued interest for each permissible compounding period. For this purpose, interest is treated as compounding periodically at the end of each compounding period. The amount of original issue discount which is treated as having accrued in respect of a Discount Bond for any particular compounding period is equal to the excess of (i) the product of (a) the yield for the Discount Bond (adjusted as necessary for an initial short period) divided by the number of compounding periods in a year multiplied by (b) the amount that would be the tax basis of such Discount Bond at the beginning of such period if held by an original purchaser who purchased at the initial issue price, over (ii) the amount actually payable as interest on such Discount Bond during such period. For purposes of the preceding sentence, the tax basis of a Discount Bond, if held by an original purchaser, can be determined by adding to the initial price of such Discount Bond, the original issue discount that is treated as having accrued during all prior compounding periods. If a Discount Bond is sold or otherwise disposed of between compounding periods, then interest which would have accrued for that compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Holders of Discount Bonds should note that, under the referenced regulations, the yield and maturity of a Discount Bond is determined without regard to commercially reasonable sinking fund payments and any original issue discount remaining unaccrued at the time that a Discount Bond is redeemed in advance of stated maturity will be treated as taxable gain. Moreover, tax regulations prescribe special conventions for determining the yield and maturity of certain debt instruments that provide for alternative payment schedules applicable upon the occurrence of certain contingencies.

The yields (and related prices) provided by the successful bidder for the Bonds and shown on the inside cover of the Official Statement may not reflect the initial issue prices for purposes of determining the original issue discount for federal income tax purposes.

The foregoing summarizes certain federal income tax consequences of original issue discount with respect to Discount Bonds but does not purport to deal with all aspects of federal income taxation that may be relevant to particular investors or circumstances, including those set out above. Prospective purchasers of Discount Bonds should consider possible state and local income, excise or franchise tax consequences arising from original issue discount on Discount Bonds. In addition, prospective corporate purchasers should consider possible federal tax consequences arising from original issue discount on such Discount Bonds under the alternative minimum tax or the branch profits tax. The amount of original issue discount considered to have accrued may be reportable in the year of accrual for state and local tax purposes or for purposes of the alternative minimum tax or the branch profits tax without a corresponding receipt of cash with which to pay any tax liability attributable to such discount. Purchasers with questions concerning the detailed tax consequences of transactions in the Discount Bonds should consult their tax advisors.

Legislative proposals currently under consideration or proposed after issuance and delivery of the Bonds could adversely affect the market value of the Bonds. Further, if enacted into law, any such proposal could cause the interest on the Bonds to be subject, directly or indirectly, to federal income taxation and could otherwise alter or amend one or more of the provisions of federal tax law described above or their consequences. Prospective purchasers of the Bonds should consult with their tax advisors as to the status and potential effect of pending proposed legislative proposals, as to which Bond Counsel expresses no opinion.

The foregoing is only a general summary of certain provisions of the Code as enacted and in effect on the date hereof and does not purport to be complete; holders of the Bonds should consult their own tax advisors as to the effects, if any, of the Code (and any proposed or subsequently enacted amendments to the Code) in their particular circumstances.

CONTINUING DISCLOSURE

In order to enable the successful bidder for the Bonds to comply with the requirements of paragraph (b)(5) of the United States Securities and Exchange Commission Rule 15c2-12 (the "Rule"), the Department will execute and deliver, on or before the date of issuance and delivery of the Bonds, a Continuing Disclosure Agreement, the form of which is attached as Appendix B.

Potential purchasers should note that certain of the fourteen events listed in Section 4(a) of the Continuing Disclosure Agreement have been included for purposes of compliance with the Rule but are not relevant for the Bonds, specifically those events relating to credit enhancements, liquidity providers, and property or other collateral.

The Department believes it has complied with its obligations under the Rule in connection with all prior debt issuances of the Department which are subject to the Rule.

THE BONDS ARE NOT DEBT OF THE STATE OR OF THE DEPARTMENT

The Bonds are limited obligations of the Department payable solely from the Revenues and other amounts pledged therefor under the Indenture, and neither the faith and credit nor the taxing power of the State, or of the Department, is pledged to the payment of the principal of or interest on the Bonds. **The Bonds are not debt of the State or of the Department.**

The sources of revenues or moneys of the Department are limited to those provided by the Act, and the issuance of the Bonds does not directly or indirectly or contingently obligate, morally or otherwise, the State or the Department to levy or to pledge any form of taxation whatsoever therefor or to make any appropriation for their payment.

LEGAL MATTERS

The validity of the issuance of the Bonds will be passed upon, and is subject to the unqualified approving opinion of McKennon Shelton & Henn LLP, Baltimore, Maryland, Bond Counsel to the Department. The text of the unqualified approving opinion in its proposed form is appended hereto as Appendix A. Certain legal matters will also be passed upon for the Department by the Office of the Attorney General of the State of Maryland and for Baltimore City by Funk & Bolton, P.A., Baltimore, Maryland, Special Counsel to Baltimore City.

MISCELLANEOUS

The explanation herein of provisions of Subtitle 3 and the Act, the Indenture, the Participation Agreement and other materials are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and reference is made to such laws, instruments, documents and other materials for full and complete statements of the provisions thereof.

The Trustee has not participated in the preparation of this Official Statement.

DEPARTMENT OF TRANSPORTATION OF MARYLAND

by order of

/s/ Darrell B. Mobley
Acting Secretary of Transportation

APPENDIX A

FORM OF OPINION OF BOND COUNSEL
[Closing Date]

State of Maryland
Department of Transportation
7201 Corporate Center Drive
P.O. Box 548
Hanover, Maryland 21076

Ladies and Gentlemen:

In connection with the issuance of the $25,345,000 Department of Transportation of Maryland County Transportation Revenue Bonds, Series 2012 and the $12,910,000 County Transportation Revenue Bonds, Refunding Series 2012 dated as of October 4, 2012 (collectively, the "Bonds"), we have examined:

(i) Sections 3-501 through 3-519 of the Transportation Article of the Annotated Code of Maryland (2008 Replacement Volume, as amended and supplemented) (the "Act");

