NOTICE OF SALE

Electronic bids via PARITY®
will be received until 10:30 A.M., local Frederick, Maryland time, on
Thursday, December 3, 2026
THE CITY OF FREDERICK
GENERAL OBLIGATION BONDS
$37,000,000* PUBLIC IMPROVEMENTS BONDS OF 2026

Dated: Date of Delivery

Electronic bids via PARITY will be received until 10:30 A.M., local Frederick, Maryland time on December 3, 2026, at the offices of the Chief Financial Officer of The City of Frederick (the "City"), located at City Hall, 101 North Court Street, Frederick, Maryland 21701, for the purchase of the above-described bonds of the City (the "Bonds").

The Bonds

The Bonds will be issued under the authority of Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland (collectively, the "Enabling Act") and Article VII, Section 13 and Article XI, Section 2 of the Charter of The City of Frederick (the "Charter"), and by virtue of due proceedings had and taken by The City of Frederick (the "City"), particularly an ordinance adopted by the City Council of the City (the "City Council") and approved by the Mayor on November 5, 2026 ("Ordinance").

The Bonds will be dated the date of delivery, and will mature, subject to prior redemption as hereinafter provided, in annual serial installments on December 1 in each of the years 2027 through 2046, inclusive, as follows:

Maturing December 1	Principal Amount*	Maturing December 1	Principal Amount*
2027	$1,105,000	2037	$1,820,000
2028	1,160,000	2038	1,915,000
2029	1,220,000	2039	2,010,000
2030	1,285,000	2040	2,115,000
2031	1,350,000	2041	2,225,000
2032	1,420,000	2042	2,335,000
2033	1,490,000	2043	2,455,000
2034	1,565,000	2044	2,585,000
2035	1,645,000	2045	2,715,000
2036	1,730,000	2046	2,855,000

*Preliminary, subject to change.

Bidders may designate in their bid two or more consecutive serial maturities as a term bond which matures on the maturity date of the last serial maturity of the sequence. More than one such sequence of serial maturities may be designated as a term bond. Any term bond so designated shall be subject to mandatory redemption in each year on the principal payment date and in the entire amount of each serial maturity designated for inclusion in such term bond.

The net proceeds of the sale of the Bonds shall be used and applied, subject to the terms and conditions of the Enabling Act and the Charter, for the public purposes of (a) financing or refinancing the costs associated with certain capital projects of the City (collectively, the "Projects") and any related architectural, financial, legal, planning and engineering expenses and (b) paying all expenses incurred in the issuance of the Bonds. Prior to the sale of the Bonds, the City Council or the Mayor and the Chief Financial Officer may determine not to issue Bonds for one or more of the foregoing purposes.

General Provisions for the Bonds

The Bonds shall be issued only in fully-registered form without coupons. One bond representing each maturity of the Bonds will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as registered owner of the Bonds, and each such bond shall be immobilized in the custody of DTC. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of $5,000 or any integral multiple thereof. Purchasers will not receive physical delivery of certificates representing their interest in the Bonds purchased. The winning bidder, as a condition to delivery of the Bonds, will be required to deposit the bond certificates representing each maturity of the Bonds with DTC. The Bonds will bear interest payable semiannually on the first days of June and December, commencing June 1, 2027, until maturity or redemption. Interest will be paid to the persons in whose names the Bonds are registered on the registration books maintained by the Bond Registrar (the "Bond Register") on the Regular Record Date, which is the fifteenth (15th) day of the month immediately preceding the month in which each such interest payment date occurs, by electronic funds transfer or by check or draft mailed to each such person's address as it appears on the Bond Register; *provided, however*, that so long as the Bonds are registered in book-entry form, the principal of, redemption premium, if any, and interest on the Bonds shall be payable in accordance with DTC's payment procedures or the procedures of any successor depository for the Bonds.

The Bonds maturing on or after December 1, 2037 are subject to redemption prior to their respective maturities at the option of the City on or after December 1, 2036, either as a whole or in part at any time, in any order of maturities at the option of the City, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption.

If less than all of the Bonds of any maturity shall be called for redemption, the particular Bonds or portions of the Bonds to be redeemed shall be selected by lot by the Bond Registrar in such manner as, in its discretion, it shall determine, except that so long as DTC or its nominee is the sole registered owner of the Bonds, the particular Bonds or portions to be redeemed shall be selected by lot by DTC, in such manner as DTC shall determine.

The full faith and credit and unlimited taxing power of the City are unconditionally pledged to the prompt payment of the principal of the Bonds and of the interest to accrue thereon. The Bonds are payable from the proceeds of ad valorem taxes which the City is empowered to levy upon all legally assessable property within the corporate limits of the City subject to assessment for unlimited City taxation.

