

**ANNE ARUNDEL COUNTY, MARYLAND
CEDAR HILL SPECIAL TAXING DISTRICT**

***RATE AND METHOD OF APPORTIONMENT
OF SPECIAL TAXES***

A Special Tax is hereby levied and shall be collected in the Cedar Hill Special Taxing District (the "District") each Fiscal Year, beginning with the 2011-2012 Fiscal Year and continuing until the year provided for in Section F hereof. All of the real property and personal property in the District, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms used herein shall have the following meanings:

"Act" means Section 9-1301 of Article 24 of the Annotated Code of Maryland, as amended from time to time, and Sections 4-8-101 through 4-8-106 of Article 4 of the Anne Arundel County Code, as amended from time to time.

"Administrative Expenses" means any or all of the following: the costs and expenses of the County incurred in connection with the discharge of its duties; the costs and expenses of the County in carrying out its duties under the Indenture of Trust, including, but not limited to, calculating, levying and collecting the Special Tax (whether collected by the County or otherwise) and complying with arbitrage rebate requirements and obligated persons disclosure requirements associated with applicable federal and state securities law, including an allocable share of the salaries of the County staff directly related to the administration of the District and a proportionate amount of County general administration overhead related thereto or any payment in lieu thereof, and the out-of-pocket costs and expenses of the County for any professionals retained by the County to provide services for such purposes; any amounts required to be rebated by the United States of America to comply with the arbitrage rebate requirements applicable to the Bonds, including payment in lieu of rebate; fees payable for any bond insurance or other financial guaranty or credit enhancement with respect to any Bonds or under any Indenture of Trust, including, without limitation, any credit facility for any reserve fund; any unpaid cost or expense of the County, including, without limitation, fees and expenses of legal counsel and any professionals retained by the County, for which the County is entitled to indemnification pursuant to a development agreement or other agreements relating to the District incurred in connection with the defense by the County or the bringing by the County of any claim, demand, suit or cause of action relating to the issuance of any Bonds, the establishment of the District, the levy or collection of Special Tax or any other matters related thereto; any fees, expenses or costs included in the definition of Administrative Expenses set forth in the Indenture of Trust and not specifically included herein; all other costs and expenses of the County, the Trustee, and the Administrator incurred in connection with the discharge of their respective duties, including legal fees and expenses associated with such duties, and, in the case of the County, in any way related to the administration of the District.

1 “**Administrator**” means the designee of the County for purposes of estimating the annual
2 Special Tax Requirement and the Special Tax to be collected each Fiscal Year and for providing
3 other services as required by the Indenture of Trust or designated by the County.
4

5 “**Assigned Special Tax**” means the Special Tax described as the Assigned Special Tax in
6 Section B.
7

8 “**Bond Year**” shall have the meaning given to such term in the Indenture of Trust.
9

10 “**Bonds**” means any bonds or other debt, including refunding bonds, whether in one or more
11 series, issued by the County relating to the District pursuant to the Act to fund the Public
12 Improvements.
13

14 “**Building Square Footage**” or “**BSF**” means the actual, or for property not yet developed, the
15 estimated, building area either rented or directly used in the production of income (not including
16 area within a parking garage) as shown on the building permit, architectural plans or other
17 available documents, as estimated by the Administrator.
18

19 “**Commercial Property**” means Parcels of Taxable Property used or intended for use primarily
20 as office, retail, manufacturing, distribution, or any other use the primary purpose of which is the
21 production or provision of goods or services or any Parcel of Taxable Property not classified as
22 Residential Property, including any ancillary space thereto.
23

24 “**Completion of Construction**” means the later of (i) completion of all of the Public
25 Improvements as evidenced by a certificate of completion (as provided for in the Indenture of
26 Trust) and (ii) the end of the capitalized interest period on the Bonds.
27

28 “**Controller**” means the controller of the County.
29

30 “**County**” means Anne Arundel County, Maryland.
31

32 “**Date of Classification**” means the date each year determined by the County to classify property
33 for purposes of determining the Special Tax for each Parcel.
34

35 “**Developed Property**” means Parcels of Taxable Property for which a building permit has been
36 issued that allows the construction of a structure intended for occupancy.
37

38 “**District Maximum Special Tax**” means \$2,120,448 for the 2011-2012 Fiscal Year. On each
39 July 1, commencing July 1, 2012, the District Maximum Special Tax shall be increased to 102
40 percent of the District Maximum Special Tax in effect in the previous Fiscal Year. The District
41 Maximum Special Tax as of any date shall be reduced for (i) any prepayments of Special Taxes
42 pursuant to Sections I, J or K occurring prior to such date and (ii) a reduction in Maximum
43 Special Tax rates pursuant to Section G.
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45 “**Equivalent Units**” mean 1.0 per dwelling unit of For Sale Residential, 0.62 per dwelling unit
46 of Rental Residential, and 0.23 per 1,000 BSF of Commercial Property.

