



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

October 17, 2017

Motion 14977

Proposed No. 2017-0383.1

Sponsors Upthegrove

1 A MOTION ratifying the issuance and sale of the county's
2 Multi-Modal Limited Tax General Obligation Refunding
3 Bonds (Payable from Sewer Revenue), Series 2017A and
4 Series 2017B, in the aggregate principal amount of
5 \$100,000,000, authorizing the execution and delivery of a
6 continuing covenant agreement in connection therewith and
7 establishing certain terms of those bonds, all in accordance
8 with Ordinance 18581.

9 WHEREAS, pursuant to Ordinance 18581, adopted by the council on
10 October 16, 2017 ("the Bond Ordinance"), the council authorized the issuance of
11 its multi-modal limited tax general obligation refunding bonds (payable from
12 sewer revenue), in the aggregate principal amount of \$100,000,000 ("the Bonds"),
13 to refund the Multi-Modal Limited Tax General Obligation Bonds (Payable from
14 Sewer Revenue), Series 2010A and Series 2010B ("the Refunded Bonds"), of the
15 county, and

16 WHEREAS, the Bond Ordinance authorizes the sale of the Bonds in one
17 or more series, as Tax-Exempt Bonds or otherwise, and by negotiated sale or
18 competitive bid, as determined by the director of the finance and business
19 operations division of the department of executive services of the county ("the

20 Finance Director"), in consultation with the financial advisor of the county, and

21 WHEREAS, the Finance Director has determined that \$100,000,000
22 principal amount of Bonds be sold by negotiated sale in two series, to be
23 designated as the county's Multi-Modal Limited Tax General Obligation
24 Refunding Bonds (Payable from Sewer Revenue), Series 2017A, and Multi-
25 Modal Limited Tax General Obligation Refunding Bonds (Payable from Sewer
26 Revenue), Series 2017B, each structured as Tax-Exempt Bonds, and

27 WHEREAS, the Finance Director has determined that the Bonds be sold
28 to State Street Public Lending Corporation pursuant to a continuing covenant
29 agreement substantially in the form attached as Attachment A to this motion, and

30 WHEREAS, in accordance with the Bond Ordinance, the council wishes
31 to provide for certain terms of the Bonds, as set forth herein;

32 NOW, THEREFORE, BE IT MOVED by the Council of King County:

33 A. **Definitions.** Capitalized words that are used in this motion but not
34 defined in this motion have the meanings set forth in the Bond Ordinance for all purposes
35 of this motion, unless some other meaning is plainly intended. The words and terms
36 defined in the preamble to this motion, as used in this motion, have the meanings
37 assigned such terms in the preamble to this motion, for all purposes of this motion, unless
38 some other meaning is plainly intended. The following words and terms as used in this
39 motion have the following meanings for all purposes of this motion, unless some other
40 meaning is plainly intended.

41 "Alternate Index" means, on any Computation Date, the interest rate specified as
42 such in the Alternate Index Rate Certificate.

43 "Alternate Index Rate" means an interest rate determined on each Computation
44 Date equal to the sum of (1) the product of the Alternate Index multiplied by the
45 Applicable Factor plus; (2) the Applicable Spread.

46 "Alternate Index Rate Certificate" means a certificate of the Finance Director,
47 executed not less than five days prior to the first day of each Alternate Index Rate Period,
48 that includes the information specified by Section C.9. of this motion to be included
49 therein.

50 "Alternate Index Rate Conversion Date" means (1) the date (other than the
51 Closing Date) on which interest on a series of the Bonds begins to accrue at the Alternate
52 Index Rate; or (2) the date on which the then-current Alternate Index Rate Period is
53 converted to a new Alternate Index Rate Period.

54 "Alternate Index Rate Period" means each period from and including an Alternate
55 Index Rate Conversion Date to but excluding the earlier of (1) the succeeding Purchase
56 Date; and (2) the Maturity Date.

57 "Alternate Index Reset Date" means the date specified as such in the Alternate
58 Index Rate Certificate.

59 "Applicable Factor" means, during each LIBOR Index Rate Period or Alternate
60 Index Rate Period, the percentage designated in writing by the county as the Applicable
61 Factor for the LIBOR Index Rate Period or Alternate Index Rate Period, as applicable.

62 "Applicable Spread" means, during each Index Floating Rate Period, the number
63 of basis points determined by the Remarketing Agent on or prior to the first day of the
64 Index Floating Rate Period (or by the Initial Purchaser on or prior to the Closing Date)
65 that when added to (1) the SIFMA Index, (2) the product of the LIBOR Index multiplied

66 by the Applicable Factor or (3) the product of the Alternate Index multiplied by the
67 Applicable Factor, as applicable, would equal the minimum interest rate per annum that
68 would enable the Index Floating Rate Bonds to be sold on that date at a price equal to the
69 principal amount thereof (without regard to accrued interest, if any, thereon).

70 "Authorized Denomination" means (1) for each Daily Rate Bond and Weekly
71 Rate Bond, \$100,000 or any integral multiple of \$5,000 in excess of \$100,000; (2) for
72 each Index Floating Rate Bond, Long-Term Rate Bond and Fixed Rate Bond, \$5,000 or
73 any integral multiple of \$5,000; (3) for each Direct Purchase Rate Bond, the
74 denomination specified in the Direct Purchase Agreement; and (4) for each Short-Term
75 Rate Bond, \$100,000 or any integral multiple of \$1,000 in excess of \$100,000.

76 "Bank Bond" means a Bond that is required to be purchased by the Tender Agent
77 with amounts requested by the Tender Agent and paid or provided by the Liquidity
78 Provider under the Liquidity Facility relating to the Bond, unless and until the Bond
79 ceases to be a Bank Bond.

80 "Bank Rate" means the interest rate borne by a Bank Bond, as specified or
81 determined in accordance with the Liquidity Facility and any Liquidity Facility
82 Agreement relating to the Bank Bond.

83 "Bond Counsel" means a firm of lawyers nationally recognized as bond counsel
84 and retained by the county.

85 "Business Day" means each day other than a day (1) on which banks in Seattle,
86 Washington, or New York, New York are closed; (2) on which the Registrar is closed;
87 (3) on which the office of the Credit Provider, if any, or the Liquidity Provider, if any,
88 where draws for the Bonds are to be presented, is closed; (4) on which the New York

89 Stock Exchange is closed; or (5) with, respect to a Direct Purchase Rate Bond, not
90 specified as such in the Direct Purchase Agreement.

91 "Calculation Agent" for one or more series of the Bonds means the Registrar or
92 such other calculation agent appointed by the Finance Director.

93 "Closing Date" means, for a series of the Bonds, the date of delivery of the Bonds
94 to the Initial Purchaser.

95 "Computation Date" means (1) during each LIBOR Index Rate Period, the second
96 London banking day preceding (A) the LIBOR Index Rate Conversion Date; and (B)
97 each LIBOR Index Reset Date thereafter; (2) during each SIFMA Index Rate Period,
98 each Wednesday, or if any Wednesday is not a Business Day, the succeeding Business
99 Day; and (3) during each Alternate Index Rate Period, each date specified as such in the
100 Alternate Index Rate Certificate.

101 "Conversion" means a conversion of a series of the Bonds from one Interest Rate
102 Mode to another Interest Rate Mode, including a conversion of the then-current Index
103 Floating Rate Period to a new Index Floating Rate Period and a conversion of the then-
104 current Direct Purchase Rate Period to a new Direct Purchase Rate Period, but not an
105 extension of an existing Direct Purchase Rate Period.

106 "Conversion Date" means, for a series of Bonds, a Daily Rate Conversion Date, a
107 Weekly Rate Conversion Date, a LIBOR Index Rate Conversion Date, a SIFMA Index
108 Rate Conversion Date, an Alternate Index Rate Conversion Date, a Direct Purchase Rate
109 Conversion Date, a Short-Term Rate Conversion Date, a Long-Term Rate Conversion
110 Date or the Fixed Rate Conversion Date.

111 "County Elective Purchase Date" has the meaning given in Section F.4.e. of this

112 motion.

113 "Credit Facility Agreement" means, with respect to a Credit Enhancement then in
114 effect, the separate agreement, if any, under and pursuant to which the Credit
115 Enhancement is issued.

116 "Credit Facility Date" means the date on which a Credit Enhancement is accepted
117 by the Registrar and becomes effective, but does not include the date of any renewal or
118 extension of the expiration date of a Credit Enhancement then in effect.

119 "Credit Provider Failure" means the dissolution, cessation of operations,
120 bankruptcy or seizure of operations by a regulatory agency of a Credit Provider or the
121 failure of a Credit Provider to honor a conforming draw on a Credit Enhancement.

122 "Daily Interest Period" means each period during which a particular Daily Rate is
123 in effect.

124 "Daily Rate" means an interest rate determined on each Business Day as provided
125 in Section C.5. of this motion.

126 "Daily Rate Bond" means a Bond that bears interest at a Daily Rate.

127 "Daily Rate Conversion Date" means the date (other than the Closing Date) on
128 which interest on a series of the Bonds begins to accrue at a Daily Rate.

129 "Daily Rate Period" means each period during which a series of the Bonds are
130 Daily Rate Bonds.

