PRELIMINARY OFFICIAL STATEMENT DATED JULY ____, 2018

NEW ISSUE
BOOK-ENTRY ONLY

Ratings: Moody's: "Aa1"
Standard & Poor's: "[AA+]"
Fitch: "[AAA]"
(See "Ratings" herein)

In the opinion of Bond Counsel, under current law and subject to conditions described in the subsection "Tax Matters" in the section entitled "MISCELLANEOUS", interest on the Series 2018 Bonds (1) is not included in gross income for Federal income tax purposes, and (2) is not an item of tax preference for purposes of the Federal alternative minimum income tax imposed on individuals and corporations. Such interest may be included in the calculation of a corporation's alternative minimum tax, and a holder may be subject to other Federal tax consequences as described in "Tax Matters". Bond Counsel is also of the opinion that interest on the Series 2018 Bonds is exempt from income taxation by the Commonwealth of Virginia. See the subsection entitled "Tax Matters."

COUNTY OF SPOTSYLVANIA, VIRGINIA

$38,000,000*
General Obligation
Public Improvement Bonds,
Series 2018

Dated: Date of Delivery **Due: July 15, as shown on the inside cover**

This Official Statement has been prepared by the County of Spotsylvania, Virginia (the "County"), to provide information on its General Obligation Public Improvement Bonds, Series 2018 (the "Series 2018 Bonds"), the security therefor, the County and other relevant information. Selected information is presented on this cover page for the convenience of the user. To make an informed decision regarding the Series 2018 Bonds, a prospective investor should read this Official Statement in its entirety.

Security	**THE SERIES 2018 BONDS WILL BE GENERAL OBLIGATIONS OF THE COUNTY, SECURED BY AN IRREVOCABLE PLEDGE OF ITS FULL FAITH AND CREDIT. THE COUNTY BOARD OF SUPERVISORS IS AUTHORIZED AND REQUIRED, UNLESS OTHER FUNDS ARE LAWFULLY AVAILABLE AND APPROPRIATED FOR TIMELY PAYMENT OF THE SERIES 2018 BONDS, TO LEVY AND COLLECT AN ANNUAL AD VALOREM TAX, OVER AND ABOVE ALL OTHER TAXES AUTHORIZED OR LIMITED BY LAW AND WITHOUT LIMITATION AS TO RATE OR AMOUNT, UPON ALL LOCALLY TAXABLE PROPERTY IN THE COUNTY SUFFICIENT TO PAY PRINCIPAL OF AND PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2018 BONDS, RESPECTIVELY, AS THE SAME BECOME DUE AND PAYABLE.**
Purpose	The proceeds of the Series 2018 Bonds will be used to finance or reimburse the County for costs of the public school projects and public safety projects to be financed with such proceeds of the Series 2018 Bonds, and to pay the costs of issuing the Series 2018 Bonds. See "Use of Proceeds" in "THE SERIES 2018 BONDS."
Interest Payment Dates	July 15 and January 15, commencing January 15, 2019
Record Date	June 15 and December 15
Redemption	The Series 2018 Bonds are subject to redemption as set forth herein.
Denominations	$5,000 and integral multiples thereof
Sale Date and Time	11:00 a.m. Eastern Time, August [7], 2018
Closing/Delivery Date	On or about August [21], 2018
Registration	Full book-entry only; The Depository Trust Company, New York, New York
Registrar and Paying Agent	U.S. Bank National Association, Richmond, Virginia
Bond Counsel	Haneberg Hurlbert PLC, Richmond, Virginia
Financial Advisor	PFM Financial Advisors, LLC, Arlington, Virginia

The Series 2018 Bonds are offered for delivery when, as and if issued, subject to the approving opinion of Haneberg Hurlbert PLC, Bond Counsel, as described herein. Certain legal matters will be passed upon for the County by the County Attorney, Karl R. Holsten, Esquire.

Dated: August ___, 2018

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* Preliminary, subject to change.

COUNTY OF SPOTSYLVANIA, VIRGINIA

$38,000,000*
General Obligation
Public Improvement Bonds,
Series 2018

Year	Amount*	Interest Rate	Yield	CUSIP	Year	Amount	Interest Rate	Yield	CUSIP
2019	$				2029	$			
2020					2030				
2021					2031				
2022					2032				
2023					2033				
2024					2034				
2025					2035				
2026					2036				
2027					2037				
2028					2038				

* Preliminary, subject to change.

COUNTY OF SPOTSYLVANIA, VIRGINIA

COUNTY BOARD OF SUPERVISORS

Greg Benton, Chairperson
Paul D. Trampe, Vice-Chairperson
Chris Yakabouski
Kevin Marshall
Gary F. Skinner
Chris Yakabouski
David Ross

COUNTY OFFICIALS

Mark B. Taylor, Esq., *County Administrator*
Karl R. Holsten, Esq., *County Attorney*
Mark L. Cole, *Deputy County Administrator*
Mary S. Sorrell, *Director of Finance*
Larry K. Pritchett, *Treasurer*
Deborah F. Williams, *Commissioner of the Revenue*
Dr. S. Scott Baker, *School Superintendent*

BOND COUNSEL

HANEBERG HURLBERT PLC
1111 East Main Street, Suite 2010
Richmond, Virginia 23219

FINANCIAL ADVISOR

PFM FINANCIAL ADVISORS, LLC
4350 North Fairfax Drive, Suite 580
Arlington, Virginia 22203

AUDITORS

CHERRY BEKAERT, LLP
1121 Heatherstone Drive
Fredericksburg, Virginia 22401

The Series 2018 Bonds will be exempt from registration under the Securities Act of 1933. As obligations of a political subdivision of the Commonwealth of Virginia, the Series 2018 Bonds will also be exempt from registration under the securities laws of the Commonwealth of Virginia.