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“Fiscal Year” means the period starting any July 1 and ending on the following June 30 or such other twelve month period as is established as the fiscal year by the County or by Maryland law.

“For Sale Residential” means Residential Property not classified as Rental Residential, including any ancillary uses thereto.

“Indenture of Trust” means the indenture of trust relating to the Bonds, as modified, amended and/or supplemented from time to time.

“Mandatory Prepayment of the Special Tax” means the required prepayment of the Special Tax pursuant to Section K.

“Maximum Special Tax” means the highest Special Tax determined in accordance with Section B that may be collected in any Fiscal Year on any Parcel of Taxable Property.

“Net Land Area” means the estimated area of Taxable Property of a Parcel on which buildings, parking, or related improvements may be constructed, taking into consideration the development legally permissible, the proposed or planned development, and existing or proposed Public Property, exclusive use easements, and other areas on which development may not occur.

“Owner Association Property” means, for any Fiscal Year, any real property within the boundaries of the District that is owned by or irrevocably offered for dedication to a property owner's association and available for use in common by the property owners; provided, however, that real property that has been irrevocably offered for dedication includes only those Parcels for which a copy of the offer has been provided to the Administrator.

“Parcel” means a lot or parcel of real property within the District with a parcel number assigned by the Supervisor.

“Proportionately” means that the ratio of the actual Special Tax to be collected to the Assigned Special Tax is equal for all Parcels within a class, with a class representing either Developed Property or Undeveloped Property.

“Public Improvements” means those improvements benefiting the District that the County has authorized to be funded by the proceeds of the Bonds.

“Public Property” means property within the boundaries of the District owned by, or irrevocably offered for dedication (in a plat map approved by the County or otherwise) to the federal government, State of Maryland, the County, other entities exempt from taxation for public purposes, or other public agency or instrumentality or easements for the exclusive use of a public utility provider; provided, however, that exclusive use utility easements and real property that has been irrevocably dedicated includes only those parcels or portions of parcels for which a copy of the easement or offer has been provided to the Administrator.

“Rental Residential” means Residential Property intended for residential dwelling units that are

1 rental units, all of which are under common management within a project, including any
2 ancillary uses thereto.

3
4 **“Required Maximum Special Tax”** means the required Maximum Special Tax as provided for
5 in the Indenture of Trust.

6
7 **“Residential Property”** means Parcels of Taxable Property for which a building permit has
8 been or is expected to be issued for purposes of constructing a residential dwelling unit(s).

9
10 **“Special Tax”** means the Special Tax that may be collected by the County each Fiscal Year to
11 fund the Special Tax Requirement.

12
13 **“Special Tax Report”** means the report by that name prepared to explain the reasonable basis
14 on which the Special Taxes are assessed.

15
16 **“Special Tax Requirement”** has the meaning given to it in Section C.1.

17
18 **“Supervisor”** means the Supervisor of Assessments for the County.

19
20 **“Taxable Property”** means any Parcel that is not Public Property or Owner Association
21 Property.

22
23 **“Termination Date”** means the last Fiscal Year in which Special Taxes have been levied and
24 may be collected as provided for in Section F herein.

25
26 **“Trustee”** means the trustee appointed by the County to carry out the duties of the Trustee
27 specified in the Indenture of Trust.

28
29 **“Undeveloped Property”** means any Parcel of Taxable Property that is not classified as
30 Developed Property.

31
32 **“US Treasury Payments”** means payments from the United States Treasury that are reasonably
33 expected to be available to be applied to the repayment of the Bonds pursuant to the Indenture of
34 Trust.