131 "Delayed Remarketing Period" means, for a series of Index Floating Rate Bonds,
132 the period beginning on a Purchase Date on which the Purchase Price for all of the Index
133 Floating Rate Bonds is not available or any of the other conditions to Conversion were
134 not satisfied and ending on the earlier of (1) the Business Day that is one Business Day

135 after the Business Day the Remarketing Agent provides notice to the county and the
136 Registrar that all of the Index Floating Rate Bonds can be remarketed; and (2) the
137 Conversion Date on which the county converts the Index Floating Rate Bonds to another
138 Interest Rate Mode.

139 "Delayed Remarketing Rate" means an interest rate equal to nine percent (9%) per
140 annum.

141 "Direct Purchase Agreement" means, initially, the continuing covenant agreement
142 substantially in the form attached as Attachment A to this motion, and after any
143 subsequent Direct Purchase Rate Conversion Date, with respect to each Direct Purchase
144 Rate Bond, the agreement with the Direct Purchaser of the Direct Purchase Rate Bond
145 that provides for the terms and conditions upon which the Direct Purchaser purchases the
146 Direct Purchase Rate Bond.

147 "Direct Purchase Interest Period" means each period, if any, specified in the
148 Direct Purchase Agreement during which a particular Direct Purchase Rate is in effect.

149 "Direct Purchase Rate" means an interest rate designated as such and determined
150 in accordance with the Direct Purchase Agreement.

151 "Direct Purchase Rate Bond" means a Bond that bears interest at a Direct
152 Purchase Rate.

153 "Direct Purchase Rate Conversion Date" means the date (other than the Closing
154 Date) on which interest on a series of the Bonds begins to accrue at a Direct Purchase
155 Rate.

156 "Direct Purchase Rate Period" means each period specified as such in the Direct
157 Purchase Agreement during which a series of the Bonds are Direct Purchase Rate Bonds.

158 "Direct Purchaser" means, initially, State Street Public Lending Corporation, and
159 after any subsequent Direct Purchase Rate Conversion Date, each direct purchaser of one
160 or more series of the Bonds that, on the date of purchase, expresses an intent to hold
161 those Bonds for investment purposes and not for resale.

162 "Expiration Date" means the earlier of the Stated Expiration Date or any date on
163 which a Credit Enhancement or Liquidity Facility expires in accordance with its terms,
164 other than any date that is also a Conversion Date or a Termination Date.

165 "Federal Funds Rate" means, for any day, the interest rate equal to the weighted
166 average of the rates on overnight federal funds transactions with members of the Federal
167 Reserve System arranged by federal funds brokers on that day, as published by the
168 Federal Reserve Bank of New York on the Business Day succeeding that day; provided,
169 that if that day is not a Business Day, then the Federal Funds Rate for that day shall be
170 the rate on such transactions on the preceding Business Day, as so published on the
171 Business Day succeeding that day.

172 "Fixed Interest Period" means each period during which a particular Fixed Rate is
173 in effect with respect to a particular Fixed Rate Bond.

174 "Fixed Rate" means, for a particular Bond, the interest rate determined as
175 provided in Section D.2. of this motion.

176 "Fixed Rate Bond" means a Bond that bears interest at a Fixed Rate.

177 "Fixed Rate Conversion Date" means the date on which interest on a series of the
178 Bonds begins to accrue at a Fixed Rate.

179 "Index Floating Rate" means the LIBOR Index Rate, the SIFMA Index Rate or
180 the Alternate Index Rate.

181 "Index Floating Rate Bond" means a Bond that bears interest at an Index Floating
182 Rate.

183 "Index Floating Rate Conversion Date" means a LIBOR Index Rate Conversion
184 Date, a SIFMA Index Rate Conversion Date or an Alternate Index Rate Conversion Date.

185 "Index Floating Rate Period" means a LIBOR Index Rate Period, a SIFMA Index
186 Rate Period or an Alternate Index Rate Period.

187 "Initial Period" means, for a series of the Bonds, the period commencing on the
188 Closing Date and ending on the earlier of (1) the succeeding Conversion Date; and (2) the
189 Maturity Date.

190 "Initial Purchaser" means, for each Bond, the initial purchaser of the Bond.

191 "Interest Payment Date" means;

192 A. for each Daily Rate Bond and Weekly Rate Bond, the first Business Day
193 of each month and each Conversion Date, other than a Conversion Date between the
194 Daily Interest Period and the Weekly Interest Period;

195 B. for each Index Floating Rate Bond, the first Business Day of each month
196 and each Conversion Date;

197 C. for each Direct Purchase Rate Bond, each date specified as such in the
198 Direct Purchase Agreement and each Conversion Date;

199 D. for each Short-Term Rate Bond, the first Business Day after the last day of
200 each Short-Term Interest Period and each Conversion Date;

201 E. for each Long-Term Rate Bond, each Payment Date and each Conversion
202 Date;

203 F. for each Fixed Rate Bond, each Payment Date;

204 G. for each Bond, the Maturity Date; and

205 H. for each Bank Bond, each date specified as such in the Liquidity Facility
206 or any Liquidity Facility Agreement.

207 "Interest Rate Mode" means, for each Bond, a period in which the Bond bears
208 interest at a Daily Rate, Weekly Rate, Index Floating Rate, Direct Purchase Rate, Short-
209 Term Rate, Long-Term Rate or Fixed Rate.

210 "LIBOR Index" means, on any Computation Date, the rate for deposits in U.S.
211 dollars with a one-month maturity as published by Reuters on Reuters Screen LIBOR01
212 Page (or published by such other service selected by the county that has been approved or
213 nominated by the ICE Benchmark Administration as an authorized vendor for the
214 purpose of publishing London interbank offered rates for U.S. dollar deposits) as of
215 11:00 a.m., London time, on the Computation Date; provided, that if such rate is not
216 available on the Computation Date and/or the county or the Calculation Agent is not able
217 to determine such rate, "LIBOR Index" means the LIBOR Index then in effect during the
218 preceding LIBOR Index Rate Period; or, at the direction of a Finance Director (1) a
219 replacement index based upon the arithmetic mean of the quotations, if any, of the
220 interbank offered rate by first class banks in London or New York for deposits with a
221 one-month maturity; or (2) the Calculation Agent's Federal Funds Rate. The Calculation
222 Agent shall give prompt written notice to the county setting forth such change in interest
223 rate, the nature of the circumstances giving rise to such change, and the method of
224 calculating such change if based upon a replacement index. The Calculation Agent's
225 internal records of applicable interest rates shall be determinative in the absence of
226 manifest error.

227 "LIBOR Index Rate" means an interest rate determined on each Computation
228 Date equal to the sum of (1) the product of the LIBOR Index multiplied by the
229 Applicable Factor plus; (2) the Applicable Spread.

230 "LIBOR Index Rate Conversion Date" means (1) the date (other than the Closing
231 Date) on which interest on a series of the Bonds begins to accrue at the LIBOR Index
232 Rate; or (2) the date on which the then-current LIBOR Index Rate Period is converted to
233 a new LIBOR Index Rate Period.

234 "LIBOR Index Rate Period" means each period from and including a LIBOR
235 Index Rate Conversion Date to but excluding the earlier of (1) the succeeding Purchase
236 Date; and (2) the Maturity Date.

237 "LIBOR Index Reset Date" means the first day of each month.

238 "Liquidity Facility Agreement" means, with respect to a Liquidity Facility then in
239 effect, the separate agreement, if any, under and pursuant to which the Liquidity Facility
240 is issued.

241 "Liquidity Facility Date" means the date on which a Liquidity Facility is accepted
242 by the Tender Agent and becomes effective, and includes the date any amendment of the
243 automatic termination events, suspension events or conditions to purchase becomes
244 effective, but does not include the date of any renewal or extension of the expiration date
245 of a Liquidity Facility then in effect.

246 "Liquidity Facility Request" has the meaning given in Section F.5. of this motion.

247 "Long-Term Interest Period" means each period during which a particular Long-
248 Term Rate is in effect.

249 "Long-Term Rate" means an interest rate determined for a term of more than 270

250 days as provided in Section C.12. of this motion.

251 "Long-Term Rate Bond" means a Bond that bears interest at a Long-Term Rate.

252 "Long-Term Rate Conversion Date" means (1) the date (other than the Closing
253 Date) on which interest on a series of the Bonds begins to accrue at the Long-Term Rate;
254 or (2) the date on which the then-current Long-Term Interest Period is converted to a new
255 Long-Term Interest Period.

256 "Long-Term Rate Mandatory Purchase Date" means the first day after the last day
257 of each Long-Term Interest Period.

258 "Long-Term Rate Period" means the period during which a series of the Bonds
259 are Long-Term Rate Bonds.

260 "Maturity Date" means January 1, 2040.

261 "Maximum Rate" means an interest rate equal to the lower of (1) twelve percent
262 (12%) per annum; or (2) the maximum interest rate, if any, permitted by law.

263 "Non-reinstatement Date" means, for a Liquidity Facility that secures one or more
264 series of the Bonds, the date that is seven days (or if the seventh day is not a Business
265 Day, the Business Day preceding the seventh day) after the date on which the Tender
266 Agent receives written notice from the Liquidity Provider to the effect that an event of
267 default under the Liquidity Facility or any related Liquidity Facility Agreement has
268 occurred and, following a draw on the Liquidity Facility and in accordance with the terms
269 of the Liquidity Facility or any related Liquidity Facility Agreement, the amount so
270 drawn will not be reinstated.