No dealer, broker, salesman or other person has been authorized by the County 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 County. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of the Series 2018 Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

This Official Statement is not to be construed as a contract or agreement between the County and the purchasers or owners of any of the Series 2018 Bonds. 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 County since the date hereof.

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OFFICIAL STATEMENT

COUNTY OF SPOTSYLVANIA, VIRGINIA

$38,000,000*
General Obligation
Public Improvement Bonds,
Series 2018

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and appendices hereto, is to provide information in connection with the issuance by the County of Spotsylvania (the "County"), a political subdivision of the Commonwealth of Virginia (the "Commonwealth"), of its $38,000,000* General Obligation Public Improvement Bonds, Series 2018 (the "Series 2018 Bonds"). The following introductory material is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement, reference to which is hereby made for all purposes.

The Issuer

The issuer of the Series 2018 Bonds is the County of Spotsylvania, a political subdivision of the Commonwealth of Virginia.

The Series 2018 Bonds

The Series 2018 Bonds will be dated the date of their delivery and will mature on July 15 in the years 2019* through 2038* in the amounts set forth on the inside cover of this Official Statement. Interest on the Series 2018 Bonds will be payable on each July 15 and January 15, beginning January 15, 2019, until the earlier of maturity or redemption, at the rates set forth on the inside cover of this Official Statement.

The proceeds of the Series 2018 Bonds will be used to finance or reimburse the County for costs associated with public school projects and public safety projects in the County, and to pay costs of issuance of the Series 2018 Bonds.

Optional Redemption

The Series 2018 Bonds are subject to redemption at the option of the County at any time, following requisite notice, on or after July 15, 20__*.

Delivery

The Series 2018 Bonds are offered for delivery, when, as and if issued, subject to the approval of their validity by Haneberg Hurlbert PLC, Bond Counsel, and to certain other conditions referred to herein. It is expected that the Series 2018 Bonds will be available for delivery, at the expense of the County, in New York, New York, through the facilities of The Depository Trust Company, New York, New York ("DTC"), on or about August [21], 2018.

Auditors

The County's general purpose financial statements for the fiscal year ended June 30, 2017, have been audited by the independent public accounting firm of Cherry Bekaert, LLP, Fredericksburg, Virginia, and are included as Appendix B. Cherry Bekaert, LLP will not be reviewing this Official Statement or any other matters in connection

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* Preliminary, subject to change.

with the issuance of the Series 2018 Bonds. The County's audited financial statements for prior fiscal years are available for inspection at the Office of the County Administrator, 9104 Courthouse Road, Spotsylvania, Virginia 22553.

Ratings

The Series 2018 Bonds have been rated as shown on the cover page hereto by Moody's Investors Service, 7 World Trade Center, 250 Greenwich Street, 23rd Floor, New York, New York 10007 ("Moody's"); Standard & Poor's Global Ratings, 55 Water Street, New York, New York 10041 ("Standard & Poor's"); and Fitch Ratings, 33 Whitehall Street, New York, New York 10004 ("Fitch"). A more complete description of the ratings is provided in the subsection "Ratings" in the section entitled "MISCELLANEOUS."

Continuing Disclosure

The County has agreed to execute a Continuing Disclosure Agreement at closing to assist the purchaser of the Series 2018 Bonds in complying with the provisions of Rule 15c2-12, as amended ("Rule 15c2-12"), promulgated by the Securities and Exchange Commission ("SEC") by providing annual financial information and event notices required by the Rule. See the subsection "Continuing Disclosure" in the section entitled "MISCELLANEOUS."

Financial Advisor

PFM Financial Advisors, LLC, Arlington, Virginia, is employed as Financial Advisor to the County and has advised the County in connection with the planning, structuring and issuance of the Series 2018 Bonds. A portion of the Financial Advisor's fee for services rendered with respect to the sale of the Series 2018 Bonds is contingent upon the issuance and delivery of the Series 2018 Bonds.

Additional Information

Any questions concerning the content of this Official Statement should be directed to the attention of Mark B. Taylor, County Administrator, 9104 Courthouse Road, Spotsylvania, Virginia 22553 (540-507-7010) or Mary S. Sorrell, Director of Finance, Spotsylvania County, 8800 Courthouse Road, Spotsylvania, Virginia 22553 (540-507-7590), or the County's Financial Advisor, PFM Financial Advisors, LLC (703-741-0175).

THE SERIES 2018 BONDS

Authorization of the Series 2018 Bonds

The issuance of the Bonds is authorized by a resolution adopted by the Board on July 8, 2014, and was approved by the qualified votes of the County at an election held on November 4, 2014 (the "2014 Referendum"), of which $141,724,876 was authorized for the financing of school projects, $36,388,641 was authorized for public safety projects, and $63,308,950 was authorized for transportation projects.

$95,451,960 in principal amount of the bonds authorized for public school projects remains authorized and unissued on the date hereof.

$27,238,641 in principal amount of bonds authorized for public safety projects remains authorized and unissued on the date hereof.

$62,373,950 in principal amount of the bonds authorized for transportation projects remains authorized and unissued on the date hereof.

The Series 2018 Bonds are being issued pursuant to the 2014 Referendum, the Constitution and statutes of the Commonwealth of Virginia, including the Public Finance Act of 1991 (the "Act"), and a bond resolution adopted by the County Board of Supervisors on June 28, 2018 (the "Bond Resolution").

Use of Proceeds of the Series 2018 Bonds

The proceeds of the Series 2018 Bonds will be used to finance or reimburse the County for costs associated with public safety projects and public school projects in the County, and to pay costs of issuance of the Series 2018 Bonds.