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36 **B. SPECIAL TAX RATES**

37
38 1. Developed Property

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40 a. Assigned Special Tax

41
42 The Assigned Special Tax for the 2011-2012 Fiscal Year for each Parcel of Developed Property
43 shall be equal to the product of the number of dwelling units or Building Square Footage that
44 may be built on such Parcel and the Assigned Special Tax per unit, or per 1,000 BSF for each
45 class as shown in Table A.
46

TABLE A
Developed Property
Assigned Special Tax
2011-2012 Fiscal Year

| Land Use Class | Assigned Special Tax |
|----------------------|----------------------|
| Rental Residential | \$774 Per Unit |
| For Sale Residential | \$1,251 Per Unit |
| Commercial Property | \$283 Per 1,000 BSF |

On each July 1, commencing July 1, 2012, the Assigned Special Tax rates shown in Table A shall be increased to 102 percent of the respective Assigned Special Tax in effect in the previous Fiscal Year.

The computation of the number of units, or BSF, for each Parcel shall be based on the information available regarding the use of the Parcel, which may include acreage and reasonable density ratios, and such computation shall be conclusive as long as there is a reasonable basis for such determination.

b. Maximum Special Tax

The Maximum Special Tax for each Parcel of Developed Property shall be the product of the number of dwelling units or Building Square Footage that may be built on such Parcel and the Maximum Special Tax per unit, or per 1,000 BSF for each class as shown in Table B.

TABLE B
Developed Property
Maximum Special Tax
2011-2012 Fiscal Year

| Land Use Class | Maximum Special Tax |
|----------------------|---------------------|
| Rental Residential | \$852 Per Unit |
| For Sale Residential | \$1,376 Per Unit |
| Commercial Property | \$311 Per 1,000 BSF |

On each July 1, commencing July 1, 2012, the Maximum Special Tax rates shown in Table B shall be increased to 102 percent of the respective Maximum Special Tax in effect in the previous Fiscal Year.

2. Undeveloped Property

The Maximum Special Tax for any Fiscal Year for each Parcel classified as Undeveloped Property shall be determined by the following formula:

$$A = (B - C) \times (D \div E)$$

1 Where the terms have the following meaning:
2

- 3 A = The Maximum Special Tax for a Parcel of Undeveloped Property
4 B = The District Maximum Special Tax
5 C = The Maximum Special Taxes on all Parcels of Developed Property
6 D = The Net Land Area of the Parcel of Undeveloped Property for which the Special
7 Tax is being calculated
8 E = The Net Land Area of all of the Parcels of Undeveloped Property.
9

10 3. Personal Property

11 The special tax rate on personal property shall be zero.
12

13 **C. COLLECTION OF THE SPECIAL TAX**
14

15 The Special Tax shall be levied each Fiscal Year, beginning with the 2011-2012 Fiscal Year and
16 continuing until the year provided for in Section F hereof, up to the Maximum Special Tax. The
17 Special Tax shall be collected each Fiscal Year as provided for below.
18

19 1. Special Tax Requirement
20

21 The Special Tax Requirement for any Fiscal Year shall be estimated by the Administrator and
22 shall be an amount equal to (A) the amount required in any Fiscal Year to pay: (1) debt service
23 and other periodic costs (including deposits to any sinking funds) on the Bonds to be paid from
24 the Special Tax collected in such Fiscal Year (including debt service and other periodic costs on
25 any Bonds which were payable in any previous Fiscal Year but were not paid by the District), (2)
26 Administrative Expenses to be incurred in the Fiscal Year or incurred in any previous Fiscal
27 Year and not paid by the District, (3) any amount required to replenish any reserve fund
28 established in association with any Bonds, (4) a contingency, which may include an amount
29 equal to the estimated delinquencies expected in payment of the Special Tax not otherwise taken
30 into account or amounts required to establish or maintain any reserves, and (5) the costs of
31 remarketing, credit enhancement, bond insurance, and liquidity facility fees (including such fees
32 for instruments that serve as the basis of a reserve fund related to any indebtedness in lieu of
33 cash) (including such costs that were payable in any previous Fiscal Year but were not paid by
34 the District), less (B) (1) US Treasury Payments, (2) any credits available pursuant to the
35 Indenture of Trust, such as capitalized interest, reserves, and investment earnings on any account
36 balances (including available investment earnings on funds on deposit in the reserve funds under
37 the Indenture of Trust), and (3) any other revenues available to apply to the Special Tax
38 Requirement.
39

40 2. Assignment to Land Use Categories
41

42 For each Fiscal Year, each Parcel shall be classified as Public Property, Owner Association
43 Property, or Taxable Property. Each Parcel of Taxable Property shall be classified as Developed
44 Property or Undeveloped Property. Each Parcel of Developed Property shall be classified as
45 Rental Residential, For Sale Residential, or Commercial Property. Each classification shall be
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1 made on the basis of the classification that most nearly matches the property being classified.
2 The classification of Parcels shall be made based on the status of each Parcel as of the Date of
3 Classification.