(ii) the Trust Indenture dated as of November 1, 1993 between the Department of Transportation of Maryland (the "Department") and The First National Bank of Maryland (the "1993 Indenture"), as supplemented by the First Supplemental Indenture dated as of December 1, 2004 between the Department and Manufacturers and Traders Trust Company, as successor to The First National Bank of Maryland (the "Trustee") (the "First Supplemental Indenture"), as further supplemented by the Second Supplemental Indenture dated as of May 15, 2007 between the Department and the Trustee (the "Second Supplemental Indenture)," and as further supplemented by the Third Supplemental Trust Indenture dated as of June 18, 2009 between the Department and the Trustee (the "Third Supplemental Indenture") as further supplemented by the Fourth Supplemental Trust Indenture dated as of October 4, 2012 between the Department and the Trustee (the "Fourth Supplemental Indenture"). The 1993 Indenture, the First Supplemental Indenture, the Second Supplemental Indenture, Third Supplemental Indenture, and the Fourth Supplemental Indenture are collectively referred to herein as the "Indenture";

(iii) the Participation Agreement dated as of September 12, 2012 between the Department and Mayor and City Council of Baltimore (the "Participant") (the "Participation Agreement");

(iv) a resolution of the Secretary of Transportation of Maryland (the "Secretary") dated August 27, 2012;

(v) the forms of Bonds;

(vi) relevant provisions of the Constitution and laws of the State of Maryland;

(vii) relevant provisions of the Internal Revenue Code of 1986, as amended (the "Code"); and

(viii) other proofs submitted to us relative to the issuance of the Bonds.

The Bonds are in registered form in denominations of $5,000 or any integral multiple thereof. The Bonds bear interest, mature and are subject to redemption prior to maturity in the manner and upon the terms and conditions set forth therein and in the Indenture.

In rendering this opinion, (i) we have relied on the Department's Tax and Section 148 Certificate dated this date made on behalf of the Department by officers thereof with respect to certain material facts within the knowledge of the Department, including supporting certifications made on behalf of the Participant, and (ii) we have assumed the correctness of the opinion of Funk & Bolton, P.A., special counsel to the Participant, dated this date regarding, among other things, the authority of the Participant to enter into and perform its obligations under the Participation Agreement and the proper authorization, execution and delivery of the Participation Agreement by the Participant, in each case without investigation.

We have made no investigation of, and are rendering no opinion regarding, the title to real or personal property or the priority or perfection of any lien or security interest in real or personal property.

Based upon the foregoing, it is our opinion that:

(a) The Act is a valid enactment and the Department is a validly created and existing agency of the State of Maryland (the "State") possessing authority under the Act to issue the Bonds;

(b) The Secretary has complied with all requirements of law for the issuance of the Bonds and the Bonds have been duly and validly issued as provided by law and constitute, according to their terms, valid and legally binding limited obligations of the Department.

(c) The Participation Agreement has been duly authorized, executed and delivered by the Department and, assuming the due authorization, execution and delivery thereof by the Participant, the Participation Agreement constitutes the valid and binding obligation of the Department.

(d) The Indenture has been duly authorized, executed and delivered by the Department and, assuming the due authorization, execution and delivery by the Trustee, constitutes the valid and binding obligation of the Department and, as provided by the Act, creates the valid pledge of and the valid lien upon the Revenues (as defined in the Indenture) that it purports to create, subject only to the provisions of the Indenture permitting the withdrawal, payment, setting apart or appropriation thereof for the purposes and on the terms and conditions set forth in the Indenture.

(e) The Indenture, the Participation Agreement and the Bonds are subject to bankruptcy, insolvency, moratorium, reorganization and other state and federal laws affecting the enforcement of creditors' rights and to general principals of equity.

(f) Under the terms of the Act and the Indenture, the Bonds do not constitute a debt or liability of the State or of the Department. Neither the State nor the Department shall be obligated to pay the principal of or the interest on the Bonds except from the Revenues (as defined in the Indenture) and other amounts pledged to the payment of the Bonds under the Indenture. The Bonds issued under the Act are not and may not be considered to constitute a debt or a pledge of the faith and credit of the State or of the Department.

(g) Under the terms of the Act, the Bonds, their transfer, the interest payable on them and any income derived from them, including any profit realized from their sale and exchange, shall be exempt at all times from every kind and nature of taxation by the State or by any of its political subdivisions, municipal corporations or public agencies of any kind; no opinion is expressed as to estate or inheritance taxes, or any other taxes not levied or assessed directly on the Bonds or the interest thereon.

(h) Assuming compliance with certain covenants referred to herein, interest on the Bonds will be excludable from gross income for federal income tax purposes under existing statutes, regulations and decisions. It is noted that under the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), there are certain restrictions that must be met subsequent to the delivery of the Bonds, including restrictions that must be complied with throughout the term of the Bonds, in order that the interest thereon be excludable from gross income. These include (i) a requirement that certain investment earnings received from the investment of the proceeds of the Bonds be rebated (or that certain payments in lieu of rebate be made) to the United States of America under certain circumstances; (ii) other requirements applicable to the investment of the proceeds of the Bonds; and (iii) requirements applicable to the use of the proceeds of the Bonds and the use of the facilities financed or refinanced with such proceeds. Failure to comply with one or more of these requirements could result in the inclusion of the interest payable on the Bonds in gross income for federal income tax purposes, effective from the date of their issuance. The Department and the Participant have covenanted to regulate the investment of the proceeds of the

Bonds and to take such other actions as may be required to maintain the excludability of interest on the Bonds from gross income for federal income tax purposes. It is our opinion that, assuming compliance with such covenants, the interest on the Bonds will remain excludable from gross income for federal income tax purposes under the provisions of the Code.

(i) Interest on the Bonds is not includable in the alternative minimum taxable income of individuals, corporations or other taxpayers as an enumerated item of tax preference or other specific adjustment. For purposes of calculating the corporate alternative minimum tax, however, a corporation subject to such tax will be required to increase its alternative minimum taxable income by 75% of the amount by which its "adjusted current earnings" exceed its alternative minimum taxable income (computed without regard to this current earnings adjustment and the alternative tax net operating loss deduction). For such purposes, "adjusted current earnings" would include, among other items, interest income from the Bonds. In addition, interest income on the Bonds will be subject to the branch profits tax imposed by the Code on foreign corporations engaged in a trade or business in the United States of America.

The opinions expressed herein are limited to the matters set forth above, and no other opinions should be inferred beyond the matters expressly stated. We assume no obligation to supplement this opinion if any applicable laws or interpretations thereof change after the date hereof or if we become aware of any facts or circumstances that might change the opinions expressed herein after the date hereof.