Electronic Bids

Electronic bids will be received via **PARITY**, in the manner described below, until 10:30 A.M., local Frederick, Maryland time on December 3, 2026.

Bids may be submitted electronically via **PARITY** pursuant to this Notice of Sale until 10:30 A.M., but no bid will be received after the time for receiving bids specified above. To the extent that any instructions or directions set forth in **PARITY** conflict with this notice, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact **PARITY** at Dalcomp (800) 730-9393 or (212) 806-8304.

Disclaimer

Each prospective electronic bidder shall be solely responsible to register to bid via **PARITY** as described above. Each qualified prospective electronic bidder shall be solely responsible to make necessary arrangements to access **PARITY** for the purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the City nor **PARITY** shall have any duty or obligation to provide or assure access to **PARITY** to any prospective bidder, and neither the City nor **PARITY** shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, **PARITY**. The City is using **PARITY** as a communication mechanism, and not as the City's agent, to conduct the electronic bidding for the Bonds. The City is not bound by any advice and determination of **PARITY** to the effect that any particular bid complies with the terms of this 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; and the City 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, he should telephone **PARITY** at Dalcomp (800) 730-9393 or (212) 806-8304 and notify the City's financial advisor, Jennifer L. Diercksen at Davenport & Company LLC at (410) 296-9426.

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 City at 10:30 A.M., local Frederick, Maryland time, on December 3, 2026, unless postponed as described herein. Prior to that time, a 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 a 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 City, 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.

Bid Specifications

BIDDERS MUST SUBMIT BIDS FOR ALL OF THE BONDS. ANY BIDS FOR LESS THAN ALL OF THE BONDS SHALL BE REJECTED BY THE CITY. THE CITY RESERVES THE RIGHT TO REJECT ANY AND ALL BIDS.

Bidders shall state in their bids the amount bid for the Bonds, which amount shall not be less than 100% of par or more than 115% of par. Bidders shall state in their bids the rate or rates of interest to be paid on the Bonds in multiples of one-eighth (1/8) or one-twentieth (1/20) of one percent (1%), and each bid shall be based and submitted on the rate or rates stated therein. Bidders may specify more than one rate of interest to be borne by the Bonds, but the difference between the highest and lowest rates named may not be greater than three percent (3%). Bidders may not specify more than one rate of interest for any single maturity of the Bonds. A zero rate may not be named for any maturity of the Bonds. The maximum rate of interest permitted for any maturity of the Bonds is five percent (5.00%). The Bonds will be awarded to the bidder naming the lowest true interest cost for all Bonds in any legally acceptable bid and offering to pay not less than 100% of the Revised Aggregate Principal Amount of the Bonds nor more than 115% of the Revised Aggregate Principal Amount of the Bonds, and accrued interest (if applicable). The lowest true interest cost will be determined 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 (if applicable). Where the bids of two or more bidders result in the same lowest true interest cost, the Bonds may be apportioned between such bidders, but if this shall not be acceptable, the City shall have the right to award all of the Bonds to one bidder. The right is reserved to the City to reject any or all bids and to waive any irregularity or informality in any bid. The City'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 Notice of Sale.

Please note that bids must be presented by the Financial Advisor to the City Council at their evening meeting on December 3, 2026 for approval in accordance with the Ordinance. Any award of the Bonds may be made as late as 9:00 A.M. on December 4, 2026. All bids remain firm until an award is made.

Good Faith Deposit. The successful bidder is required to submit a good faith deposit for the Bonds of $370,000 (the "Deposit") to the City upon initial notification of the award of the Bonds to the successful bidder. The Deposit will be in the form of a wire transfer and must be received by the City prior to 3:00 P.M. (local time) on the date of the receipt of the bids. Such payment will be security for compliance with the terms of the rule. The City will provide wire instructions to the successful bidder(s) during the initial notification of the award of the Bonds.

The good faith deposit of the successful bidder will be retained by the City to be applied in part payment for the Bonds, and no interest will be allowed upon the amount thereof. IN THE EVENT THAT THE SUCCESSFUL BIDDER SHALL FAIL TO COMPLY WITH THE TERMS OF THE BID, THE PROCEEDS OF DEPOSIT AND ANY INVESTMENT INCOME THEREON WILL BE RETAINED AS AND FOR FULL LIQUIDATED DAMAGES. The checks, if any, of the unsuccessful bidders will be returned promptly after the Bonds are awarded.