4
5 3. Collection of the Special Tax

6
7 Commencing with Fiscal Year 2011-2012 and for each following Fiscal Year through the
8 Termination Date, the Special Tax shall be collected as provided below.

9
10 **First:** Prior to the Completion of Construction, the Special Tax shall be collected from each
11 Parcel of Developed Property at the Assigned Special Tax for such property. Subsequent to the
12 Completion of Construction, the Special Tax shall be collected Proportionately from each Parcel
13 of Developed Property up to the Assigned Special Tax for such property to the extent necessary
14 to fund the Special Tax Requirement.

15
16 **Second:** If additional monies are needed to fund the Special Tax Requirement after the first step
17 has been completed, the Special Tax shall be collected Proportionately from each Parcel of
18 Undeveloped Property up to 100 percent of the Maximum Special Tax for such property, to the
19 extent necessary to fund the Special Tax Requirement.

20
21 **Third:** If additional monies are needed to fund the Special Tax Requirement after the second
22 step has been completed, the Special Tax shall be collected Proportionately from each Parcel of
23 Developed Property up to 100 percent of the Maximum Special Tax for such property, to the
24 extent necessary to fund the Special Tax Requirement.

25
26 The Administrator shall provide an estimate to the County prior to each Fiscal Year of the
27 amount of the Special Tax to be collected from each Parcel in accordance with the provisions of
28 this section.

29
30 4. Circumstances Under Which the Special Tax May be Increased as a Result of a Default

31 The circumstances under which the Special Tax to be collected on any Parcel may be increased
32 as a result of a default in the payment of the Special Tax to be collected on any other Parcel is
33 based on the provisions of Section C. 1., C.2., and C. 3. The Special Tax to be collected on any
34 Parcel cannot be increased above the Maximum Special Tax as a result of a default in the
35 payment of the Special Tax levied on any other Parcel. However, if the Special Tax to be
36 collected on any Parcel pursuant to the provisions of Section C. 1., C.2., and C. 3. is less than the
37 Maximum Special Tax for such Parcel, the Special Tax may be increased up to the Maximum
38 Special Tax as a result of a default in the payment of the Special Tax levied on any other Parcel.
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1 **D. EXEMPTIONS**

2
3 A Special Tax shall not be collected from Public Property or Owner Association Property.
4

5 **E. MANNER OF COLLECTION**

6
7 The Special Tax shall be collected in the same manner and at the same time as ordinary real
8 property taxes; provided, however, the Special Tax may be collected at a different time or in a
9 different manner as determined by the County, provided that such time or manner is not
10 inconsistent with the provisions of the Indenture of Trust. The Special Tax shall be secured in
11 the same manner as general ad valorem taxes and shall be subject to the same penalties and the
12 same procedure, sale and lien priority in case of delinquency as is provided for general ad
13 valorem taxes.
14

15 **F. TERMINATION OF SPECIAL TAX**

16
17 Except for any delinquent Special Taxes and related penalties and interest, Special Taxes shall
18 not be collected from any Parcel after the earlier of (i) the repayment or defeasance of the Bonds,
19 (ii) the thirtieth (30th) Fiscal Year in which such Parcel was taxed as Developed Property, and
20 (iii) such time provided for by the Indenture of Trust.
21

22 **G. REDUCTION IN THE MAXIMUM SPECIAL TAX RATE**

23
24 The Maximum Special Tax rates may be reduced by the Controller once all of the Bonds are
25 issued to reflect the actual debt service on the Bonds such that the Maximum Special Tax that
26 may be collected from all Parcels of Developed Property at the expected build-out of the District
27 is equal to the minimum debt service coverage requirement provided for in the Indenture of
28 Trust. The Controller shall make any reduction in writing and shall provide a copy of such
29 reduction to the Administrator and the Trustee.
30