	Series 2018 Bonds
Sources of Funds:	
Face Amount of Series 2018 Bonds	$[38,000,000]*
[Plus] [Net] Original Issue [Premium][Discount]	___________
Total Sources	$___________
Uses of Funds:	
Deposit to Construction Fund	$ [6,750,000]
Deposit to School Board	[31,250,000]
Estimated Costs of Issuance (including Underwriters' fees)	___________
Total Uses	$___________

Description of the Series 2018 Bonds

The Series 2018 Bonds will be issued in fully registered form in the denominations of $5,000 and multiples thereof and will be held by The Depository Trust Company, New York, New York ("DTC"), or its nominee, as securities depository with respect to the Series 2018 Bonds. See the subsection "Book-Entry System" below. Purchases of beneficial ownership interests in the Series 2018 Bonds will be made only in book-entry form and individual purchasers will not receive physical delivery of Bond certificates. The Series 2018 Bonds will be dated the date of their issuance, will bear interest at the rates per annum set forth on the inside cover page hereof, calculated on the basis of a 360-day-year of twelve 30-day months, payable on January 15, 2018, and semi-annually thereafter on July 15 and January 15 of each year (an "Interest Payment Date"), and will mature on July 15 in the years and in the principal amounts set forth on the inside cover page hereof.

As long as the Series 2018 Bonds are held by DTC or its nominee, interest will be paid to Cede & Co., as nominee of DTC, in next day funds on each Interest Payment Date. If the book-entry system is discontinued, Bond certificates will be delivered as described in the Bond Resolution, and Beneficial Owners (as hereinafter defined) will become registered owners of the Series 2018 Bonds ("Bondholders"). Interest on the Series 2018 Bonds shall be payable on each Interest Payment Date by check or draft of U.S. Bank National Association, Richmond, Virginia, as paying agent and registrar (the "Paying Agent" or "Registrar"), mailed to the registered owner at his address as it appears on the June 15 and December 15 immediately preceding the respective Interest Payment Date. If any Interest Payment Date is not a business day, such payment will be made on the next succeeding business day with the same effect as if made on the Interest Payment Date and no additional interest shall accrue.

Redemption

Optional Redemption. The Series 2018 Bonds may be redeemed at the option of the County prior to their respective maturities in whole or in part (in integral multiples of $5,000) at any time, following requisite notice, on or after July 15, 20__*, upon payment of 100% of the principal amount of the Series 2018 Bonds to be redeemed, together with accrued interest to the redemption date.

Manner of Redemption. If less than all of the Series 2018 Bonds are called for redemption, the Series 2018 Bonds to be redeemed shall be selected by the County's director of finance in such a manner as he or she may determine to be in the best interest of the County. If less than all of the Series 2018 Bonds of a particular maturity of a series are called for redemption, the Series 2018 Bonds to be redeemed shall be selected by DTC or any successor securities depository pursuant to its rules and procedures or, if the book-entry system is discontinued, by the Registrar by lot in such manner as the Registrar in its discretion may determine. In either case, (a) the portion of any Bond to be redeemed shall be in a minimum principal amount of $5,000 or some multiple thereof and (b) in selecting Series 2018 Bonds for redemption, each Bond shall be considered as representing that number of Series 2018 Bonds which is obtained by dividing the principal amount of such Bond by $5,000.

Notice of Redemption. The County will cause notice of the call for redemption, identifying the Series 2018 Bonds or the portions thereof to be redeemed, to be sent by facsimile or electronic transmission, registered or certified mail or overnight express delivery not less than 30 nor more than 60 days prior to the redemption date, to DTC or its nominee as the registered owner thereof. The County shall not be responsible for mailing notice of redemption to anyone other than DTC or another qualified securities depository or its nominee unless no qualified securities depository is the registered owner of the Series 2018 Bonds. If no qualified securities depository is the registered owner of the Series 2018 Bonds, notice of redemption shall be mailed to the registered owners of the Series 2018 Bonds being redeemed.

The County may give or cause to be given notice of redemption prior to a deposit of redemption moneys if such notice states that the redemption is to be funded with the proceeds of a refunding bond issue and is conditioned on the deposit of such proceeds. Provided that moneys are deposited on or before the redemption date, such notice shall be effective when given. If such proceeds are not available on the redemption date, the Series 2018 Bonds will continue to bear interest until paid at the same rate they would have borne had they not been called for redemption and principal will continue to be payable as scheduled. On presentation and surrender of the Series 2018 Bonds called for redemption at the place or places of payment, such Series 2018 Bonds shall be paid and redeemed.

During the period that DTC or the DTC nominee is the registered holder of the Series 2018 Bonds, the County will not be responsible for mailing notices of redemption to the beneficial owners of the Series 2018 Bonds. See the subsection "Book-Entry System" below.

Book-Entry System

The description which follows of the procedures and recordkeeping with respect to beneficial ownership interests in the Series 2018 Bonds, payments of principal of and interest on the Series 2018 Bonds to DTC, its nominee, Direct Participants (as hereinafter defined) or Beneficial Owners, confirmation and transfer of beneficial ownership interests in the Series 2018 Bonds and other bond-related transactions by and between DTC, the Direct Participants and Beneficial Owners is based solely on information furnished by DTC.

DTC will act as securities depository for the Series 2018 Bonds. The Series 2018 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 Bond certificate will be issued for each maturity of the Series 2018 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of New York Banking Law, 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 (the "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 for 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, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has a Standard & Poor's rating of 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 Series 2018 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2018 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (the "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 Series 2018 Bonds are to be accomplished by entries made on the books of Direct or Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2018 Bonds, except in the event that use of the book-entry system for the Series 2018 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2018 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2018 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2018 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2018 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 Series 2018 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2018 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County 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 Series 2018 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2018 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Paying Agent on the 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 Direct or Indirect Participant and not of DTC (nor its nominee), the Paying Agent, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Paying Agent, 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 Series 2018 Bonds at any time by giving reasonable notice to the County or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates will be printed and delivered.