271 "Optional Liquidity Payment" has the meaning given in Section I.2. of this
272 motion.

273 "Par Call Date" means, for each Index Floating Rate Bond, each Conversion Date,
274 each Purchase Date and each Business Day within the six calendar months preceding a
275 Conversion Date.

276 "Payment Date" means, for each Long-Term Rate Bond and each Fixed Rate
277 Bond, each date established by the council or the Finance Director on which a payment of
278 principal or interest is due.

279 "Purchase Date" means each date on which a Bond is subject to optional tender
280 for purchase pursuant to Section F.3. of this motion or mandatory tender for purchase
281 pursuant to Section F.4. of this motion.

282 "Purchase Price" means, for each Bond, an amount equal to the principal amount
283 plus, if the Purchase Date is not an Interest Payment Date, accrued and unpaid interest to
284 the Purchase Date.

285 "Rating Agency" means each nationally recognized securities rating agency that
286 provides a rating on the applicable series of the Bonds or portion thereof at the request of
287 the county, including Moody's Investors Service, or its successors and assigns, Standard
288 & Poor's Ratings Services, or its successors and assigns, and Fitch Ratings or its
289 successors and assigns.

290 "Record Date" means, with respect to each Interest Payment Date, (1) for each
291 Daily Rate Bond, Weekly Rate Bond, Index Floating Rate Bond, Direct Purchase Rate
292 Bond and Short-Term Rate Bond, the Business Day preceding the Interest Payment Date;
293 and (2) for each Long-Term Rate Bond and Fixed Rate Bond, the 15th day of the month
294 preceding the Interest Payment Date, regardless of whether the 15th day of the month is a
295 Business Day.

296 "Remarketing Agent" for one or more series of the Bonds means the Initial
297 Purchaser or such other remarketing agent appointed by the Finance Director.

298 "Remarketing Agreement" means a remarketing agreement entered into by the
299 county and the Remarketing Agent for one or more series of the Bonds, as the agreement
300 may from time to time be amended or supplemented in accordance with its terms and the
301 terms of the Liquidity Facility, if any, and any related Liquidity Facility Agreement.

302 "Required Liquidity Payment" has the meaning given in Section I.1. of this
303 motion.

304 "Required Stated Amount" means, for a series of Bonds, the outstanding principal
305 amount of the Bonds plus (1) accrued interest on the Bonds (A) for Daily Rate Bonds or
306 Weekly Rate Bonds, not less than 37 days at a rate equal to the lower of the Maximum
307 Rate or the maximum rate then applicable to the Bonds; (B) for Long-Term Rate Bonds,
308 not less than the longest period preceding an Interest Payment Date, plus five days, at the
309 Long-Term Rate then in effect; or (C) for Short-Term Rate Bonds, not less than the
310 length of the Short-Term Interest Period then in effect plus five days at the Short Term
311 Rate then in effect; and (B) any additional amount required by a Rating Agency.

312 "Short-Term Interest Period" means each period during which a particular Short-
313 Term Rate is in effect with respect to a particular Short-Term Rate Bond.

314 "Short-Term Rate" means, for a particular Bond, the interest rate determined on a
315 periodic basis as provided in Section C.11. of this motion.

316 "Short-Term Rate Bond" means a Bond that bears interest at a Short-Term Rate.

317 "Short-Term Rate Conversion Date" means the date (other than the Closing Date)
318 on which interest on a series of the Bonds begins to accrue at one or more Short-Term

319 Rates.

320 "Short-Term Rate Mandatory Purchase Date" means the first day after the last day
321 of each Short-Term Interest Period.

322 "SIFMA" means the Securities Industry and Financial Markets Association.

323 "SIFMA Index" means, for any Computation Date, the level of the index that is
324 (1) compiled from the weekly interest rate resets of tax-exempt variable rate issues
325 reported to the Short-term Obligation Rate Transparency ("SHORT") system of the
326 Municipal Securities Rulemaking Board that meet specific criteria established from time
327 to time by SIFMA; and (2) issued on each Wednesday, or if any Wednesday is not a
328 Business Day, the succeeding Business Day. If the SIFMA Index is no longer published,
329 then "SIFMA Index" shall mean the S&P Municipal Bond 7 Day High Grade Rate Index.
330 If the S&P Municipal Bond 7 Day High Grade Rate Index is no longer published, then
331 "SIFMA Index" shall mean the prevailing rate determined by the Calculation Agent for
332 tax-exempt state and local government bonds meeting criteria determined in good faith
333 by the Calculation Agent to be comparable under the circumstances to the criteria used by
334 SIFMA to determine the SIFMA Index immediately prior to the date on which SIFMA
335 ceased publication of the SIFMA Index.

336 "SIFMA Index Rate" means an interest rate determined on each Computation
337 Date equal to the sum of the SIFMA Index plus the Applicable Spread.

338 "SIFMA Index Rate Conversion Date" means (1) the date (other than the Closing
339 Date) on which interest on a series of the Bonds begins to accrue at the SIFMA Index
340 Rate; or (2) the date on which the then-current SIFMA Index Rate Period is converted to
341 a new SIFMA Index Rate Period.

342 "SIFMA Index Rate Period" means each period from and including a SIFMA
343 Index Rate Conversion Date to but excluding the earlier of (1) the succeeding Purchase
344 Date; and (2) the Maturity Date.

345 "SIFMA Index Reset Date" means Thursday of each week.

346 "Stated Expiration Date" means the date on which a Credit Enhancement or a
347 Liquidity Facility is scheduled to expire in accordance with its terms, as the date may be
348 extended from time to time in accordance with the Credit Enhancement or any related
349 Credit Facility Agreement or the Liquidity Facility or any related Liquidity Facility
350 Agreement.

351 "Tender Agent" for one or more series of the Bonds means the Registrar or such
352 other tender agent appointed by the Finance Director.

353 "Termination Date" means (1) for a Credit Enhancement that secures one or more
354 series of the Bonds, the date that is seven days (or if the seventh day is not a Business
355 Day, the Business Day preceding the seventh day) after the date on which the Registrar
356 receives written notice from the Credit Provider that (A) an event of default under the
357 Credit Enhancement or any related Credit Facility Agreement has occurred; and (B)
358 directs the Registrar to effect a mandatory tender for purchase of the Bonds by reason of
359 the event of default; and (2) for a Liquidity Facility that secures one or more series of the
360 Bonds, the date that is seven days (or if the seventh day is not a Business Day, the
361 Business Day preceding the seventh day) after the date on which the Tender Agent
362 receives written notice from the Liquidity Provider that (A) an event of default under the
363 Liquidity Facility or any related Liquidity Facility Agreement has occurred; and (B)
364 directs the Tender Agent to effect a mandatory tender for purchase of the Bonds by

365 reason of the event of default.

366 "Undelivered Bond" means a Bond that is subject to purchase on a Purchase Date
367 and that is not tendered and delivered for purchase on the Purchase Date but as to which
368 the Tender Agent holds in the Purchase Fund sufficient funds to pay the Purchase Price
369 of the Bond.

370 "Weekly Interest Period" means each period during which a particular Weekly
371 Rate is in effect.

372 "Weekly Rate" means an interest rate determined on each Wednesday as provided
373 in Section C.6. of this motion.

374 "Weekly Rate Bond" means a Bond that bears interest at a Weekly Rate.

375 "Weekly Rate Conversion Date" means the day (other than the Closing Date) on
376 which interest on a series of the Bonds begins to accrue at a Weekly Rate.

377 "Weekly Rate Period" means each period during which a series of the Bonds are
378 Weekly Rate Bonds.

379 **B. Initial Period.** The Initial Period for both series of the Bonds is a Direct
380 Purchase Interest Period commencing October 26, 2017, and ending on the last day of the
381 Direct Purchase Rate Period specified in the initial Direct Purchase Agreement.

382 **C. Interest Rates.**

383 1. **Same Interest Rate Mode.** Each series of the Bonds shall at all times be
384 in the same Interest Rate Mode. Each series of Daily Rate Bonds shall bear interest
385 accruing at the same Daily Rate, each series of Weekly Rate Bonds shall bear interest
386 accruing at the same Weekly Rate, each series of Index Floating Rate Bonds shall bear
387 interest accruing at the same Index Floating Rate, each series of Direct Purchase Rate

388 Bonds shall bear interest accruing at the same Direct Purchase Rate, and each series of
389 Long-Term Rate Bonds shall bear interest accruing at the same Long-Term Rate.

390 2. **Maximum Rate.** Notwithstanding anything herein to the contrary, no
391 interest rate borne by any Bond may exceed the Maximum Rate.