Procedures for Sale and Principal Amount Changes: The Preliminary Aggregate Principal Amount of the Bonds and the Preliminary Principal Amount of each maturity of the Bonds as set forth in this Notice of Sale (collectively, the "Preliminary Amounts") are expected to be revised before the receipt and opening of sealed bids for their purchase. The Revised Aggregate Principal Amount of the Bonds and the Revised Principal Amount of each maturity of the Bonds (collectively, the "Revised Amounts") will be published on BiDCOMP/Parity®/www.i-dealprospectus.com or TM3 News Service ("TM3") not later than 9:30 A.M., local Frederick, Maryland time on the date of sale or as soon thereafter as is reasonably practicable. In the event that no revisions are made or that such revisions are not published on BiDCOMP/Parity®/www.i-dealprospectus.com or TM3 before 9:30 A.M., local Frederick, Maryland time on the date of sale, the Preliminary Amounts will constitute the Revised Amounts. Bidders shall submit bids based on the Revised Amounts and the Revised Amounts will be used to compare bids and select a winning bidder or bidders.

As promptly as reasonably practicable after the bids are opened, the City will notify the bidder to whom the Bonds will be awarded, if and when such award is made, and such bidder, upon such notice, shall advise the City of the initial reoffering prices to the public of each maturity of the Bonds (the "Initial Reoffering Prices"). The Initial Reoffering Prices, among other things, will be used by the City to calculate the Final Aggregate Principal Amount of the Bonds and the Final Principal Amount of each maturity of the Bonds (collectively, the "Final Amounts"). THE CITY EXPECTS THAT THE REVISED AMOUNTS OF THE BONDS WILL BE CHANGED AS NECESSARY TO EFFECT THE GREATEST ECONOMIC ADVANTAGE, BUT WILL NOT DECREASE OR INCREASE THE AGGREGATE PRINCIPAL AMOUNT OF THE BONDS BY MORE THAN 15% FROM THE AMOUNT BID UPON. A SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST RATES BID AS A RESULT OF ANY CHANGES MADE TO THE REVISED AMOUNTS OF THE BONDS WITHIN THESE LIMITS. The Final Amounts of the Bonds will be communicated to the successful bidder by 5:00 P.M., local Frederick, Maryland time on the date of sale. The dollar amount of the discount or premium, if any, specified in the bid of the successful bidder will be adjusted proportionately to reflect any reduction or increase in the aggregate principal amount of the Bonds. The successful bidder shall pay the Final Aggregate Principal Amount of the Bonds less the discount or plus the premium (as the amount of such discount or premium may be adjusted as described above), if any, set forth in its electronic bid, plus accrued interest to the date of delivery (if applicable). The interest rates specified by the successful bidder for each maturity of the Bonds in its electronic bid will not change.

Please note that bids must be presented by the Financial Advisor to the City Council at their evening meeting on December 3, 2026 for approval in accordance with the Ordinance. ALL BIDS MUST REMAIN FIRM UNTIL AT LEAST 9:00 A.M. ON DECEMBER 4, 2026, and if accepted by the City Council, shall be irrevocable except as otherwise provided in this Notice of Sale. An award of the Bonds pursuant to this Notice of Sale, if made, will be made by the City within such period of time.

All Bonds herein described will constitute an irrevocable pledge of the full faith and credit and unlimited taxing power of the City.

The Bonds will be issued and sold subject to approval as to legality by DLA Piper LLP (US), Bond Counsel. Copies of the legal opinion or opinions, substantially in the form included in the Preliminary Official Statement will be delivered, upon request, to the purchaser of the Bonds, without charge.

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

When delivered, 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.

CUSIP Numbers; Expenses of Successful Bidder

It is anticipated that CUSIP identification numbers will be applied for by the City's Financial Advisor with respect to the Bonds, Davenport & Company, LLC, and will be paid for by the City. The City will assume no obligation for the assignment or printing of the CUSIP identification numbers on the Bonds or the correctness of such numbers, and neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of this Notice of Sale.

All charges of DTC and all other expenses of the successful bidder will be the responsibility of the successful bidder for the Bonds.

Not later than seven (7) business days after the award of the Bonds to the successful bidder on the day of sale, the City will authorize an Official Statement, which is expected to be substantially in the form of the Preliminary Official Statement referred to below. If so requested by the purchaser at or before the close of business on the date of the sale, the City 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 such bidder. If no Reoffering Information is specified and furnished by the successful bidder, the Official Statement will include the interest rates on the Bonds resulting from the bid of the successful bidder and the other statements with respect to reoffering contained in the Preliminary Official Statement. The successful bidder for the Bonds shall be responsible to the City and its officials for the Reoffering Information, and for all decisions made by such bidder with respect to the use or omission of the Reoffering Information in any reoffering of the Bonds, including the presentation or exclusion of any Reoffering Information in any documents, including the Official Statement. The successful bidder will also be furnished, without cost, with up to 100 copies of the Official Statement (and any amendments or supplements thereto).

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