31 **H. APPEALS OF THE SPECIAL TAX**

32
33 Any property owner claiming that the amount or application of the Special Tax is not correct and
34 requesting a refund may file a written notice of appeal and refund to that effect with the
35 Controller not later than one calendar year after the due date (i.e., July 1) for the Special Tax that
36 is disputed. Such appeal may not affect the due date of the payment of the Special Tax. The
37 Controller, or the designee of the Controller, shall promptly review all information supplied by
38 the appellant in support of the appeal and, if necessary, meet with the property owner, and decide
39 the appeal. If the decision of the Controller requires the Special Tax to be modified or changed
40 in favor of the property owner, a cash refund shall not be made (except for the last year of levy
41 or unless sufficient funds will otherwise be available to meet the Special Tax Requirement), but
42 an adjustment shall be made to the next Special Tax levy on that Parcel. The decision of the
43 Controller may be appealed to the County Executive, who shall hold a hearing on the appeal and
44 consider any written or oral evidence presented by appellant. This procedure shall be exclusive
45 and its exhaustion by any property owner shall be a condition precedent to any other appeal or
46 legal action by such owner.

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I. PREPAYMENT OF SPECIAL TAX

The Special Tax for any Parcel may be prepaid and the obligation to pay the Special Tax for the Parcel permanently satisfied as provided for herein. The Special Tax to be prepaid for Parcels of Undeveloped Property shall be calculated as if the Parcels were Developed Property.

The Special Tax prepayment amount shall be equal to the following: (a) the sum of the following: (i) Principal, (ii) Premium, (iii) Defeasance, and (iv) Fees, (b) less the Reserve Fund Credit, if any, plus any delinquent Special Tax on such Parcel, including any applicable penalties and related costs, where the terms have the following meanings:

Principal means a portion of the principal of the Bonds equal to (i) the Maximum Special Tax for the Parcel for which the Special Tax is being prepaid for the Fiscal Year in which such prepayment is made divided by (ii) the Maximum Special Tax for all Taxable Property in the District upon full development of the District using the Special Tax rates for the Fiscal Year in which such prepayment is made with the result multiplied by (iii) the total Bonds outstanding after application of the Special Tax collected in the corresponding Fiscal Year plus any additional Bonds authorized to be issued.

Premium means an amount equal to the Principal multiplied by the applicable redemption premium for the Bonds to be redeemed on the earliest date on which such Bonds are to be redeemed, as provided for in the Indenture of Trust. There shall be no Premium if the prepayment is made prior to the issuance of any Bonds.

Defeasance means the amount needed to pay interest on the Principal until the earliest call date for the Bonds to be redeemed, less (a) the amount that is projected to be received by the Trustee from the reinvestment of the Special Tax prepayment until such Bonds are redeemed from the prepayment and (b) the Special Tax paid prior to the prepayment that will be applied to the interest on or principal of the Bonds that is included in the calculation of the Principal or Defeasance.

Fees means Administrative Expenses associated with the prepayment, including but not limited to the calculation of the prepayment, the costs of redeeming the Bonds (including, but not limited to, any costs associated with effectuating a defeasance in accordance with the Indenture of Trust), and the costs of recording or publishing any notices related to the prepayment and the redemption of the Bonds.

Reserve Fund Credit means any reduction in funds required to be on deposit in the reserve fund resulting from the redemption of Bonds, as provided for in the Indenture of Trust.

The sum of the amounts calculated herein shall be paid to the County or the Trustee and shall be used to pay and redeem the Bonds in accordance with the Indenture of Trust and to pay the Administrative Expenses associated with the prepayment. Upon the payment of such prepayment amount to the County or the Trustee, the obligation to pay the Special Tax for such Parcel shall be deemed to be permanently satisfied, and the Special Tax shall not be collected

1 thereafter from such Parcel.