Very truly yours,

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APPENDIX B

FORM OF CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (this "Disclosure Agreement") is executed and delivered by the Department of Transportation of Maryland (the "Department") in connection with the issuance of its $25,345,000 Department of Transportation of Maryland County Transportation Revenue Bonds, Series 2012 and $12,910,000 Department of Transportation of Maryland County Transportation Revenue Bonds, Refunding Series 2012 (collectively, the "Bonds"). The Bonds are being issued pursuant to a resolution of the Secretary of Transportation of Maryland (the "Secretary") dated as of August 27, 2012 (the "Resolution"). The Department, intending to be legally bound hereby and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement.

This Disclosure Agreement is being executed and delivered by the Department for the benefit of the owners and beneficial owners of the Bonds and in order to assist the Participating Underwriters (as defined herein) in complying with the Rule (as defined herein).

Section 2. Definitions.

In addition to the definitions set forth above, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"**CONTINUING DISCLOSURE SERVICE**" shall mean the continuing disclosure service established by the MSRB known as the Electronic Municipal Market Access ("EMMA") system or such other format as prescribed by the MSRB.

"**LISTED EVENT**" shall mean any of the events listed in Section 4 of this Disclosure Agreement.

"**MSRB**" shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)1 of the Securities Exchange Act of 1934, as amended.

"**PARTICIPATING UNDERWRITER**" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"**RULE**" shall mean Rule 15c2-12(b)5 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"**SEC**" shall mean the United States Securities and Exchange Commission.

Section 3. Provision of Annual Debt Service and Highway User Revenue Information.

(a) The Department shall provide to the Continuing Disclosure Service in electronic format as prescribed by the MSRB, annual financial information as set forth in Schedule A to this Disclosure Agreement, such information and data to be updated as of the end of the preceding Fiscal Year and made available within 275 days after the end of the Fiscal Year of the Department, commencing with the Fiscal Year ending June 30, 2012.

(b) Except as otherwise set forth in this paragraph (b), the presentation of the financial information referred to in paragraph (a) shall be made in accordance with the same format as utilized in connection with the presentation of applicable comparable financial information included in the Official Statement.

(i) The Department may modify the presentation of the financial information required herein, provided that this Disclosure Agreement is amended in accordance with Section 6 hereof.

(c) If the Department is unable to provide the annual financial information within the applicable time periods specified in (a) above, the Department shall send in a timely manner a notice of such failure to the Continuing Disclosure Service.

Section 4. Reporting of Significant Events.

(a) Pursuant to provisions of this Section 4, the Department shall give or cause to be given notice of the occurrence of any of the following events with respect to the Bonds:

(i) principal and interest payment delinquencies,

(ii) non-payment related defaults, if material,

(iii) unscheduled draws on debt service reserves reflecting financial difficulties,

(iv) unscheduled draws on credit enhancements, if any, reflecting financial difficulties,

(v) substitution of credit or liquidity providers, if any, or their failure to perform,

(vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the Bonds,

(vii) modifications to rights of Bond Holders, if material,

(viii) bond calls, if material, and tenders offers,

(ix) defeasances,

(x) release, substitution or sale of property securing repayment of any of the Bonds, if material,

(xi) rating changes,

(xii) bankruptcy, insolvency, receivership or similar event of the Department,[**]

(xiii) the consummation of a merger, consolidation or acquisition involving the Department or the sale of all or substantially all of the assets of the Department, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material, and

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Department agrees to provide, in a timely manner, not in excess of ten (l0) business days after the occurrence of a Listed Event, notice of such occurrence with the Continuing Disclosure Service in electronic format as prescribed by the MSRB.

Section 5. Termination of Reporting Obligation.

The Department's obligations under this Disclosure Agreement shall terminate upon the payment in full of all of the Bonds either at their maturity or by early redemption. In addition, the Department may terminate its obligations under this Disclosure Agreement if and when it no longer remains an obligated person with respect to the Bonds within the meaning of the Rule.

[**] For the purposes of the event identified in clause (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Department in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Department, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Department.

Section 6. Amendment.

The Department may provide further or additional assurances that will become part of the Department's obligations under this Disclosure Agreement. In addition, this Disclosure Agreement may be amended by the Department in its discretion provided that (i) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Department as the obligated person with respect to the Bonds, or in the type of business conducted; (ii) this Disclosure Agreement, as amended, would have complied with the requirements of the Rule at the time of the issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (iii) the amendment does not materially impair the interests of holders of the Bonds, as determined by counsel selected by the Department that is expert in federal securities law matters. The reasons for the Department agreeing to provide any further or additional assurances or for any amendment and the impact of the change in the type of operating data or financial information being provided will be explained in information provided with the annual financial information containing additional or amended financial information.

Section 7. Additional Information.

Nothing in this Disclosure Agreement shall be deemed to prevent the Department from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any disclosure made pursuant to Section 4 hereof or notice of occurrence of a Listed Event in addition to that which is required by this Disclosure Agreement. If the Department chooses to include any information in any disclosure made pursuant to Section 4 hereof or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Department shall have no obligation under this Disclosure Agreement to update such information or include it in any future disclosure made pursuant to Section 4 hereof or notice of occurrence of a Listed Event.

Section 8. Law of Maryland.

This Disclosure Agreement, and any claim made with respect to the performance by the Department of its obligations hereunder, shall be governed by, be subject to and be construed according to the laws of the State of Maryland (without regard to provisions on conflicts of laws) or federal law.

Section 9. Limitation of Forum.

Any suit or other proceeding seeking redress with regard to any claimed failure by the Department to perform its obligations under this Disclosure Agreement must be filed in the Circuit Court for Anne Arundel County, Maryland.

Section 10. Limitation On Remedies.

The Department shall be given written notice at the address set forth below of any claimed failure by the Department to perform its obligations under this Disclosure Agreement, and the Department shall be given 45 days to remedy any such claimed failure. Any suit or other proceeding seeking further redress with regard to any such claimed failure by the Department shall be limited to specific performance as the adequate and exclusive remedy available in connection with such action. Written notice to the Department shall be given to the Secretary of Transportation, 7201 Corporate Center Drive, Hanover, MD 21076, with a copy to the Chief Financial Officer, Office of Finance, Maryland Department of Transportation, 7201 Corporate Center Drive, Hanover, MD 21076, or at such alternate address as shall be specified by the Department with disclosures made pursuant to Section 4 hereof or a notice of occurrence of a Listed Event.

Section 11. Duty To Update EMMA/MSRB.

The Department agrees that it shall determine, in the manner it deems appropriate, whether there has occurred a change in the MSRB's e-mail address or filing procedures and requirements under EMMA each time it is required to file information with the MSRB.

Section 12. Recordkeeping.