392 3. **Determination of Certain Interest Rates.** Each Daily Rate, Weekly
393 Rate and Short-Term Rate shall be determined by the Remarketing Agent as the
394 minimum interest rate per annum that, in the reasonable judgment of the Remarketing
395 Agent, would enable the Bonds bearing the interest rate to be sold on the date of
396 determination at a price equal to the principal amount thereof (without regard to accrued
397 interest, if any, thereon), except as otherwise provided in Section C.11. of this motion for
398 Short-Term Rates. Interest accrued at the Daily Rate, Weekly Rate, SIFMA Index Rate
399 and Short-Term Rate shall be calculated on the basis of the actual number of days elapsed
400 in a 365- or 366-day year, as applicable. Interest accrued at the LIBOR Index Rate shall
401 be calculated on the basis of the actual number of days elapsed in a 360-day year.
402 Interest accrued at the Long-Term Rate and Fixed Rate shall be calculated on the basis of
403 a 360-day year consisting of twelve 30-day months. Interest accrued at the Alternate
404 Index Rate or Direct Purchase Rate shall be calculated as specified in the Alternate Index
405 Rate Certificate or the Direct Purchase Agreement, as applicable. Each determination by
406 the Remarketing Agent of the Daily Rate, Weekly Rate, Short-Term Rate, Long-Term
407 Rate and Fixed Rate shall be conclusive and binding upon the county, the Registrar, the
408 Tender Agent, the Remarketing Agent, the Beneficial Owners, the Registered Owners,
409 the Liquidity Provider, if any, and the Credit Provider, if any. Each Direct Purchase Rate
410 shall be determined as specified in the Direct Purchase Agreement.

411 4. **Failure to Determine Certain Interest Rates.** If the Remarketing Agent
412 fails for any reason to determine the Daily Rate, Weekly Rate, Short-Term Rate or Long-
413 Term Rate for any Daily Rate Period, Weekly Rate Period, Short-Term Interest Period or
414 Long-Term Rate Period when required hereunder, or a court holds that the Daily Rate,
415 Weekly Rate, Short-Term Rate or Long-Term Rate for any Daily Rate Period, Weekly
416 Rate Period, Short-Term Interest Period or Long-Term Rate Period is invalid, illegal or
417 unenforceable, then the interest rate to be borne by the Bonds for which the interest rate
418 cannot be determined shall be the SIFMA Index, until the interest rate for the Bonds is
419 again validly determined by the Remarketing Agent.

420 5. **Daily Rates.**

421 a. **Interest Period.** Daily Interest Periods commence on each
422 Business Day and shall extend to, but not include, the succeeding Business Day.

423 b. **Effective Period.** The Daily Rate for each Daily Interest Period
424 shall be effective from and including the commencement date of the Daily Interest Period
425 and shall remain in effect to, but not including, the succeeding Business Day.

426 c. **Determination Time.** Each Daily Rate shall be determined by the
427 Remarketing Agent not later than 10:00 a.m., New York City time, on the
428 commencement date of the Daily Interest Period. Notice of each Daily Rate shall be
429 given by the Remarketing Agent by Electronic Notice to the Registrar, the Tender Agent,
430 the county, the Liquidity Provider, if any, and the Credit Provider, if any, not later than
431 10:30 a.m., New York City time, on the date of determination. The Registrar shall
432 inform each Registered Owner of Daily Rate Bonds of each Daily Rate determined by the
433 Remarketing Agent upon request.

434 6. **Weekly Rates.**

435 a. **Interest Period.** Weekly Interest Periods commence on each
436 Wednesday and end on the following Tuesday; provided, that (1) in the case of a
437 Conversion to a Weekly Rate from another Interest Rate Mode, the initial Weekly
438 Interest Period shall commence on the Weekly Rate Conversion Date and end on the
439 succeeding Tuesday; and (2) in the case of a Conversion from a Weekly Rate to a Daily
440 Rate, Index Floating Rate, Direct Purchase Rate, Short-Term Rate or Long-Term Rate,
441 the last Weekly Interest Period prior to Conversion shall end on the last day preceding the
442 Conversion Date.

443 b. **Effective Period.** The Weekly Rate for each Weekly Interest
444 Period shall be effective from and including the commencement date of the Weekly
445 Interest Period and shall remain in effect through and including the last day of the
446 Weekly Interest Period.

447 c. **Determination Time.** Each Weekly Rate shall be determined by
448 the Remarketing Agent not later than 10:00 a.m., New York City time, on the
449 commencement date of the Weekly Interest Period. Notice of each Weekly Rate shall be
450 given by the Remarketing Agent by Electronic Notice to the Registrar, the Tender Agent,
451 the county, the Liquidity Provider, if any, and the Credit Provider, if any, not later than
452 10:30 a.m., New York City time, on the date of determination. The Registrar shall
453 inform each Registered Owner of Weekly Rate Bonds of each Weekly Rate determined
454 by the Remarketing Agent upon request.

455 7. **LIBOR Index Rates.** During each LIBOR Index Rate Period, each series
456 of the Bonds shall bear interest at the LIBOR Index Rate, commencing on and including

457 the first day of the LIBOR Index Rate Period to but excluding the last day of the LIBOR
458 Index Rate Period. Not less than five days prior to the first day of each LIBOR Index
459 Rate Period, the county shall cause to be determined the Conversion Date on which the
460 LIBOR Index Rate Period will end, the Applicable Factor and the Applicable Spread.
461 The Calculation Agent shall determine the LIBOR Index Rate on each Computation Date
462 during the LIBOR Index Rate Period. Each LIBOR Index Rate shall become effective on
463 the LIBOR Index Reset Date succeeding the Computation Date. Interest at the LIBOR
464 Index Rate shall accrue each day during each LIBOR Index Rate Period, commencing on
465 and including the first day of the LIBOR Index Rate Period to but excluding the last day
466 of the LIBOR Index Rate Period. The LIBOR Index Rate shall be rounded upward to the
467 third decimal place. Promptly following the determination of the LIBOR Index Rate,
468 notice of the LIBOR Index Rate shall be given by the Calculation Agent by Electronic
469 Notice to the Registrar (if the Registrar is not the Calculation Agent) and to the county.
470 If the LIBOR Index Rate is not determined by the Calculation Agent on the Computation
471 Date, the interest rate to be borne by the Index Floating Rate Bonds shall be the rate
472 determined on the preceding Computation Date until the Calculation Agent next
473 determines the LIBOR Index Rate.

474 8. **SIFMA Index Rates.** During each SIFMA Index Rate Period, each series
475 of the Bonds shall bear interest at the SIFMA Index Rate, commencing on and including
476 the first day of the SIFMA Index Rate Period to but excluding the last day of the SIFMA
477 Index Rate Period. Not less than five days prior to the first day of each SIFMA Index
478 Rate Period, the county shall cause to be determined the Conversion Date on which the
479 SIFMA Index Rate Period will end and the Applicable Spread. The Calculation Agent

480 shall determine the SIFMA Index Rate on each Computation Date during the SIFMA
481 Index Rate Period. The SIFMA Index Rate shall become effective on the SIFMA Index
482 Reset Date succeeding the Computation Date (or on the Computation Date if the
483 Computation Date is the SIFMA Index Reset Date). Interest at the SIFMA Index Rate
484 shall accrue until the SIFMA Index Rate is recalculated on the succeeding Computation
485 Date during the SIFMA Index Rate Period. The SIFMA Index Rate shall be rounded
486 upward to the second decimal place. Promptly following the determination of the
487 SIFMA Index Rate, notice of the SIFMA Index Rate shall be given by the Calculation
488 Agent by Electronic Notice to the Registrar (if the Registrar is not the Calculation Agent)
489 and to the county. If the SIFMA Index Rate is not determined by the Calculation Agent
490 on the Computation Date, the interest rate to be borne by the Index Floating Rate Bonds
491 shall be the rate determined on the preceding Computation Date until the Calculation
492 Agent next determines the SIFMA Index Rate.

493 9. **Alternate Index Rates.** During each Alternate Index Rate Period, each
494 series of the Bonds shall bear interest at the Alternate Index Rate, commencing on and
495 including the first day of the Alternate Index Rate Period to but excluding the last day of
496 the Alternate Index Rate Period. Not less than five days prior to the first day of each
497 Alternate Index Rate Period, the county shall cause the Alternate Index Rate Certificate
498 to be executed, which shall include the Conversion Date on which the Alternate Index
499 Rate Period will end, the Alternate Index, the Applicable Factor, the Applicable Spread,
500 the Computation Date, the Alternate Index Reset Date, the day count convention for
501 calculating the accrual of interest and the method of rounding the Alternate Index Rate.
502 The Calculation Agent shall determine the Alternate Index Rate on each Computation

503 Date during the Alternate Index Rate Period. Each Alternate Index Rate shall become
504 effective on the Alternate Index Reset Date succeeding the Computation Date (or on the
505 Computation Date if the Computation Date is the Alternate Index Reset Date). Interest at
506 the Alternate Index Rate shall accrue each day during each Alternate Index Rate Period,
507 commencing on and including the first day of the Alternate Index Rate Period to but
508 excluding the last day of the Alternate Index Rate Period. Promptly following the
509 determination of the Alternate Index Rate, notice of the Alternate Index Rate shall be
510 given by the Calculation Agent by Electronic Notice to the Registrar (if the Registrar is
511 not the Calculation Agent) and to the county. If the Alternate Index Rate is not
512 determined by the Calculation Agent on the Computation Date, then except as otherwise
513 provided in the Alternate Index Rate Certificate, the interest rate to be borne by the Index
514 Floating Rate Bonds shall be the rate determined on the preceding Computation Date
515 until the Calculation Agent next determines the Alternate Index Rate.