2
3 **J. PARTIAL PREPAYMENT OF THE SPECIAL TAX**
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5 The Special Tax for any Parcel may be partially prepaid in an amount convenient to call Bonds
6 as determined by the Administrator and that portion of the Special Tax obligation permanently
7 satisfied. The amount of the prepayment shall be calculated as in Section I; except, however, the
8 principal portion shall be calculated according to the following formula:
9

10
$$A = B \times C$$

11
12 Where the terms have the following meaning:

- 13
14 A = the principal portion of the partial prepayment
15 B = the principal portion of the prepayment calculated according to Section I
16 C = the percent by which the Special Tax is to be partially prepaid
17

18 With respect to any Parcel for which the Special Tax is partially prepaid, the County shall (i)
19 distribute the funds remitted to it according to the Indenture of Trust, and (ii) indicate in the
20 records of the District that there has been a partial prepayment of the Special Tax and that this
21 portion of the Special Tax shall not be collected thereafter from these Parcels. Following a
22 partial prepayment of the Special Tax with respect to any Parcels, the outstanding percentage of
23 the Special Tax shall continue to be collected from such Parcels.
24

25 **K. MANDATORY PREPAYMENT OF SPECIAL TAX**
26

27 A Mandatory Prepayment of the Special Tax shall be required upon any event that results in a
28 reduction in the number of Equivalent Units, including the conversion of Taxable Property to
29 Public Property, such that the Maximum Special Tax for all Taxable Property in the District
30 upon full development of the District will be less than the Required Maximum Special Tax. A
31 reduction in Equivalent Units shall be based on the methodology set forth in Indenture of Trust
32 relating to the determination of the Required Maximum Special Tax.
33

34 The Mandatory Prepayment of Special Tax shall be calculated as set forth in Section I; however,
35 “Principal” shall be calculated according to the following formula:
36

37
$$A = (B - C) \div D \times E$$

38
39 Where the terms have the following meaning:

- 40
41 A = the principal portion of the Mandatory Prepayment of Special Tax
42 B = the Required Maximum Special Tax
43 C = the Maximum Special Tax for the Parcel, calculated as set forth above
44 D = the Maximum Special Tax for all Taxable Property in the District upon full
45 development of the District
46 E = the total principal amount of Bonds outstanding.

1
2 The amounts calculated in the preceding formula shall be paid to the County or the Trustee and
3 shall be used to pay and redeem the Bonds in accordance with the Indenture of Trust and to pay
4 the Administrative Expenses associated with the Mandatory Prepayment of Special Tax.

5
6 The Mandatory Prepayment of Special Tax shall be due prior to the recordation, conveyance, or
7 other action that results in a change to any Parcel resulting in a Mandatory Prepayment of
8 Special Tax. In the event the Mandatory Prepayment of Special Tax is not paid prior to the
9 change in any Parcel, the total Mandatory Prepayment of Special Tax may be collected from any
10 and all of the resulting Parcels. The Mandatory Prepayment of Special Tax shall have the same
11 sale and lien priorities as provided for by law for Special Taxes.

12
13 The Mandatory Prepayment of Special Tax shall not exceed the amount required to provide for
14 the payment or redemption of the principal amount of the outstanding Bonds plus the other
15 amounts set forth in Section I.

16
17 **L. ELIMINATION OF THE MANDATORY PREPAYMENT OF SPECIAL TAX**

18
19 The Mandatory Prepayment of Special Tax may be terminated by the Controller provided that at
20 the time of such termination there are no Bonds outstanding that are subject to mandatory
21 prepayment upon a change in a Parcel pursuant to the Indenture of Trust. The Controller shall
22 make such termination in writing and copy of any such termination shall be provided to the
23 Administrator and the Trustee.

24
25 **M. AMENDMENTS**

26
27 This Rate and Method of Apportionment of Special Taxes may be amended by the County and,
28 to the maximum extent permitted by the Act, such amendments may be made without further
29 notice under the Act and without notice to owners of Taxable Property within the District in
30 order to (i) clarify or correct minor inconsistencies in the matters set forth herein, (ii) provide for
31 lawful procedures for the collection and enforcement of the Special Tax so as to assure the
32 efficient collection of the Special Tax for the benefit of the owners of the Bonds, and (iii)
33 otherwise improve the ability of the County to fulfill its obligations to levy and collect the
34 Special Tax and to make it available for the payment of the Bonds and Administrative Expenses.
35 No such amendment shall be approved unless and until the County has found and determined
36 that the amendment is necessary and appropriate and does not materially adversely affect the
37 rights of the owners of the Bonds. Any such amendment may not increase the Maximum Special
38 Tax.

39
40 **N. INTERPRETATION OF PROVISIONS**

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42 The County shall make all interpretations and determinations related to the application of this
43 Rate and Method of Apportionment of Special Taxes, unless stated otherwise herein or in the
44 Indenture of Trust, and as long as there is a rational basis for the determination made by the
45 County, such determination shall be conclusive.