The Department agrees that it shall maintain records of all disclosures of annual financial information and disclosures of material events listed in Section 4 above, including the content of such disclosures, the names of the entities with whom such disclosures were filed and the dates of filings such disclosures.

Section 13. Past Compliance.

The Department represents that it has complied with the requirements of each continuing disclosure undertaking entered into by it pursuant to the Rule in connection with previous financings to which the Rule was applicable.

Section 14. Relationship to Bonds.

This Disclosure Agreement constitutes an undertaking by the Department that is independent of the Department's obligations with respect to the Bonds. Any breach or default by the Department under this Disclosure Agreement shall not constitute or give rise to a breach or default under the Bonds.

Section 15. Beneficiaries.

This Disclosure Agreement shall inure solely to the benefit of the owners and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF this Disclosure Agreement is being executed by the Secretary of Transportation on behalf of the Department as of this 4th day of October, 2012.

DEPARTMENT OF TRANSPORTATION OF MARYLAND

By: ____________________________________

Acting Secretary of Transportation

SCHEDULE A

(1) Schedule of Participant Debt Service Requirements

(2) Schedule of Highway User Revenues, Maximum Annual Debt Service and Coverage, and Outstanding Debt

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APPENDIX C

BOOK-ENTRY ONLY SYSTEM

BOOK-ENTRY ONLY SYSTEM - GENERAL

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds (as hereinafter defined). The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered certificate of the $25,345,000 Department of Transportation of Maryland County Transportation Revenue Bonds, Series 2012 (the "Construction Bonds") will be issued for each maturity of the Construction Bonds and one fully registered certificate of the $12,910,000 Department of Transportation County Transportation Revenue Bonds, Refunding Series 2012 (the "Refunding Bonds" and, together with the Construction Bonds, the "Bonds"), will be issued for each maturity of the Refunding Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company of DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, and trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's of rating: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed. Neither DTC nor Cede & Co. will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the Bonds will be made to Cede & Co. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or the Department of Transportation of Maryland ("Department"), subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividends to Cede & Co. is the responsibility of the Department, and disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Department. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The Department may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

BOOK-ENTRY ONLY SYSTEM - MISCELLANEOUS

The information in the section "BOOK-ENTRY ONLY SYSTEM GENERAL" has been obtained by the Department from DTC. The Department takes no responsibility for the accuracy or completeness thereof. The Department will have no responsibility or obligation to DTC Participants or the persons for whom they act as nominees with respect to the payments to or the providing of notice to the DTC Participants, or the Indirect Participants, or Beneficial Owners. The Department cannot and does not give any assurance that DTC Participants or others will distribute principal and interest payments paid to DTC or its nominees, as the registered owner, or any redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis or that DTC will serve and act in the manner described in this Official Statement.

TERMINATION OF BOOK-ENTRY ONLY SYSTEM

In the event that the Book-Entry Only System is discontinued, the Bonds will be delivered by DTC to the Bond Registrar and such Bonds will be exchanged for Bonds registered in the names of the DTC Participants or the Beneficial Owners identified to the Bond Registrar. In such event, certain provisions of the Bonds pertaining to ownership of the Bonds will be applicable to the registered owners of the Bonds as described below.

Interest on the Bonds will be payable by check mailed by the Paying Agent and Bond Registrar to the persons in whose names the Bonds are registered as of the close of business on the Regular Record Date (being the fifteenth day of the month immediately preceding each interest payment date) at the addresses shown on the registration books of the Department maintained by the Bond Registrar; provided, however, that any such interest not punctually paid or duly provided for shall cease to be payable to the registered owner on such Regular Record Date, and may be paid to the persons in whose names such Bonds are registered as of the close of business on a date to be fixed by the Paying Agent for the payment of such defaulted interest (the "Special Record Date"), notice of which will be given by letter mailed first class, postage prepaid, to such persons, not less than 30 days prior to such Special Record Date, at the addresses of such persons appearing on the registration books of the Department maintained by the Bond Registrar, 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. The principal of and premium, if any, on the Bonds will be payable at the principal office of the Paying Agent. The Department may designate another entity as Bond Registrar and Paying Agent upon twenty days prior written notice to the registered owners of the Bonds.

The Bonds in fully certificated form will be fully registered Bonds without coupons in the denomination of $5,000 each or any integral multiple thereof. Bonds will be transferable only upon the registration books kept at the principal office of the Bond Registrar, by the registered owner thereof in person, or by an 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 a duly authorized attorney. The Department may deem and treat the person in whose name a Bond is registered as the absolute owner thereof for the purpose of receiving payment of or on account of the principal or redemption price thereof and interest due thereon and for all other purposes.

The Bonds may be transferred or exchanged at the principal office of the Bond Registrar. Upon any such transfer or exchange, the Department shall execute and the Bond Registrar shall authenticate and deliver a new registered Bond or Bonds without coupons 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 any holder of Bonds requesting exchange or transfer of Bond of any tax, fee, or other governmental charge, shipping charges, and insurance they may be required to be paid with respect to such exchange or transfer, but otherwise no charge shall be made to the holder of Bonds for such exchange or transfer. The Bond Registrar shall not be required to transfer or exchange any certificate after the mailing of notice calling such Bond or portion thereof for redemption as herein above described; provided, however, that the foregoing limitation shall not apply to that portion of a Bond in excess of $5,000 which is not being called for redemption.

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APPENDIX D

DEBT SERVICE REQUIREMENTS FOR PARTICIPANT

Fiscal Year	Series 2004[1]	Series 2007[2]	Series 2009[3]	Refunding Series 2012[4]	Series 2012[5]	Total Bonds
2013	$ 2,229,525	$ 2,774,463	$ 4,183,738	$ 272,023	$ 415,065	$ 9,874,814
2014	2,261,288	2,802,400	4,227,337	413,200	844,200	10,548,425
2015	2,289,375	2,819,600	4,275,713	413,200	844,200	10,642,088
2016		2,843,000	4,271,712	2,750,500	2,366,025	12,231,237
2017		2,862,200	4,270,963	2,773,000	2,364,000	12,270,163
2018		2,887,200	4,272,962	2,796,600	2,367,150	12,323,912
2019		2,907,600	4,309,363	2,818,200	2,364,850	12,400,013
2020		2,933,400	4,339,162	2,840,700	2,365,675	12,478,937
2021		2,959,200	4,372,363		2,368,550	9,700,113
2022		2,984,800	4,408,562		2,366,675	9,760,037
2023			4,457,363		2,366,500	6,823,863
2024			4,487,962		2,364,375	6,852,337
2025					2,365,250	2,365,250
2026					2,367,613	2,367,613
2027					2,365,450	2,365,450
2028					2,364,187	2,364,187
Total	$ 6,780,188	$ 28,773,863	$ 51,877,200	$ 15,077,423	$ 32,859,765	$ 135,368,439