The County 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.

The information in this subsection concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

Neither the County nor the Paying Agent has any responsibility or obligation to the Direct or Indirect Participants or the Beneficial Owners with respect to (a) the accuracy of any records maintained by DTC or any Direct or Indirect Participant; (b) the payment by any Direct or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal of and interest on the Series 2018 Bonds; (c) the delivery or timeliness of delivery by any Direct or Indirect Participant of any notice to any Beneficial Owner that is required or permitted under the terms of the Bond Resolution to be given to Bondholders; or (d) any other action taken by DTC, or its nominee, Cede & Co., as Bondholder, including the effectiveness of any action taken pursuant to an Omnibus Proxy.

So long as Cede & Co. is the registered owner of the Series 2018 Bonds, as nominee of DTC, references in this Official Statement to the Owners of the Series 2018 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners, and Cede & Co. will be treated as the only holder of Series 2018 Bonds for all purposes under the Bond Resolution.

The County may enter into amendments to the agreement with DTC or successor agreements with a successor securities depository, relating to the book-entry system to be maintained with respect to the Series 2018 Bonds without the consent of Beneficial Owners or Bondholders.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Series 2018 Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal to accept delivery of and payment of the purchase price for the Series 2018 Bonds. All expenses in connection with the assignment and printing of CUSIP numbers shall be paid by the County.

Security for the Series 2018 Bonds

The Series 2018 Bonds will be general obligations of the County secured by an irrevocable pledge of its full faith and credit. The County Board of Supervisors is authorized and required, unless other funds are lawfully available and appropriated for timely payment of the Series 2018 Bonds, to levy and collect an annual ad valorem tax, unlimited as to rate or amount, upon all locally taxable property in the County sufficient to pay principal of and interest on the Series 2018 Bonds, respectively, as the same become due and payable.

Bondholders' Remedies in the Event of Default

Section 15.2-2659 of the Code of Virginia of 1950, as amended, provides that upon affidavit filed by or on behalf of any owner of a general obligation bond, or by any paying agent therefor, that a political subdivision of the Commonwealth of Virginia is in default as to payment of principal, premium or interest, the Governor shall forthwith conduct a summary investigation and, if such default is established to the Governor's satisfaction, the Governor shall immediately order the State Comptroller to withhold all funds appropriated and payable by the Commonwealth of Virginia (the "Commonwealth") to the political subdivision so in default and apply the amount so withheld to payment of the defaulted principal, premium, if any, and interest.

Section 15.2-2659 also provides for notice to registered owners of such Series 2018 Bonds of the default and the availability of withheld funds. The State Comptroller advises that, to date, no order to withhold funds pursuant to Section 15.1-227.61 or Section 15.1-225, the predecessor provisions of Section 15.2-2659, has ever been issued with respect to the County. Although neither the scope, the constitutionality nor the enforceability of Section 15.2-2659 or its predecessor provisions has been comprehensively addressed by a Virginia court, the Attorney General of Virginia has issued an opinion that appropriated funds may be withheld by the Commonwealth pursuant to Section 15.1-227.61. In the fiscal year ending June 30, 2017, the Commonwealth appropriated $160,450,667 to the County, of which $29,223,584 accrued to the County's General Fund.

Neither the Series 2018 Bonds nor the proceedings with respect thereto specifically provide any remedies to Bondholders if the County defaults in the payment of principal thereof or premium or interest thereon, nor do they contain any provision for the appointment of a trustee to enforce the interests of the Bondholders upon the occurrence of such default. Upon any default in the payment of principal, premium or interest, a Bondholder could, among other things, seek from an appropriate court a writ of mandamus requiring the Board to levy and collect taxes as described above. The mandamus remedy, however, may be impracticable and difficult to enforce. Furthermore, the right to enforce payment of the Series 2018 Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and similar laws and equitable principles, which may limit the specific enforcement of certain remedies.

Chapter 9 of the United States Bankruptcy Code (the "Bankruptcy Code") permits a municipality such as the County, if insolvent or otherwise unable to pay its debts as they become due, to file a voluntary petition for the adjustment of debts provided that such municipality is "specifically authorized, in its capacity as a municipality or by name, to be a debtor…." Bankruptcy Code, § 109(c)(2). Current Virginia statutes do not expressly authorize the County or municipalities generally to file for bankruptcy under Chapter 9, although it is unclear if the lack of express authorization under state law would be a successful defense to a claim that federal bankruptcy law preempts any Commonwealth of Virginia limitation on the exercise by the County of rights under the Bankruptcy Code. Chapter 9 does not authorize the filing of involuntary petitions against municipalities such as the County.

Bankruptcy proceedings by the County could have adverse effects on Bondholders including, (a) delay in the enforcement of their remedies, (b) subordination of their claims to claims of those supplying goods and services to the County after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings, and (c) imposition without their consent of a reorganization plan reducing or delaying payment of the Series 2018 Bonds. The Bankruptcy Code contains provisions intended to ensure that, in any reorganization plan not accepted by at least a majority of a class of creditors such as the holders of general obligation Series 2018 Bonds, such creditors will have the benefit of their original claims or the "indubitable equivalent" thereof, although such plan may not provide for payment of the Series 2018 Bonds in full. The effect of these and other provisions of the Bankruptcy Code cannot be predicted and may be significantly affected by judicial interpretations.

SPOTSYLVANIA COUNTY

Located in the northeastern section of Virginia, the County is bounded on the north by the Rappahannock and Rapidan Rivers, on the south by the North Anna River, on the west by Orange County, and on the east by Caroline County. The City of Fredericksburg borders the County to the northeast. The County is approximately 55 miles north of Richmond and 55 miles south of Washington, D.C.