516 10. **Direct Purchase Rates.** During each Direct Purchase Rate Period, each
517 series of the Bonds shall bear interest at the Direct Purchase Rate, commencing on and
518 including the first day of the Direct Purchase Rate Period to but excluding the last day of
519 the Direct Purchase Rate Period.

520 11. **Short-Term Rates.**

521 a. **Interest Period.** Each Short-Term Interest Period shall be
522 determined by the Remarketing Agent not later than 4:00 p.m., New York City time, on
523 the Business Day preceding the Short-Term Interest Period; provided, that each Short-
524 Term Interest Period (1) shall be from 1 to 270 days in length, but (A) if a Liquidity
525 Facility is in effect, shall not exceed the number of days of interest coverage provided by

526 the Liquidity Facility minus five days and shall not extend beyond the date that is seven
527 days before the Stated Expiration Date of the Liquidity Facility; and (B) shall not exceed
528 the number of days remaining prior to a Conversion Date; (2) shall commence on a
529 Business Day (except that in the case of a Conversion to a Short-Term Rate, the initial
530 Short-Term Rate shall commence on the Conversion Date); and (c) shall end on a day
531 preceding a Business Day or the day preceding the Maturity Date. The Remarketing
532 Agent may, in the reasonable exercise of its judgment, determine one or more Short-
533 Term Interest Periods that result in a Short-Term Rate on the Bonds that is higher than
534 would be borne by the Bonds with a shorter Short-Term Interest Period to increase the
535 likelihood of achieving the lowest net interest cost during the term of the Bonds. The
536 determination of each Short-Term Interest Period by the Remarketing Agent shall be
537 based upon the relative market yields of the Bonds and other securities that bear interest
538 at a variable rate or at fixed rates that, in the reasonable exercise of the judgment of the
539 Remarketing Agent, are otherwise comparable to the Bonds, or any fact or circumstance
540 relating to the Bonds or affecting the market for the Bonds or affecting other comparable
541 securities in a manner that, in the reasonable exercise of the judgment of the Remarketing
542 Agent, will affect the market for the Bonds. The Remarketing Agent, in its discretion,
543 may consider such information and resources as it deems appropriate in making the
544 determinations described in this paragraph. The Bonds of each series of Short-Term Rate
545 Bonds may bear interest for different Short-Term Interest Periods and at different Short-
546 Term Rates; provided that all Bonds of each series of Short-Term Rate Bonds with the
547 same Short-Term Interest Period shall bear interest accruing at the same Short-Term
548 Rate.

549 b. **Effective Period.** The Short-Term Rate for each Short-Term
550 Interest Period shall be effective from and including the commencement date of the
551 Short-Term Interest Period and shall remain in effect through and including the last day
552 of the Short-Term Interest Period.

553 c. **Determination Time.** Each Short-Term Rate shall be determined
554 by the Remarketing Agent not later than 4:00 p.m., New York City time, on the Business
555 Day preceding the commencement date of the Short-Term Interest Period. Notice of each
556 Short-Term Rate shall be given by the Remarketing Agent by Electronic Notice to the
557 Registrar, the Tender Agent, the county, the Liquidity Provider, if any, and the Credit
558 Provider, if any, not later than 5:00 p.m., New York City time, on the date of
559 determination. The Registrar shall inform each Registered Owner of Short-Term Rate
560 Bonds of each Short-Term Rate determined by the Remarketing Agent upon request.

561 12. **Long-Term Rates.**

562 a. **Interest Period.** Each Long-Term Interest Period shall commence
563 on the Closing Date or a Long-Term Rate Conversion Date and end on a day that is more
564 than 270 days after the Closing Date or the Long-Term Rate Conversion Date and which
565 is the day preceding a Conversion Date or the Maturity Date; provided, that if a Credit
566 Enhancement or Liquidity Facility is in effect, no Long-Term Interest Period shall extend
567 beyond the date that is seven days before the Stated Expiration Date of the Credit
568 Enhancement or Liquidity Facility. The term of each Long-Term Interest Period shall be
569 specified in writing by the county to the Remarketing Agent, the Registrar, the Tender
570 Agent, the Credit Provider, if any, and the Liquidity Provider, if any, not less than five
571 days prior to its commencement.

572 b. **Effective Period.** The Long-Term Rate for each Long-Term
573 Interest Period shall be effective from and including the commencement date of the
574 Long-Term Interest Period and shall remain in effect through and including the last day
575 of the Long-Term Interest Period.

576 c. **Determination Time.** Each Long-Term Rate shall be determined
577 by the Remarketing Agent not later than 4:00 p.m., New York City time, on the Business
578 Day preceding the commencement date of the Long-Term Interest Period. Notice of each
579 Long-Term Rate shall be given by the Remarketing Agent by Electronic Notice to the
580 Registrar, the Tender Agent, the county, the Liquidity Provider, if any, and the Credit
581 Provider, if any, not later than 5:00 p.m., New York City time, on the date of
582 determination. The Registrar shall inform each Registered Owner of Long-Term Rate
583 Bonds of each Long-Term Rate determined by the Remarketing Agent upon request.

584 d. **Remarketing.** The Long-Term Rate for each Long-Term Interest
585 Period shall be determined by the Remarketing Agent as the minimum interest rate per
586 annum that, in the reasonable judgment of the Remarketing Agent, would enable the
587 Bonds bearing the interest rate to be sold on the date of determination at a price equal to
588 the principal amount thereof (without regard to accrued interest, if any, thereon).
589 Notwithstanding the foregoing, the Long-Term Rate for a Long-Term Interest Period may
590 be the interest rate per annum that, in the reasonable judgment of the Remarketing Agent,
591 would enable the Bonds bearing the interest rate to be sold on the date of determination at
592 a price that will result in the lowest net interest cost, after taking into account any
593 premium or discount at which the Bonds are sold by the Remarketing Agent, provided
594 that in connection with any sale at a premium or discount:

595 (1) The county consents in writing to the sale of the Bonds by
596 the Remarketing Agent at the premium or discount;

597 (2) In the case of Bonds to be sold at a discount, the county
598 agrees to transfer to the Tender Agent on the commencement date of the Long-Term
599 Interest Period, in immediately available funds, for deposit in the County Purchase
600 Account, an amount equal to the discount;

601 (3) In the case of Bonds to be sold at a premium, the
602 Remarketing Agent transfers to the Registrar for deposit in the Multi-Modal
603 LTGO/Sewer Revenue Bond Fund an amount equal to any premium remaining after
604 payment of costs of the remarketing;

605 (4) On or prior to the date of determination of the Long-Term
606 Rate, the county causes to be delivered to the Registrar and the Remarketing Agent notice
607 that Bond Counsel expects to be able to give, on or prior to the commencement date of
608 the Long-Term Interest Period, an opinion to the effect that the Conversion will not, in
609 and of itself, cause the interest on the Bonds to be includable in gross income for federal
610 income tax purposes; and

611 (5) On or prior to the commencement date of the Long-Term
612 Interest Period, the county causes to be delivered to the Registrar and the Remarketing
613 Agent an opinion of Bond Counsel to the effect that the Conversion will not, in and of
614 itself, cause the interest on the Bonds to be includable in gross income for federal income
615 tax purposes.

616 13. **Bank Bonds.** Notwithstanding anything herein to the contrary, (a) each
617 Bank Bond shall bear interest at the Bank Rate in accordance with the Liquidity Facility

618 or the Liquidity Facility Agreement (as calculated by the Liquidity Provider in
619 accordance with the Liquidity Facility or the Liquidity Facility Agreement and advised
620 by the Liquidity Provider to the Registrar) for each day from and including the day the
621 Bank Bond becomes a Bank Bond to and excluding the day the Bank Bond ceases to be a
622 Bank Bond or is paid in full or is surrendered to the Registrar for cancellation; (b) interest
623 on each Bank Bond shall be calculated on the basis of a 365-day year or a 360-day year
624 in accordance with the Liquidity Facility or the Liquidity Facility Agreement and the
625 actual number of days elapsed; and (c) interest on each Bank Bond shall be payable on
626 the dates and in the manner specified in the Liquidity Facility or the Liquidity Facility
627 Agreement. A Bank Bond shall cease to be a Bank Bond only (1) if the Bank Bond is
628 remarketed and transferred or otherwise released by the Tender Agent upon authorization
629 of the Liquidity Provider; or (2) if the Bank Bond otherwise ceases to be a Bank Bond in
630 accordance with the terms of the Liquidity Facility or the Liquidity Facility Agreement
631 and the county, the Remarketing Agent, the Tender Agent and the Registrar have
632 received written notice to that effect from the Liquidity Provider.