1) County Transportation Revenue Bonds, Series 2004, adjusted for the refunding
2) County Transportation Revenue Bonds, Series 2007
3) County Transportation Revenue Bonds, Series 2009
4) County Transportation Revenue Bonds, Refunding Series 2012
5) County Transportation Revenue Bonds, Series 2012

Note: Totals may not add due to rounding

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DEBT SERVICE COVERAGE

Schedule of
Highway User Revenues, Maximum Annual Debt Service, and Outstanding Debt
(Years are Fiscal Years)

	2008	2009	2010	2011	Unaudited 2012	Projected 2013
Baltimore City						
Highway User Revenue	$216,166,117	$187,590,216	$133,948,000	$129,510,156	$123,814,050	$130,761,000
Maximum Debt Service(1)	5,860,800	10,199,963	10,199,963	10,199,963	10,199,963	12,478,937
Coverage Ratio (2)	36.88	18.39	13.13	12.70	12.14	10.48
Outstanding Debt	$56,775,000	$99,485,000	$95,060,000	$89,135,000	$82,945,000	$114,740,000

(1) Debt service stated for Projected Fiscal Year 2013 is adjusted for the refunding and reflects debt service on the Bonds.

(2) Debt service coverage is computed by dividing the Participant's share of Highway User Revenues in the fiscal year ended June 30th by such Participant's maximum annual debt service requirement.

Note: Baltimore City has been the sole participant in the County Transportation Revenue Bond program since 2004.

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APPENDIX F

OFFICIAL NOTICE OF SALE

DEPARTMENT OF TRANSPORTATION OF MARYLAND
$36,820,000* COUNTY TRANSPORTATION REVENUE BONDS
consisting of
$24,265,000* COUNTY TRANSPORTATION REVENUE BONDS, SERIES 2012
and
$12,555,000* COUNTY TRANSPORTATION REVENUE BONDS, REFUNDING SERIES 2012

NOTICE IS HEREBY GIVEN that electronic bids only for the purchase of the issue of *(i)* $24,265,000* County Transportation Revenue Bonds, Series 2012 (the "Construction Bonds") and *(ii)* $12,555,000* County Transportation Revenue Bonds, Refunding Series 2012 (the "Refunding Bonds" and, together with the Construction Bonds, the "Bonds") will be received by the Department of Transportation of Maryland (the "Department") on the date and up to the time specified below:

Sale Date: **Wednesday, September 19, 2012 (unless rescheduled as provided herein)**
Sale Time: **11:00 AM Local Baltimore, Maryland time**
Electronic Bids: Must be submitted through ***PARITY®*** as described below.
No other form of bid or provider of electronic bidding services will be accepted.

Bids will be received for the purchase of all, but not less than all, of the Bonds. The Construction Bonds and the Refunding Bonds will be awarded to one bidder based on the lowest TIC as further described in the section entitled "AWARD OF BONDS". The Bonds are more particularly described in the Preliminary Official Statement dated September 5, 2012 relating to the Bonds, available at the Department's website, http://www.mdot.maryland.gov, and at http:// i-dealprospectus.com. Prior to accepting bids, the Department reserves the right to adjust the aggregate principal amount and principal amounts of each maturity of the Bonds being offered, to change the terms of the Bonds, to postpone the sale of the Bonds to a later date and/or time, or to cancel the sale of the Bonds.

Consideration of the bids and the award will be made by the Department on the Sale Date (as set forth above) and in accordance with the Bidding Parameters Table herein. The Department also reserves the right to adjust the principal amount of the Bonds offered, to eliminate maturities, or to cancel the sale of the Bonds after the bids are opened as further described herein. See "ADJUSTMENT OF PRINCIPAL AMOUNTS" and "POSTPONEMENT OR AMENDMENT".

BOND DETAILS

The Bonds will be dated as of the date of delivery expected to be on or about October 4, 2012 and will bear interest at the rate or rates per annum specified by the successful bidder as hereinafter provided. Interest on the Construction Bonds will accrue from the dated date and payment will commence on April 1, 2013 and semiannually thereafter on the first day of October and April until maturity unless redeemed prior to maturity as provided herein under "OPTIONAL REDEMPTION". The Construction Bonds will mature, subject to redemption prior to maturity as hereinafter mentioned, on October 1 as follows:

$24,265,000* County Transportation Revenue Bonds, Series 2012

Maturity October 1*	Amount*	Maturity October 1*	Amount*
2015	$ 1,445,000	2022	$ 1,935,000
2016	1,490,000	2023	2,025,000
2017	1,545,000	2024	2,105,000
2018	1,610,000	2025	2,190,000
2019	1,675,000	2026	2,280,000
2020	1,750,000	2027	2,375,000
2021	1,840,000		

* Preliminary, subject to change.

Interest on the Refunding Bonds will accrue from the dated date and payment will commence on December 1, 2012 and semiannually thereafter on the first day of June and December until maturity. The Refunding Bonds will mature on December 1 as follows:

$12,555,000* County Transportation Revenue Bonds, Refunding Series 2012

Maturity December 1*	Amount*
2015	$ 2,275,000
2016	2,385,000
2017	2,505,000
2018	2,630,000
2019	2,760,000

The Bonds will be issued in fully registered form without coupons. One bond, representing the aggregate principal amount of the Construction Bonds maturing in each year, and one bond, representing the aggregate principal amount of the Refunding Bonds maturing in each year, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") which will act as a securities depository of the Bonds. Individual purchases of the Bonds will be made in book-entry form only in the principal amount of $5,000 or any multiple thereof. Purchasers will not receive physical delivery of certificates. Principal and interest are payable by the Department to DTC or its nominee as registered owner of the Bonds. The successful bidder, as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

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* Preliminary, subject to change.