The Board of Supervisors (the "Board") is the governing body of the County. The Board is comprised of seven members, who are elected for four-year terms. The Board members select from themselves a Chairperson and a Vice-Chairperson for one-year terms. The Board is elected to staggered terms, with three members elected in one election cycle and the remaining four members elected in a different election cycle.

The County functions under a traditional form of government with a County Administrator, as is common throughout Virginia. Under this form of government, the elected officials include the members of the Board, the Treasurer, the Commissioner of the Revenue, the Sheriff, the Clerk of the Circuit Court and the Commonwealth's Attorney. Mental Health/Mental Retardation Services are provided by the Community Services Board. The Health Department and the Court System are under the control of the Commonwealth of Virginia. All other functions of the County government are managed by department directors that in turn report to the County Administrator. The County Administrator also serves as the head of the Social Services Administrative Board.

The County Administrator is appointed by the Board to act as the Board's agent in the administration and operation of the departments and agencies. All departments directly responsible to the Board report to the County Administrator, and he or she acts as the Board's liaison to all other departments and agencies. The County Administrator serves at the pleasure of the Board, carries out its policies and directs business procedures.

Appendix A contains additional financial, economic and demographic information concerning the County. The County's audited financial statements for the fiscal year ended June 30, 2017, are contained in Appendix B.

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MISCELLANEOUS

Ratings

As noted on the cover page of this Official Statement, Moody's, Standard & Poor's and Fitch have assigned the Series 2018 Bonds a rating of "[Aa1]," "[AA+]" and "[AAA]," respectively, based upon the creditworthiness of the County.

Reference should be made to Moody's, Standard & Poor's and Fitch for a more complete explanation of the significance of the ratings assigned by such rating agencies. There is no assurance that the ratings will remain in effect for any given period of time or that they will not be downgraded, changed, suspended or withdrawn entirely by such rating agencies if, in the judgment of such rating agencies, changes in or unavailability of, information so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Series 2018 Bonds.

Litigation

The County and its employees have been named from time to time as defendants in claims that are being defended by the County Attorney and associated counsel. The County's potential liability exposure is limited partially by sovereign immunity, indemnification agreements and insurance policies. In addition, the County Attorney is aware of potential claims that are unasserted at this time. The County Attorney is of the opinion that none of the litigation currently pending or threatened against the County can reasonably be expected to have a material adverse effect on the County's financial condition.

The County Attorney is of the opinion that there is no litigation pending or, to the best of his information, knowledge and belief, threatened in the Circuit Court of Spotsylvania County or the United States District Court for the Eastern District - Richmond Division that would in any way affect the validity of the Series 2018 Bonds or the ability of the County to levy or collect ad valorem taxes for payment of the Series 2018 Bonds or the interest thereon.

Legal Matters

Certain legal matters relating to the authorization and validity of the Series 2018 Bonds will be subject to the approving opinion of Haneberg Hurlbert PLC, Bond Counsel, which will be furnished at the expense of the County upon delivery of the Series 2018 Bonds, in substantially the form set forth as Appendix C (the "Bond Opinion"). Certain legal matters will be passed upon for the County by the County Attorney, Karl R. Holsten, Esquire.

The Bond Opinion will be limited to matters relating to authorization and validity of the Series 2018 Bonds and to the tax status of interest thereon as described in the subsections "Tax Matters." Bond Counsel has not been engaged to investigate the financial resources of the County or its ability to provide for payment of the Series 2018 Bonds, and the Bond Opinion will make no statement as to such matters or as to the accuracy or completeness of this Official Statement or any other information that may have been relied on by anyone in making the decision to purchase Series 2018 Bonds.

Tax Matters

Opinion of Bond Counsel. In the opinion of Bond Counsel, under current law, interest, [including accrued original issue discount ("OID"),] on the Series 2018 Bonds (a) is not included in gross income for Federal income tax purposes, and (b) is not an item of tax preference for purposes of the Federal alternative minimum income tax imposed on individuals and corporations; however, with respect to corporations (as defined for Federal income tax purposes) subject to the alternative minimum income tax, such interest is taken into account in determining adjusted current earnings. Bond Counsel is also of the opinion that interest on the Series 2018 Bonds is exempt from income taxation by the Commonwealth of Virginia. [Except as discussed below regarding OID,] no other opinion is expressed by Bond Counsel regarding the tax consequences of the ownership or the receipt or accrual of interest on the Series 2018 Bonds.

Bond Counsel's opinion is given in reliance upon certifications by representatives of the County as to certain facts relevant to both the opinion and requirements of the Internal Revenue Code of 1986, as amended (the "Code"), and is subject to the condition that there is compliance subsequent to the issuance of the Series 2018 Bonds with all requirements of the Code that must be satisfied in order for interest thereon to remain excludable from gross income for Federal income tax purposes. The County has covenanted to comply with the current provisions of the Code regarding, among other matters, the use, expenditure and investment of the proceeds of the Series 2018 Bonds and the timely payment to the United States of any arbitrage rebate amounts with respect to the Series 2018 Bonds. Failure by the County to comply with such covenants, among other things, could cause interest, [including accrued OID,] on the Series 2018 Bonds to be included in gross income for Federal income tax purposes retroactively to their date of issue.

[*Original Issue Discount.* The initial offering prices of each maturity of the Series 2018 Bonds maturing in the years 20__ and 20__ (the "OID Bonds"), will be less than their stated principal amount. In the opinion of Bond Counsel, under current law, the difference between the stated principal amount and the initial offering price of each maturity of OID Bonds to the public (excluding bond houses and brokers) at which a substantial amount of such maturity of such Series 2018 Bonds is sold will constitute OID. The offering prices set forth on the inside cover of this Official Statement for the OID Bonds are expected to be the initial offering prices to the public at which a substantial amount of each maturity of such Series 2018 Bonds are sold.