633 **D. Conversions.**

634 1. **Conversions to Interest Rate Modes other than the Fixed Rate.** At the
635 option of the county, the interest rate to be borne by all (but not less than all) of a series
636 of the Bonds (other than Fixed Rate Bonds) may be converted to a Daily Rate, Weekly
637 Rate, Index Floating Rate, Direct Purchase Rate, Short-Term Rate or Long-Term Rate, as
638 follows:

639 a. **Conversion Date.** The Conversion Date shall be (1) for Daily
640 Rate Bonds, Weekly Rate Bonds, Short-Term Rate Bonds and Long-Term Rate Bonds,

641 an Interest Payment Date; (2) for Index Floating Rate Bonds, a Par Call Date; (3) for
642 Direct Purchase Rate Bonds, a County Elective Purchase Date; and (4) for Long-Term
643 Rate Bonds, a Long-Term Rate Mandatory Purchase Date or a date on which the Long-
644 Term Rate Bonds are subject to redemption at the option of the county. Interest shall
645 accrue on Bonds at the new interest rate commencing on the Conversion Date, whether or
646 not a Business Day. Any action required to be taken on the Conversion Date, if the day is
647 not a Business Day, may be taken on the succeeding Business Day as if it had occurred
648 on the Conversion Date.

649 b. **Notice of Intent to Convert.** The county shall give Electronic
650 Notice of its intent to effect each Conversion to the Remarketing Agent, the Tender
651 Agent, the Registrar, the Liquidity Provider, if any, and the Credit Provider, if any, not
652 less than five days (or such shorter period as shall be acceptable to the applicable parties)
653 prior to the date on which the Registrar is required to provide notice to the Registered
654 Owners.

655 c. **Notice of Conversion.** The Registrar shall give Electronic Notice,
656 confirmed by first class mail, of each Conversion of Bonds to each Registered Owner not
657 less than 15 days prior to the proposed Conversion Date at their addresses as they appear
658 on the Bond Register as of the date notice of the intent to effect Conversion is received
659 by the Registrar from the county. The notice shall include the information required for a
660 mandatory tender for purchase specified in Section E.4. of this motion.

661 d. **Conditions to Conversion.**

662 (1) Notwithstanding delivery by the county of notice of its
663 intent to effect a Conversion, the Conversion shall not take effect if:

664 (A) the county withdraws the notice not later than the
665 Business Day preceding the date on which the interest rate for the new Interest Rate
666 Mode is to be determined;

667 (B) the Calculation Agent or the Remarketing Agent, as
668 applicable, fails to determine, when required, the interest rate for the new Interest Rate
669 Mode;

670 (C) the notice of Conversion required to be given to
671 Registered Owners is not given when required;

672 (D) the county fails to deliver to the Registrar, the
673 Remarketing Agent, the Credit Provider, if any, and the Liquidity Provider, if any, on or
674 before the Conversion Date, an opinion of Bond Counsel to the effect that the Conversion
675 is authorized hereby and will not, in and of itself, cause the interest on the Bonds to be
676 includable in gross income for federal income tax purposes;

677 (E) sufficient funds are not available by 12:00 p.m.,
678 New York City time, on the Conversion Date to purchase all of the Bonds required to be
679 purchased on the Conversion Date; or

680 (F) not all of the Bonds required to be marketed on the
681 Conversion Date are remarketed in the new Interest Rate Mode.

682 (2) In any of such events,

683 (A) the Conversion Date shall not occur, whether or not
684 notice of the Conversion has been given to the Registered Owners;

685 (B) the Bonds:

686 i. that are Daily Rate Bonds shall continue to

687 bear interest at a Daily Rate;

688 ii. that are Weekly Rate Bonds shall continue

689 to bear interest at a Weekly Rate;

690 iii. that are Index Floating Rate Bonds shall

691 bear interest at the Delayed Remarketing Rate;

692 iv. that are Direct Purchase Rate Bonds shall

693 bear interest as specified in the Direct Purchase Agreement;

694 v. that are Short-Term Rate Bonds shall

695 continue to bear interest at a Short-Term Rate until the Bonds have been remarketed; and

696 vi. that are Long-Term Rate Bonds shall

697 continue to bear interest at a Long-Term Rate until the Bonds have been remarketed; and

698 (C) the mandatory tender for purchase of the Bonds on

699 the Conversion Date shall not occur, whether or not notice of the Conversion has been

700 given to the Registered Owners.

701 e. **Withdrawal of Notice of Conversion.** Notice of withdrawal of a

702 notice of Conversion shall be given by the county to the Registrar, the Remarketing

703 Agent, the Tender Agent, the Calculation Agent, if any, the Credit Provider, if any, and

704 Liquidity Provider, if any, by telephone, promptly confirmed in writing, and shall

705 thereafter be promptly given to the Registered Owners by the Registrar by Electronic

706 Notice, confirmed by first class mail.

707 2. **Conversions to the Fixed Rate.** At the option of the county, the interest

708 rate to be borne by all (but not less than all) of a series of the Bonds (other than Fixed

709 Rate Bonds) may be converted to a Fixed Rate, as follows:

710 a. **Fixed Rate Conversion Date.** The Fixed Rate Conversion Date
711 shall be (1) for Daily Rate Bonds, Weekly Rate Bonds, Short-Term Rate Bonds and
712 Long-Term Rate Bonds, an Interest Payment Date; (2) for Index Floating Rate Bonds, a
713 Par Call Date; (3) for Direct Purchase Rate Bonds, a County Elective Purchase Date; and
714 (4) for Long-Term Rate Bonds, a Long-Term Rate Mandatory Purchase Date or a date on
715 which the Long-Term Rate Bonds are subject to redemption at the option of the county.
716 Interest shall accrue on Fixed Rate Bonds on the Fixed Rate Conversion Date, whether or
717 not a Business Day. Any action required to be taken on the Fixed Rate Conversion Date,
718 if the day is not a Business Day, may be taken on the succeeding Business Day as if it
719 had occurred on the Fixed Rate Conversion Date.

720 b. **Notice of Intent to Convert.** The county shall give Electronic
721 Notice of its intent to effect a Conversion to the Fixed Rate to the Remarketing Agent,
722 the Tender Agent, the Registrar, the Liquidity Provider, if any, and the Credit Provider, if
723 any, not less than five days (or such shorter period as shall be acceptable to the applicable
724 parties) prior to the date on which the Registrar is required to provide notice to the
725 Registered Owners.

726 c. **Notice of Conversion.** The Registrar shall give Electronic Notice,
727 confirmed by first class mail, of each Conversion to the Fixed Rate to each Registered
728 Owner not less than 15 days prior to the proposed Fixed Rate Conversion Date at their
729 addresses as they appear on the Bond Register as of the date notice of the intent to effect
730 Conversion is received by the Registrar from the county. The notice shall include the
731 information required for a mandatory tender for purchase specified in Section F.4. of this
732 motion.

733 d. **Determination of Fixed Rate.** All Fixed Rate Bonds of a series
734 shall have the same Maturity Date and bear interest at the same Fixed Rate on and after
735 the Fixed Rate Conversion Date unless on the date the Remarketing Agent determines the
736 Fixed Rate the Remarketing Agent also determines, in the reasonable exercise of its
737 judgment, that the Fixed Rate Bonds would bear a lower effective net interest cost if the
738 Fixed Rate Bonds were serial bonds or serial bonds and term bonds. In that case, the
739 Fixed Rate Bonds may be serial bonds or serial bonds and term bonds with different
740 Maturity Dates or mandatory sinking fund redemption dates and bearing separate Fixed
741 Rates for each Maturity Date. The Fixed Rate shall be the minimum interest rate per
742 annum that, in the reasonable judgment of the Remarketing Agent, would enable the
743 Fixed Rate Bonds to be sold on the date of determination at a price equal to the principal
744 amount thereof (without regard to accrued interest, if any, thereon). Not less than five
745 days prior to the Fixed Rate Conversion Date, the Remarketing Agent shall provide
746 Electronic Notice of the schedule of principal amounts per Maturity Date, mandatory
747 sinking fund redemption dates and amounts and each Fixed Rate to the Registrar, the
748 county, the Liquidity Provider, if any, and the Credit Provider, if any.

749 e. **Conditions to Conversion.** Notwithstanding delivery by the
750 county of notice of its intent to effect a Conversion to a Fixed Rate, the Conversion to the
751 Fixed Rate shall not take effect if:

- 752 (1) the county withdraws the notice not later than the Business
753 Day preceding the date on which the Fixed Rate is to be determined;
- 754 (2) the Remarketing Agent fails to determine the Fixed Rate;
- 755 (3) the notice of Conversion required to be given to Registered

756 Owners is not given when required;

757 (4) the county fails to deliver to the Registrar, the Remarketing
758 Agent, the Credit Provider, if any, and the Liquidity Provider, if any, on or before the
759 Fixed Rate Conversion Date, an opinion of Bond Counsel to the effect that the
760 Conversion is authorized hereby and will not, in and of itself, cause the interest on the
761 Bonds to be includable in gross income for federal income tax purposes; or

762 (5) sufficient funds are not available by 12:00 p.m., New York
763 City time, on the Fixed Rate Conversion Date to purchase all of the Bonds required to be
764 purchased on the Fixed Rate Conversion Date.