BIDDING PARAMATERS TABLE**

INTEREST	PRICING
Dated Date: Date Of Delivery	Max. Aggregate Bid Price: N/A
Anticipated Date Of Delivery: October 4, 2012	Min. Aggregate Bid Price: Construction Bonds 100% Refunding Bonds 100%
Interest Payment Dates Construction Bonds April 1 and October 1 Refunding Bonds June 1 and December 1	
First Interest Payment Date: Construction Bonds April 1, 2013 Refunding Bonds December 1, 2012	Max Reoffering Price (each maturity): N/A
Coupon Multiples: 1/8 or 1/20 of 1%	Min. Reoffering Price (each maturity): N/A
Maximum Coupon: Construction Bonds 5.00% Refunding Bonds 4.00%	
Minimum Coupon: N/A	
Maximum TIC: N/A	
Maximum Difference Between Coupons: Construction Bonds 4.00% Refunding Bonds 3.00%	
PRINCIPAL	**PROCEDURAL**
Optional Redemption: Construction Bonds: Construction Bonds maturing on or after October 1, 2021 are subject to redemption on or after October 1, 2020 as a whole or in part at any time at par plus accrued interest. Refunding Bonds: No optional redemption	Sale Date: September 19, 2012 Sale Time : 11:00 a.m. Local Baltimore, MD Time
Post-bid Principal Increases Construction Bonds Aggregate: 15% Refunding Bonds Aggregate: 15%	Bid Submission: Electronic bids through PARITY only
Post-bid Principal Reductions Construction Bonds Aggregate: 15% Refunding Bonds Aggregate: 15%	All or None? Yes
Term Bonds: Any two or more consecutive maturities of the Construction Bonds and the Refunding Bonds may be designated as Term Bonds.	Bid Award Method: Lowest TIC Electronically
	Bid Confirmation: Fax Signed PARITY screen
	Awarding of Bid: On the Sale Date by the Department
	Good Faith Deposit: As more fully described on Page F-7 "Good Faith Deposit"

****** If numerical or date references contained in the body of this Official Notice of Sale conflict with the Bidding Parameters Table, the Bidding Parameters Table of this Official Notice of Sale shall control. Consult the body of this Official Notice of Sale for a detailed explanation of the terms contained in the Bidding Parameters Table, including interpretation of such items and methodologies used to determine such items.

ADJUSTMENT OF PRINCIPAL AMOUNT

The schedule of maturities set forth above in "BOND DETAILS" (the "Initial Maturity Schedule") represents an estimate of the principal amount and maturities of the Bonds which will be sold. **THE DEPARTMENT RESERVES THE RIGHT TO CHANGE THE INITIAL MATURITY SCHEDULE. ANY AMENDED SCHEDULE OF MATURITIES (THE "BID MATURITY SCHEDULE") WILL BE ANNOUNCED NOT LATER THAN 9:30 A.M., LOCAL BALTIMORE, MARYLAND TIME, ON THE DAY ANNOUNCED FOR RECEIPT OF BIDS, THROUGH THOMSON MUNICIPAL MARKET MONITOR (TM3)** (www.tm3.com). If no such change is announced, the Initial Maturity Schedule will be deemed the Bid Maturity Schedule. Prospective bidders may request notification by facsimile transmission of any revisions in the Initial Maturity Schedule by so advising and faxing their telecopier number(s) to Public Resources Advisory Group, Financial Advisor to the Department, at 212-566-7816 by 12:00 Noon, local Baltimore, Maryland time, at least one Business Day prior to the date for receipt of bids.

If, after final computation of the bids, the Department determines in its sole discretion that the funds required by the Department are either more or less than the proceeds of the sale of the Construction Bonds, the Department reserves the right to increase or decrease the aggregate principal amount of the Construction Bonds by an amount not to exceed fifteen percent (15%) of the aggregate principal amount of the Construction Bonds on the Bid Maturity Schedule and correspondingly adjust the issue size, with all calculations to be rounded to the nearest $5,000. The Department's goal is to provide the Participant with net proceeds of $27,400,000 from the Construction Bonds to pay costs of transportation facilities. Furthermore, the Department reserves the right to increase or decrease the aggregate principal amount of the Refunding Bonds by an amount not to exceed fifteen percent (15%) of the aggregate principal amount of the Refunding Bonds on the Bid Maturity Schedule and correspondingly adjust the issue size, with all calculations to be rounded to the nearest $5,000.

In the event of any such adjustment, no rebidding or recalculation of the bid submitted will be required or permitted. The Bonds of each maturity, as adjusted, will bear interest at the same rate and must have the same initial reoffering yields as specified in the bid of the successful bidder. However, the award will be made to the bidder whose bid produces the lowest true interest cost, calculated as specified in the section entitled "AWARD OF BONDS" herein, solely on the basis of the Bonds offered pursuant to the Bid Maturity Schedule, without taking into account any adjustment in the amount of the Bonds set forth in the Bid Maturity Schedule. **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 PRINCIPAL AMOUNTS WITHIN THESE LIMITS. IN READJUSTING THE PRINCIPAL AMOUNT OF THE CONSTRUCTION BONDS OR THE REFUNDING BONDS FOLLOWING THE AWARD, THE DEPARTMENT WILL HOLD CONSTANT THE BIDDER'S GROSS SPREAD PER $1,000 FOR THE CONSTRUCTION BONDS AND THE BIDDER'S GROSS SPREAD PER $1,000 BONDS FOR THE REFUNDING BONDS AS INDICATED IN THE ORIGINAL BID.** In this process, however, the Department reserves the right to adjust the actual dollar amount of the bidder's gross spread resulting from an upward or downward adjustment of the Bid Maturity Schedule.

SECURITY AND PURPOSE

The Bonds are limited obligations of the Department, authorized to be issued by Sections 3-501 through 3-519, inclusive (the "Act"), of the Transportation Article of the Annotated Code of Maryland (2008 Replacement Volume, as amended and supplemented) (the "Transportation Article"), a resolution of the Secretary of Transportation of Maryland dated August 27, 2012 (the "Resolution"), and a trust indenture by and between The First National Bank of Maryland, as trustee, and the Department, dated as of November 1, 1993 (the "1993 Indenture"), as supplemented by the First Supplemental Trust Indenture dated as of December 1, 2004 between the Department and Manufacturers and Traders Trust Company (successor to The First National Bank of Maryland) as trustee (the "Trustee") (the "First Supplemental Indenture"), as further supplemented by the Second Supplemental Trust Indenture dated as of May 15, 2007 between the Department and the Trustee (the "Second Supplemental Indenture"), as further supplemented by the Third Supplemental Trust Indenture dated as of June 18, 2009 between the Department and the Trustee (the "Third Supplemental Indenture"), and as further supplemented by the Fourth Supplemental Trust Indenture dated as of October 4, 2012 between the Department and the Trustee (the "Fourth Supplemental Indenture"). The 1993 Indenture, the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture and the Fourth Supplemental Indenture are collectively referred to herein as the "Indenture").