Under the Code, for purposes of determining the holder's adjusted basis in an OID Bond, OID treated as having accrued while the holder holds the Bond will be added to the holder's basis. OID will accrue on a constant yield-to-maturity method. The adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of an OID Bond.

Prospective purchasers of the OID Bonds should consult their own tax advisors with respect to the calculation of accrued OID and the state and local tax consequences of owning or disposing of such Series 2018 Bonds.]

Original Issue Premium. Series 2018 Bonds purchased, whether upon issuance or otherwise, for an amount (excluding any amount attributable to accrued interest) in excess of their principal amount will be treated for Federal income tax purposes as having amortizable bond premium. A holder's basis in such a Bond must be reduced by the amount of premium which accrues while such Bond is held by the holder. No deduction for such amount will be allowed, but it generally will offset interest on the Series 2018 Bonds while so held. Purchasers of such Series 2018 Bonds should consult their own tax advisors as to the calculation, accrual and treatment of amortizable bond premium and the state and local tax consequences of holding such Series 2018 Bonds.

Other Tax Matters. In addition to the matters addressed above, prospective purchasers of the Series 2018 Bonds should be aware that the ownership of tax-exempt obligations may result in collateral Federal income tax consequences to certain taxpayers, including without limitation financial institutions, property and casualty insurance companies, S corporations, foreign corporations subject to the branch profits tax, recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Series 2018 Bonds should consult their tax advisors as to the applicability and impact of such consequences.

Prospective purchasers of the Series 2018 Bonds also should consult their own tax advisors as to the status of interest on the Series 2018 Bonds under the tax laws of any state other than Virginia.

The Internal Revenue Service (the "Service") has a program to audit state and local government obligations to determine whether the interest thereon is includible in gross income for Federal income tax purposes. If the Service does audit the Series 2018 Bonds, under current Service procedures, the Service will treat the County as the taxpayer and the owners of the Series 2018 Bonds will have only limited rights, if any, to participate.

Bond Counsel's opinion represents its legal judgment based in part upon the representations and covenants referenced therein and its review of current law, but is not a guarantee of result or binding on the Service or the courts. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may come to Bond Counsel's attention after the date of its opinion or to reflect any changes in law or the interpretation thereof that may occur or become effective after such date.

There are many events which could affect the value and liquidity or marketability of the Series 2018 Bonds after their issuance, including but not limited to public knowledge of an audit of the Series 2018 Bonds by the Service, a general change in interest rates for comparable securities, a change in Federal or state income tax rates, Federal or state legislative or regulatory proposals affecting state and local government securities and changes in judicial interpretation of existing law. In addition, certain tax considerations relevant to owners of Series 2018 Bonds who purchase Series 2018 Bonds after their issuance may be different from those relevant to purchasers upon issuance. Neither the opinion of Bond Counsel nor this Official Statement purports to address the likelihood or effect of any such potential events or such other tax considerations, and purchasers of the Series 2018 Bonds should seek advice concerning such matters as they deem prudent in connection with their purchase of Series 2018 Bonds.

Financial Advisor

PFM Financial Advisors, LLC, Arlington, Virginia (the "Financial Advisor"), serves as Financial Advisor to the County. The Financial Advisor has advised the County in matters relating to the planning, structuring and issuance of the Series 2018 Bonds and has assisted in the review of this Official Statement, but the Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The Financial Advisor is a financial advisory, investment management and consulting organization and is not engaged in the business of underwriting municipal securities. A portion of the Financial Advisor's fee for services rendered with respect to the sale of the Series 2018 Bonds is contingent upon the issuance and delivery of the Series 2018 Bonds.

Sale at Competitive Bidding

The Series 2018 Bonds will be offered for sale at competitive bidding at 11:00 a.m. Eastern Time, August [7], 2018. After the Series 2018 Bonds have been awarded, the County will issue an Official Statement in final form. A copy of the Official Notice of Sale and the Official Bid Form is attached as <u>Appendix E</u>. The County will deem the Official Statement final as of its date, and the Official Statement in final form will be a "Final Official Statement" within the meaning of Rule 15c2-12. The Official Statement in final form will include, among other matters, the identity of the winning bidder, the expected selling compensation to such winning bidder and other information on the interest rates and offering prices for yields of the Series 2018 Bonds, all as supplied by the winning bidder.

Continuing Disclosure

To permit compliance by the purchasers of the Series 2018 Bonds with the continuing disclosure requirements of Rule 15c2-12, the County will execute a Continuing Disclosure Agreement (the "CDA") at closing, by which it will agree to provide certain annual financial information and event notices required by Rule 15c2-12. Such information will be filed through the Electronic Municipal Market Access System ("EMMA") maintained by the Municipal Securities Rulemaking Board and may be accessed through the Internet at emma.mrsb.org. Prior to July 1, 2009, filings by the County were made through the then existing national recognized municipal securities information repositories. As described in <u>Appendix D</u>, the CDA requires the County to provide only limited information at specific times, and the information provided may not be all the information necessary to value the Series 2018 Bonds at any particular time. The County may from time to time disclose certain information and data in addition to that required by the CDA. If the County chooses to provide any additional information, the County will have no obligation to continue to update such information or to include it in any future disclosure filing. Except to the extent that the circumstances previously disclosed on EMMA and/or in prior Official Statements of the County with respect to the County's prior filings of its Annual Disclosure, all of which are available on EMMA and incorporated herein by reference, are deemed material, (1) the County has not failed in the last five years to comply in all material respects with any previous continuing disclosure undertakings under Rule 15c2-12, and (2) the County's previous statements in this regard have been materially accurate.