765 In any of such events,

766 (1) the Fixed Rate Conversion Date shall not occur, whether or
767 not notice of the Conversion has been given to the Registered Owners;

768 (2) the Bonds:

769 (A) that are Daily Rate Bonds shall continue to bear
770 interest at a Daily Rate;

771 (B) that are Weekly Rate Bonds shall continue to bear
772 interest at a Weekly Rate;

773 (C) that are Index Floating Rate Bonds shall bear
774 interest at the Delayed Remarketing Rate;

775 (D) that are Direct Purchase Rate Bonds shall bear
776 interest as specified in the Direct Purchase Agreement;

777 (E) that are Short-Term Rate Bonds shall continue to
778 bear interest at a Short-Term Rate until the Bonds have been remarketed;

779 (F) that are Long-Term Rate Bonds shall continue to
780 bear interest at a Long-Term Rate until all the Bonds have been remarketed; and

781 (3) the mandatory tender for purchase of the Bonds on the
782 Fixed Rate Conversion Date shall not occur, whether or not notice of the Conversion has
783 been given to the Registered Owners.

784 f. **Withdrawal of Notice of Conversion.** Notice of withdrawal of a
785 notice of Conversion shall be given by the county to the Registrar, the Remarketing
786 Agent, the Tender Agent, the Liquidity Provider, if any, and the Credit Provider, if any,
787 by telephone, promptly confirmed in writing, and shall thereafter be promptly given to
788 the Registered Owners by the Registrar by Electronic Notice, confirmed by first class
789 mail.

790 g. **Sales at Premium or Discount.** Notwithstanding the foregoing,
791 the Fixed Rate may be the interest rate or rates per annum that, in the reasonable
792 judgment of the Remarketing Agent, would enable the Fixed Rate Bonds bearing such
793 interest rate or rates to be sold on the date of determination at a price or prices that will
794 result in the lowest net interest cost, after taking into account any premium or discount at
795 which the Fixed Rate Bonds are sold by the Remarketing Agent, provided that in
796 connection with any such sale at a premium or discount:

797 (1) The county consents in writing to the sale of such the Fixed
798 Rate Bonds by the Remarketing Agent at such premium or discount;

799 (2) In the case of Fixed Rate Bonds to be sold at a discount, the
800 county agrees to transfer to the Tender Agent on the Fixed Rate Conversion Date, in
801 immediately available funds, for deposit in the County Purchase Account, an amount

802 equal to such discount;

803 (3) In the case of Fixed Rate Bonds to be sold at a premium,
804 the Remarketing Agent transfers to the Registrar for deposit in the Multi-Modal
805 LTGO/Sewer Revenue Bond Fund an amount equal to any premium remaining after
806 payment of costs of the remarketing;

807 (4) On or prior to the date of determination of the Fixed Rate,
808 the county causes to be delivered to the Registrar and the Remarketing Agent notice that
809 Bond Counsel expects to be able to give, on or prior to the Fixed Rate Conversion Date,
810 an opinion to the effect that such Conversion will not, in and of itself, cause the interest
811 on the Fixed Rate Bonds to be includable in gross income for federal income tax
812 purposes; and

813 (5) On or prior to the Fixed Rate Conversion Date, the county
814 causes to be delivered to the Registrar and the Remarketing Agent an opinion of Bond
815 Counsel to the effect that such Conversion will not, in and of itself, cause the interest on
816 the Fixed Rate Bonds to be includable in gross income for federal income tax purposes.

817 E. **Redemption of Bonds.**

818 1. **Daily Rate Bonds.** Daily Rate Bonds are subject to redemption prior to
819 the Maturity Date at the option of the county on any Business Day, in whole or in part in
820 amounts specified by the Finance Director, at a redemption price equal to the principal
821 amount of the Daily Rate Bonds to be redeemed, plus interest accrued thereon to the date
822 fixed for redemption, without premium.

823 2. **Weekly Rate Bonds.** Weekly Rate Bonds are subject to redemption prior
824 to the Maturity Date at the option of the county on any Business Day, in whole or in part,

825 at a redemption price equal to the principal amount of the Weekly Rate Bonds to be
826 redeemed, plus interest accrued thereon to the date fixed for redemption, without
827 premium.

828 3. **Index Floating Rate Bonds.** Index Floating Rate Bonds are subject to
829 redemption prior to the Maturity Date at the option of the county on any Par Call Date, in
830 whole or in part, at a redemption price equal to the principal amount of the Index Floating
831 Rate Bonds to be redeemed, plus interest accrued thereon to the date fixed for
832 redemption, without premium.

833 4. **Direct Purchase Rate Bonds.** Direct Purchase Rate Bonds are subject to
834 redemption on the terms and conditions specified in the Direct Purchase Agreement.

835 5. **Short-Term Rate Bonds.** Short-Term Rate Bonds are subject to
836 redemption prior to the Maturity Date at the option of the county on any Interest Payment
837 Date, in whole or in part, at a redemption price equal to the principal amount of the
838 Short-Term Rate Bonds to be redeemed, plus interest accrued thereon to the date fixed
839 for redemption, without premium.

840 6. **Long-Term Rate Bonds.** Long-Term Rate Bonds are subject to
841 redemption prior to the Maturity Date at the option of the county on any Purchase Date,
842 in whole or in part, at a redemption price equal to the principal amount of the Long-Term
843 Rate Bonds to be redeemed, plus interest accrued thereon to the date fixed for
844 redemption, without premium.

845 7. **Long-Term Interest Period More Than Five Years.** Long-Term Rate
846 Bonds in a Long-Term Interest Period of more than five years are subject to redemption
847 prior to the Maturity Date at the option of the county on any date on or after the fifth

848 anniversary of the Long-Term Rate Conversion Date, in whole or in part, at a redemption
849 price equal to the principal amount of the Long-Term Rate Bonds to be redeemed, plus
850 interest accrued thereon to the date fixed for redemption, without premium.

851 8. **Fixed Rate Bonds.** Fixed Rate Bonds with a Fixed Interest Period of
852 more than five years are subject to redemption prior to the Maturity Date at the option of
853 the county on any date on or after the fifth anniversary of the Fixed Rate Conversion
854 Date, in whole or in part, at a redemption price equal to the principal amount of the Fixed
855 Rate Bonds to be redeemed, plus interest accrued thereon to the date fixed for
856 redemption, without premium.

857 9. **Alternative Provisions for Long-Term Rate Bonds and Fixed Rate**
858 **Bonds.** Notwithstanding the foregoing, if the county delivers to the Registrar and the
859 Remarketing Agent prior to any Conversion Date or Purchase Date for one or more series
860 of Bonds that are Long-Term Rate Bonds or that are being converted to Fixed Rate
861 Bonds (a) a notice containing alternative redemption periods and/or redemption prices for
862 the Long-Term Rate Bonds or Fixed Rate Bonds or converting mandatory sinking fund
863 redemption dates and amounts to serial maturity dates and amounts (or *vice versa*); and
864 (b) an opinion of Bond Counsel addressed to the Registrar and the Remarketing Agent to
865 the effect that such modifications will not, in and of themselves, cause the interest on the
866 Long-Term Rate Bonds or Fixed Rate Bonds to be includable in gross income for federal
867 income tax purposes, then on and after such Conversion Date, the Long-Term Rate
868 Bonds or Fixed Rate Bonds may be subject to redemption by the county and/or shall
869 mature pursuant to the alternative redemption provisions and/or maturity schedule set
870 forth in that notice.

871 10. **Bank Bonds.** Bank Bonds are subject to redemption, at a redemption
872 price equal to the principal amount of the Bank Bonds to be redeemed, plus interest
873 accrued thereon to the date fixed for redemption, without premium, on the dates, in the
874 amounts and in the manner set forth in the Liquidity Facility or the related Liquidity
875 Facility Agreement.

876 11. **Rights of Credit Provider.** At any time a Credit Enhancement is in
877 effect, the Bonds secured by such Credit Enhancement may not be redeemed at the option
878 of the county unless the county has obtained the prior written consent of the Credit
879 Provider or has deposited with the Registrar not less than one Business Day prior to the
880 day fixed for such redemption an amount sufficient to reimburse the Credit Provider for
881 money to be drawn to redeem such Bonds. At any time a Credit Enhancement is in
882 effect, the redemption price of Bonds secured by such Credit Enhancement shall be paid
883 from the proceeds of a draw on such Credit Enhancement; provided, that if the notice of
884 optional redemption was not conditional (or if the county otherwise agrees to redeem
885 such Bonds) and if the Credit Provider fails to honor such draw, the amount provided by
886 the county to the Registrar for such purpose shall be applied to redeem such Bonds on the
887 date fixed for redemption.

888 12. **Selection of Bonds for Redemption.** Bonds of each series that are Bank
889 Bonds shall be selected for redemption at the option of the county prior to the selection of
890 other Bonds of such series for redemption.

891 13. **Notice of Redemption.** Notice of redemption of Daily Rate Bonds,
892 Weekly Rate Bonds, Index Floating Rate Bonds, Direct Purchase Rate Bonds and Short-
893 Term Rate Bonds shall be given not less than 15 nor more than 60 days prior to the date

894 fixed for redemption to the Registered Owners thereof by Electronic Notice, confirmed
895 by first class mail. Notice of redemption of Long-Term Rate Bonds and Fixed Rate
896 Bonds shall be given not less than 20 nor more than 60 days prior the date fixed for
897 redemption to the Registered Owners thereof by Electronic Notice, confirmed by first
898 class mail. Notwithstanding the foregoing, notice of redemption of Index Floating Rate
899 Bonds during a Delayed Remarketing Period may (and if required, shall) be given not
900 less than five days prior to the date fixed for redemption, notice of redemption of Direct
901 Purchase Rate Bonds may (and if required, shall) be given as provided in the Direct
902 Purchase Agreement and notice of redemption of Bank Bonds may be given as provided
903 in the Liquidity Facility or any related Liquidity Facility Agreement.