The Bonds will be of equal priority with previously issued and outstanding, or subsequently issued County Transportation Bonds and County Transportation Revenue Bonds of the Participant. The principal of and interest on the Bonds are payable only from the funds credited to a sinking fund maintained on the books of the Comptroller of the State of Maryland (the "Comptroller") for such purposes.

The Mayor and City Council of Baltimore ("Baltimore City" or the "Participant") will enter into an agreement with the Department authorizing the Comptroller to withhold each year from its portion of Highway User Revenues (as defined herein) funds sufficient to maintain in a sinking fund an amount equal to the debt service requirements for the current and next succeeding fiscal years of the Bonds issued for the Participant.

"Highway User Revenues" means, pursuant to Title 8, Subtitle 4 of the Transportation Article of the Annotated Code of Maryland (2008 Replacement Volume, as amended and supplemented), ("Title 8, Subtitle 4"), certain motor vehicle fuel taxes and fees, a portion of an excise tax on the fair market value of motor vehicles for which title certificates are issued, net receipts from motor vehicle registration fees, a portion of the net receipts of the State's corporation income tax, and a portion of the sales and use tax on short-term vehicle rentals. "[I]ts portion of Highway User Revenues" means the proceeds of Highway User Revenues allocated to the Participant in accordance with the terms of Title 8, Subtitle 4.

By the terms of the Resolution, the Department will not issue County Transportation Revenue Bonds under the Indenture on behalf of a participant if such participant's share of Highway User Revenues for the latest fiscal year is less than twice such participant's maximum annual debt service on County Transportation Revenue Bonds and the County Transportation Bonds issued under Title 3, Subtitle 3 of the Transportation Article of the Annotated Code of Maryland, as amended.

The proceeds of the sale of the Construction Bonds will be used for the purpose of providing a portion of the capital cost of transportation facilities for the Participant as provided in the Act after payment of expenses incurred in the issuance of the Construction Bonds. The proceeds of the sale of the Refunding Bonds will be used to refund a portion of the outstanding County Transportation Revenue Bonds, Series 2004 of the Department after payment of expenses incurred in the issuance of the Refunding Bonds.

OPTIONAL REDEMPTION

The Construction Bonds maturing on or after October 1, 2021 are subject to redemption on or after October 1, 2020 as a whole or in part on any date at the option of the Secretary on at least 30 day's notice and, if in part, in any order of maturity at the option of the Secretary, at the redemption price of par (100%) plus accrued interest, if any, to the redemption date.

The Refunding Bonds are not subject to optional redemption prior to maturity.

PROCEDURES FOR ELECTRONIC BIDDING
BIDDERS MAY ONLY SUBMIT ELECTRONIC BIDS VIA *PARITY*

Bids may be submitted electronically via ***PARITY*** pursuant to this Official Notice of Sale on the Sale Date until 11:00 a.m., local Baltimore, Maryland time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in ***PARITY*** conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. For further information about ***PARITY,*** potential bidders may contact ***PARITY*** by telephone at 212-849-5021.

Disclaimer

Each prospective electronic bidder shall be solely responsible to submit its bid via ***PARITY*** as described above. Each prospective electronic bidder shall be solely responsible to make necessary arrangements to access ***PARITY*** for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Sale. Neither the Department nor ***PARITY*** shall have any duty or obligation to provide or assure access to ***PARITY*** to any prospective bidder, and neither the Department nor ***PARITY*** shall be responsible for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, ***PARITY***. The

Department is using ***PARITY*** as a communication mechanism, and not as the Department's agent, to conduct the electronic bidding for the Bonds. The Department is not bound by any advice and determination of ***PARITY*** to the effect that any particular bid complies with the terms of this Official Notice of Sale and, in particular, the "BID SPECIFICATIONS" hereinafter set forth. All costs and expenses incurred by prospective bidders in connection with their registration and submission of bids via ***PARITY*** are the sole responsibility of the bidders. The Department is not responsible, directly or indirectly, for any of such costs or expenses. If a prospective bidder encounters any difficulty in submitting, modifying, or withdrawing a bid for the Bonds, the bidder should telephone ***PARITY*** at i-Deal, LLC 212-849-5021 and notify the Department by telephone at 410-865-1035 or facsimile at 410-865-1032.

Electronic Bidding Procedures

Electronic bids must be submitted for the purchase of the Bonds (all or none) via ***PARITY***. Bids will be communicated electronically to the Department at 11:00 a.m., local Baltimore, Maryland time, on the Sale Date. Prior to that time, an eligible prospective bidder may (1) submit the proposed terms of its bid via ***PARITY***, (2) modify the proposed terms of its bid, in which event the proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute its bid for the Bonds or (3) withdraw its proposed bid. Once the bids are communicated electronically via ***PARITY*** to the Department, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided. For purposes of the electronic bidding process, the time as maintained on ***PARITY*** shall constitute the official time.

GOOD FAITH DEPOSIT

The successful bidder for the Bonds shall wire transfer to the Department $368,200 (the "Good Faith Deposit") in immediately available funds as instructed by the Department's Financial Advisor, Public Resources Advisory Group. The successful bidder shall submit the Good Faith Deposit not more than two hours after verbal award is made. If the Good Faith Deposit is not received in the time allotted, the bid of the successful bidder may be rejected and the Department may direct the next lowest bidder to submit a Good Faith Deposit and thereafter may award the sale of the Bonds to the same. If the successful bidder fails to comply with the Good Faith Deposit requirement as described herein, that bidder is nonetheless obligated to pay to the Department the sum of $368,200 as liquidated damages due to the failure of the successful bidder to timely deposit the Good Faith Deposit. If the successful bidder fails to comply with the terms of its bid, the Good Faith Deposit may be retained by the Department as full liquidated damages; otherwise the amount thereof will be applied to the purchase price of the Bonds at the time of delivery. No interest on the Good Faith Deposit will accrue to the successful bidder.

BID SPECIFICATIONS

No bid for less than all maturities of the Bonds or for less than the par value (100%) of the Construction Bonds and for less than the par value (100%) of the Refunding Bonds will be considered.

Bidders must specify the rate or rates of interest to be paid on the Construction Bonds and Refunding Bonds in multiples of one-eighth (1/8) or one-twentieth (1/20) of one per centum (1%). Bidders may specify more than one rate of interest to be borne by the Construction Bonds and the Refunding Bonds, but each bidder must specify a single rate for each maturity of the Construction Bonds and a single rate for each maturity of the Refunding Bonds. The maximum difference between the high and low coupon of the Construction Bonds may not exceed four percent (4%). For the Construction Bonds, no interest rate may exceed 5.00%, The maximum difference between the high and low coupon of the Refunding Bonds may not exceed three percent (3%). For the Refunding Bonds, no interest rate may exceed 4.00%.