Failure by the County to comply with the CDA is not an event of default under the Series 2018 Bonds or the Bond Resolution. The sole remedy for a default under the CDA is to bring an action for specific performance of the County's covenants thereunder, and no assurance can be provided as to the outcome of any such proceeding.

Approval of Official Statement

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact. No representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Series 2018 Bonds.

The distribution of this Preliminary Official Statement has been duly authorized by the Board. This Preliminary Official Statement is in a form deemed final as of its date within the meaning of Rule 15c2-12, except for the omission of certain pricing and other information permitted to be omitted pursuant to Rule 15c2-12.

SPOTSYLVANIA COUNTY, VIRGINIA

By:____
Mark B. Taylor, County Administrator

APPENDIX A

INFORMATION REGARDING

SPOTSYLVANIA COUNTY, VIRGINIA

APPENDIX B

AUDITED FINANCIAL STATEMENTS OF

SPOTSYLVANIA COUNTY, VIRGINIA

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

APPENDIX C

FORM OF BOND COUNSEL OPINION

APPENDIX C

FORM OF BOND COUNSEL OPINION – SERIES 2018 BONDS

Set forth below is the proposed form of opinion of
Haneberg Hurlbert PLC, Bond Counsel, with respect to the Series 2018 Bonds.
It is preliminary and subject to change prior to delivery of the Series 2018 Bonds.

[August ___, 2018]

Board of Supervisors
County of Spotsylvania, Virginia

County of Spotsylvania, Virginia
$38,000,000*
General Obligation
Public Improvement Bonds,
Series 2018

Ladies and Gentlemen:

We have examined the applicable law and certified copies of proceedings and documents relating to the issuance and sale by the County of Spotsylvania, Virginia (the "County"), of its $38,000,000* General Obligation Public Improvement Bonds, Series 2018 (the "Series 2018 Bonds"). Reference is made to the forms of the Series 2018 Bonds for information concerning their details, including payment and redemption provisions, their purpose and the proceedings pursuant to which they are issued.

Without undertaking to verify the same by independent investigation, we have relied on certifications by representatives of the County as to certain facts relevant to both our opinion and requirements of the Internal Revenue Code of 1986, as amended (the "Code"). The County has covenanted to comply with the current provisions of the Code regarding, among other matters, the use, expenditure and investment of the proceeds of the Series 2018 Bonds and the timely payment to the United States of any arbitrage rebate amounts with respect to the Series 2018 Bonds, all as set forth in the proceedings and documents relating to the issuance of the Series 2018 Bonds (the "Covenants"). In rendering the following opinions, we have assumed the genuineness of all signatures, the authenticity of all documents tendered to us as originals and the conformity to original documents of all documents submitted to us as certified copies.

Based on the foregoing, we are of the opinion that:

1. The Series 2018 Bonds have been authorized and issued in accordance with the Constitution and statutes of the Commonwealth of Virginia, including the Public Finance Act of 1991, and constitute valid and binding obligations of the County, and the County Board of Supervisors is authorized and required by law, unless other funds are lawfully available and appropriated for timely payment of the Series 2018 Bonds, to levy and collect an annual ad valorem tax, over and above all other taxes authorized or limited by law and without limitation as to rate or amount, on all locally taxable property in the County sufficient to pay when due the principal of and interest on the Series 2018 Bonds.

2. The rights of the holders of the Series 2018 Bonds and the enforceability of such rights may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium and other laws affecting the rights of creditors generally, and (b) principles of equity, whether considered at law or in equity.

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*Preliminary, subject to change.

3. Under current law, interest [, including accrued original issue discount ("OID"),] on the Series 2018 Bonds (a) is not included in gross income for Federal income tax purposes and (b) is not an item of tax preference for purposes of the Federal alternative minimum income tax imposed on individuals and corporations; however, with respect to corporations (as defined for Federal income tax purposes) subject to the alternative minimum income tax, interest on the Series 2018 Bonds is taken into account in determining adjusted current earnings for purposes of computing such tax. The opinion in the preceding sentence is subject to the condition that there is compliance subsequent to the issuance of the Series 2018 Bonds with all requirements of the Code that must be satisfied in order that interest thereon not be included in gross income for Federal income tax purposes. Failure by the County to comply with the Covenants, among other things, could cause interest [, including accrued OID,] on the Series 2018 Bonds to be included in gross income for Federal income tax purposes retroactively to their date of issue. [In the case of the Series 2018 Bonds maturing in the years 20__ and 20__ (the "OID Bonds"), the difference between (i) the stated principal amount of each maturity of the OID Bonds and (ii) the initial offering prices to the public (excluding bond houses and brokers) at which a substantial amount of such maturity is sold will constitute OID; OID will accrue for Federal income tax purposes on a constant yield-to-maturity method; and a holder's basis in such a Bond will be increased by the amount of OID treated for Federal income tax purposes as having accrued on the Bond while the holder holds the Bond.] We express no opinion regarding other Federal tax consequences of the ownership of or receipt or accrual of interest on the Series 2018 Bonds.

4. Under current law, interest [, including accrued OID,] on the Series 2018 Bonds is exempt from income taxation by the Commonwealth of Virginia.

Our services as bond counsel to the County have been limited to delivering the foregoing opinion based on our review of such proceedings and documents as we deem necessary to approve the validity of the Series 2018 Bonds and the tax-exempt status of the interest thereon. We express no opinion herein as to the financial resources of the County, its ability to provide for payment of the Series 2018 Bonds or the accuracy or completeness of any information, including the County's Preliminary Official Statement dated July ___, 2018, and its Official Statement dated August ____, 2018, that may have been relied upon by anyone in making the decision to purchase Series 2018 Bonds.