The successful bidder shall make a bona fide public offering of the Bonds at their respective initial reoffering prices and shall provide the related certification described below. The successful bidder must reasonably expect to sell to the public 10% or more in par amount of the Bonds from each maturity thereof at the initial reoffering prices.

The Department encourages each bidder for the Bonds to make a good faith effort to include minority business enterprises in their bidding syndicate.

The successful bidder will be requested to provide a list of syndicate members which identifies the minority business enterprise members, if any, and indicates their percentage of participation.

AWARD OF BONDS

The Bonds, if awarded, will be awarded on the same day as the date of sale to the successful bidder complying with the terms of this Official Notice of Sale and offering to purchase the Bonds at the lowest true interest cost to the Department determined in accordance with the true interest cost ("TIC") method as set forth below. If two or more bidders offer to purchase the Bonds at the same lowest true interest cost, the Bonds shall be awarded by lot to one of these bidders.

The lowest TIC will be determined by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments for the Construction Bonds and the Refunding Bonds from the payment dates to the date of the Bonds and to the amount bid for the Bonds.

POSTPONEMENT OR AMENDMENT

The Department reserves the right to amend this Official Notice of Sale, including changes in amounts or maturities or postponement of the date and time established for the receipt of bids. Any such postponement will be announced by TM3 given not later than 9:30 a.m., local Baltimore, Maryland time, on the announced date for receipt of bids. Any such amendment to the principal amounts may be made up until 9:30 a.m. on the announced date for receipt of bids, as previously indicated. If any date fixed for the receipt of bids and the sale of the Bonds is postponed, any alternative sale date will be announced via TM3 at least 24 hours prior to such alternative sale date. On any such alternative sale date, any bidder may submit an electronic bid for the purchase of the Bonds in conformity in all respects with the provisions of this Official Notice of Sale, except for the date of sale and except for the changes described in any supplement to the Official Notice of Sale including the changes described in the next sentence. If the date fixed for receipt of bids is postponed to a date later than the dated date of the Bonds, the dates of the semiannual interest payments on the Bonds and the dates of the annual principal payments may be changed and, accordingly, the date from which interest will accrue shall change. Such changes, if any, will be announced by TM3 at the time the alternative sale date and time are announced.

DELIVERY OF BONDS

Upon notice from and at the expense of the Department, one bond representing each maturity of the Bonds shall be duly executed and authenticated and registered in the name of Cede & Co., as nominee of DTC, as registered owner of the Bonds, and the Bonds will be delivered at a location in the Borough of Manhattan, New York, New York, or such other place designated by DTC, upon payment of the amount of the successful bid, plus accrued interest, if any, to the date of delivery, less the deposit made. Such payment shall be made in federal funds. Delivery of the Bonds is expected to occur on or about October 4, 2012.

REOFFERING PRICES

Simultaneously with or before delivery of the Bonds, the successful bidder shall furnish to the Department 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, (ii) as of the date of the sale of the Bonds, the successful bidder reasonably expected to sell a substantial amount of the Bonds to the public (excluding bond houses, brokers and other intermediaries) at their respective reoffering prices, and (iii) a substantial amount of the Bonds was sold to the public (excluding bond houses, brokers and other intermediaries) at their respective initial reoffering prices, and shall further specify such other facts regarding the actual sale of the Bonds as Bond Counsel shall request, as described below. 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 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 federal tax requirement to avoid the establishment of an artificial price for the Bonds.

CUSIP NUMBERS

The Construction Bonds and the Refunding Bonds will have different CUSIP numbers. It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. All expenses in relation to the printing of the CUSIP identification numbers on the Bonds shall be paid by the Department. However, the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid by the successful bidder.

LEGAL OPINION; OFFICIAL STATEMENT CERTIFICATE; NO LITIGATION CERTIFICATE

It shall be a condition to the obligation of the successful bidder to accept delivery of and to pay for the Bonds that, simultaneously with or before delivery and payment for the Bonds, said bidder shall be furnished, without cost, with (a) the opinion of McKennon Shelton & Henn LLP, Baltimore, Maryland, Bond Counsel to the Department, dated as of the date of delivery of the Bonds, substantially in the form included as Appendix A to the Preliminary Official Statement referred to below; (b) a certificate of the Office of the Attorney General of the State, dated as of the date of delivery of the Bonds, to the effect that there is no litigation pending or, to the best of its knowledge, threatened, which in any manner will affect the validity of the Act under which the Bonds will be issued; (c) certain legal matters will also be passed upon by Funk & Bolton, P.A., Baltimore, Maryland, Special Counsel to Baltimore City; (d) a certificate of the Secretary to the effect that, to the best of his/her knowledge and belief, the Official Statement 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 the light of the circumstances under which they were made, not misleading; and (e) the Continuing Disclosure Agreement substantially in the form included as Appendix B to the Preliminary Official Statement.

ADDITIONAL INFORMATION

As soon as practicable after the award of the Bonds to the successful bidder on the day of sale, the Department will authorize an Official Statement. The Department also will authorize and issue any supplement to the Official Statement that may be necessary between the date of the authorization of the Official Statement and the date of delivery of and payment for the Bonds. If so requested by the successful bidder at or before the close of business on the date of the sale, the Department 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 ("Reoffering Information"), if any, as may be specified and furnished in writing by the successful bidder. If no Reoffering Information should be 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 Department and its officials in all respects for the Reoffering Information in any reoffering of the Bonds, including the presentation or inclusion of any Reoffering Information in any documents, including the Official Statement. The successful bidder also will be furnished without cost within seven (7) business days after the date of sale a reasonable number of copies of the Official Statement (and any amendments or supplements thereto).

Additional information concerning the Department, this issue and a description of the security therefor is contained in the Preliminary Official Statement, to which prospective bidders are directed. Such Preliminary Official Statement is provided for informational purposes only and is not a part of this Official Notice of Sale. Such Preliminary Official Statement is deemed final by the Department as of its date for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission (the "SEC"), but is subject to revision, amendment and completion in the Official Statement referred to above.

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

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS. The Department's judgment shall be final and binding upon all bidders with respect to the form and adequacy of any bid received and as to its conformity to the terms of this Official Notice of Sale.

Darrell B. Mobley
Acting Secretary of Transportation

Dated: September 5, 2012