The opinions expressed herein are for your benefit and the benefit of your successors and assigns and may not, without our prior written consent, be distributed to or relied upon by any other person. Our opinions are expressed as of the date hereof, and we do not assume any obligation to update or supplement our opinions to reflect any fact or circumstance subsequently arising or any change in law subsequently occurring. Our opinions herein are not intended to be and do not constitute an update of any opinions regarding the Series 2018 Bonds that are being refunded with proceeds of the Series 2018 Bonds. Our opinions expressed herein are limited to the matters expressly stated, and no opinion is implied or may be inferred beyond such matters.

Very truly yours,

APPENDIX D

FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX D

FORM OF CONTINUING DISCLOSURE AGREEMENT

This CONTINUING DISCLOSURE AGREEMENT dated as of August ___, 2018 (the "Disclosure Agreement"), is executed and delivered by the Board of Supervisors of Spotsylvania County, Virginia, on behalf of Spotsylvania County, Virginia (the "County"), in connection with the issuance of its General Obligation Public Improvement Bonds, Series 2018, (the "Series 2018 Bonds"). The County hereby covenants and agrees as follows:

Section 1. Purpose. This Disclosure Agreement is being executed and delivered by the County for the benefit of the holders of the Series 2018 Bonds (the "Bondholders") and in order to assist the original purchasers of the Series 2018 Bonds in complying with the provisions of Section (b)(5)(i) of Rule 15c2-12, as amended (the "Rule"), promulgated by the Securities and Exchange Commission (the "SEC") by providing certain annual financial information and event notices required by the Rule.

Section 2. Annual Disclosure. (a) The County shall provide annually financial information and operating data in accordance with the provisions of Section (b)(5)(i) of the Rule as follows:

(i) audited financial statements of the County, prepared in accordance with generally accepted accounting principles, which contain certain financial and operating data with respect to the County, some of which are included, as noted, in Appendix A of the County's Official Statement dated August ___, 2018, under the caption "Operating Data."

If the financial statements filed pursuant to Section 2(a)(i) are not audited, the County shall file such statements as audited when available.

(b) The County shall file annually with the Municipal Securities Rulemaking Board ("MSRB") the financial information and operating data described in subsection (a) above (collectively, the "Annual Disclosure") within 180 days after the end of the County's fiscal year, commencing with the County's fiscal year ending June 30, 2018.

(c) Any Annual Disclosure may be included by specific reference to other documents previously provided to the MSRB or filed with the SEC; provided, however, that any final official statement incorporated by reference must be available from the MSRB.

(d) The County shall file with the MSRB in a timely manner notice specifying any failure of the County to provide the Annual Disclosure by the date specified.

Section 3. Event Disclosure. The County shall file with the MSRB in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of any of the following events with respect to the Series 2018 Bonds:

(a) principal and interest payment delinquencies;

(b) non-payment related defaults, if material;

(c) unscheduled draws on debt service reserves reflecting financial difficulties;

(d) unscheduled draws on any credit enhancement reflecting financial difficulties;

(e) substitution of credit or liquidity providers, or their failure to perform;

(f) adverse tax opinions, the issuance by the IRS 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 Series 2018 Bonds, or other material events affecting the tax status of the Series 2018 Bonds;

(g) modifications to rights of Bondholders, if material;

(h) bond calls, if material, and tender offers;

(i) defeasance of all or any portion of the Series 2018 Bonds;

(j) release, substitution, or sale of property securing repayment of the Series 2018 Bonds, if material;

(k) rating changes;

(l) bankruptcy, insolvency, receivership or similar event of the County;

(m) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, 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

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

Section 4. Termination. The obligations of the County hereunder will terminate upon the redemption, defeasance (within the meaning of the Rule) or payment in full of all the Series 2018 Bonds.

Section 5. Amendment. The County may modify its obligations hereunder without the consent of Bondholders, provided that this Disclosure Agreement as so modified complies with the Rule as it exists at the time of modification. The County shall within a reasonable time thereafter file with the MSRB a description of such modification(s).

Section 6. Defaults. (a) If the County fails to comply with any covenant or obligation regarding Continuing Disclosure specified in this Disclosure Agreement, any holder (within the meaning of the Rule) of Series 2018 Bonds then outstanding may, by notice to the County, proceed to protect and enforce its rights and the rights of the holders by an action for specific performance of the County's covenant to provide the Continuing Disclosure.

(b) Notwithstanding anything herein to the contrary, any failure of the County to comply with any obligation regarding Continuing Disclosure specified in this Disclosure Agreement (i) shall not be deemed to constitute an event of default under the Series 2018 Bonds or the resolution providing for the issuance of the Series 2018 Bonds and (ii) shall not give rise to any right or remedy other than that described in Section 6(a) above.

Section 7. Filing Method. Any filing required hereunder shall be made by transmitting such disclosure, notice or other information in electronic format to the MSRB through the MSRB's Electronic Municipal Market Access (EMMA) system pursuant to procedures promulgated by the MSRB.

Section 8. Additional Disclosure. The County may from time to time disclose certain information and data in addition to the Continuing Disclosure. Notwithstanding anything herein to the contrary, the County shall not incur any obligation to continue to provide, or to update, such additional information or data.

Section 9. Counterparts. This Disclosure Agreement may be executed in several counterparts each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10. Governing Law. This Disclosure Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Virginia.

BOARD OF SUPERVISORS OF SPOTSYLVANIA COUNTY, VIRGINIA

By: ____
Chairperson

By: ____
Mark B. Taylor, County Administrator

APPENDIX E

NOTICE OF SALE AND BID FORM

APPENDIX E

NOTICE OF SALE AND BID FORM