904 F. **Tender and Purchase of Bonds.**

905 1. **Tender Agent.** The Registrar is appointed by the county as the initial
906 Tender Agent for the Bonds. The Tender Agent shall designate its office, and any Tender
907 Agent other than the Registrar shall signify its acceptance of the duties and obligations
908 imposed upon it hereunder by a written instrument of acceptance delivered to the county,
909 the Registrar and the Liquidity Provider, if any, under which the Tender Agent will agree,
910 particularly:

911 a. To hold all Daily Rate Bonds, Weekly Rate Bonds, Index Floating
912 Rate Bonds, Direct Purchase Rate Bonds, Short-Term Rate Bonds and Long-Term Rate
913 Bonds delivered to it for purchase hereunder as agent and bailee of, and in escrow for the
914 exclusive benefit of, the respective Registered Owners that have delivered such Bonds
915 until money representing the Purchase Price of such Bonds has been delivered to or for
916 the account of or to the order of such Registered Owners;

917 b. To hold all money, other than proceeds of draws on the Liquidity
918 Facility, delivered to it hereunder for the purchase of Bonds as agent and bailee of, and in
919 escrow for the exclusive benefit of, the person or entity which has delivered such money
920 until the Bonds purchased with such money have been delivered to or for the account of
921 such person or entity;

922 c. To hold all money delivered to it hereunder from draws on any
923 Liquidity Facility for the purchase of Daily Rate Bonds, Weekly Rate Bonds, Index
924 Floating Rate Bonds, Short-Term Rate Bonds and Long-Term Rate Bonds as agent and
925 bailee of, and in escrow for the exclusive benefit of, the Registered Owners who deliver
926 Bonds to it for purchase until the Bonds purchased with such money have been delivered
927 to or for the account of the Liquidity Provider;

928 d. To keep such books and records as is consistent with prudent
929 industry practice and, upon reasonable advance notice, to make such books and records
930 available for inspection by the county, the Registrar, the Remarketing Agent, the Credit
931 Provider, if any, and the Liquidity Provider, if any; and

932 e. To perform the foregoing duties and obligations subject to and in
933 accordance with the provisions hereof relating thereto and to perform such other duties
934 and responsibilities as are provided herein to be performed by the Tender Agent.

935 The Tender Agent in performing its duties as set forth herein shall have the rights
936 and immunities, including exculpations and indemnifications, of the Registrar as may be
937 set forth herein to the same extent and as fully for all intents and purposes as though such
938 rights and immunities had been set forth at length with respect to the Tender Agent.

939 **2. Qualifications of Tender Agent.**

940 a. The Tender Agent shall be duly organized under the laws of the
941 United States of America or any state or territory thereof and be (1) a commercial bank
942 and trust company; or (2) a national banking association, have a combined capital stock,
943 surplus and undivided profits of not less than \$50,000,000 and be authorized by law to
944 perform all duties imposed upon it hereby. At all times during which the Bonds are not
945 held in book-entry only form, the Tender Agent shall have an office or agency in New
946 York, New York. The Tender Agent may at any time resign and be discharged of the
947 duties and obligations created hereby by giving not less than 60 days' notice to the
948 county, the Registrar, the Liquidity Provider, if any, and the Remarketing Agent,
949 provided that such resignation shall not take effect until the appointment and acceptance
950 of a successor Tender Agent. The Tender Agent may be removed at any time by the
951 county upon written notice to the Tender Agent, the Registrar, the Liquidity Provider, if
952 any, and the Remarketing Agent, provided that such removal shall not take effect until
953 the appointment of, and the acceptance of appointment by, a successor Tender Agent.
954 Successor Tender Agents may be appointed from time to time by the county and with the
955 written approval of each Liquidity Provider, if any, such approval not to be unreasonably
956 withheld.

957 b. If no successor Tender Agent shall have been appointed and have
958 accepted appointment within 30 days of the giving notice of resignation or notice of
959 removal as aforesaid, the county may appoint, with the prior written approval of the
960 Liquidity Provider, if any (such approval not to be unreasonably withheld), a successor
961 Tender Agent to act until a successor Tender Agent is appointed pursuant to the
962 foregoing provisions.

963 c. If no appointment of a successor Tender Agent shall have been
964 made pursuant to the foregoing provisions, the Tender Agent resigning or being removed
965 or any Registered Owner (on behalf of itself and all other Registered Owners) may
966 petition any court of competent jurisdiction for the appointment of a successor Tender
967 Agent, and such court may thereupon, after such notice, if any, as it may deem proper,
968 appoint such successor Tender Agent.

969 d. Any successor Tender Agent appointed hereunder shall signify its
970 acceptance of such appointment by executing and delivering to the county, the Registrar,
971 the Liquidity Provider, if any, the Remarketing Agent and its predecessor Tender Agent a
972 written acceptance thereof, and thereupon (1) the successor Tender Agent, without
973 further act, deed or conveyance, shall become vested with all the money, estates,
974 properties, rights, powers, trusts, duties and obligations of such predecessor Tender
975 Agent, with like effect as if originally named Tender Agent herein; and (2) the
976 predecessor Tender Agent shall pay over, transfer, assign and deliver to the successor
977 Tender Agent all right, title and interest of the Tender Agent in and to all money and all
978 other property (including Bank Bonds) held by the Tender Agent subject to and in
979 accordance herewith; but nevertheless, at the request of the county, the successor Tender
980 Agent, any Remarketing Agent or the Liquidity Provider, the predecessor Tender Agent
981 shall execute and deliver any and all instruments of conveyance or further assurance and
982 do such other things as may reasonably be required for more fully and certainly vesting in
983 and confirming to the successor Tender Agent all right, title and interest of the
984 predecessor Tender Agent in and to all money and all other property (including Bank
985 Bonds) held by it hereunder. Upon request of the successor Tender Agent, the county

986 shall execute and deliver any and all instruments as may be reasonably required for more
987 fully and certainly vesting in and confirming to the successor Tender Agent all money,
988 estates, properties, rights, powers, trusts, duties and obligations of the predecessor Tender
989 Agent. Upon acceptance by a successor Tender Agent as provided herein, the county
990 shall give Electronic Notice of the succession of such Tender Agent, confirmed by first
991 class mail, to the Registered Owners at the addresses shown on the Bond Register. If the
992 county fails to deliver the notice within 15 days after the acceptance of appointment by
993 the successor Tender Agent, the Registrar shall cause the notice to be delivered to the
994 Registered Owners within 30 days after such acceptance at the expense of the county.

995 e. Any entity into which the Tender Agent may be merged or
996 converted or with which it may be consolidated or any company resulting from any
997 merger, conversion or consolidation to which it shall be a party or any entity to which the
998 Tender Agent may sell or transfer all or substantially all of its trust or trust-related
999 business, provided such entity is eligible hereunder, shall be the successor to such Tender
1000 Agent, without the execution or filing of any paper or any further act, anything herein to
1001 the contrary notwithstanding. Upon any such merger, consolidation or sale, the successor
1002 Tender Agent shall notify the county, the Remarketing Agent, the Registrar and the
1003 Liquidity Provider and, thereafter, shall deliver to the Registered Owners at the addresses
1004 appearing on the Bond Register notice of the succession of such Tender Agent to the
1005 duties of the Tender Agent hereunder.

1006 3. **Optional Tender for Purchase of Daily Rate Bonds and Weekly Rate**
1007 **Bonds.**

1008 a. A Registered Owner or Beneficial Owner may opt to tender Daily

1009 Rate Bonds, or portions thereof in Authorized Denominations, for purchase at the
1010 Purchase Price payable to the Registered Owner (and not the Beneficial Owner) in
1011 immediately available funds on any Business Day upon delivery of Electronic Notice or
1012 written notice of tender to the Tender Agent and the Remarketing Agent not later than
1013 11:00 a.m., New York City time, on the designated Purchase Date.

1014 b. A Registered Owner or Beneficial Owner may opt to tender
1015 Weekly Rate Bonds, or portions thereof in Authorized Denominations, for purchase at the
1016 Purchase Price payable to the Registered Owner (and not the Beneficial Owner) in
1017 immediately available funds on any Business Day upon delivery of Electronic Notice or
1018 written notice of tender to the Tender Agent and the Remarketing Agent not later than
1019 5:00 p.m., New York City time, on a Business Day not less than seven days prior to the
1020 designated Purchase Date.

1021 c. Each notice of optional tender for purchase:

1022 (1) Shall be delivered to the Tender Agent and the
1023 Remarketing Agent at their respective designated offices and be in form satisfactory to
1024 the Tender Agent and the Remarketing Agent;

1025 (2) Shall state (A) the principal amount of the Daily Rate Bond
1026 or Weekly Rate Bond or portion thereof in an Authorized Denomination being tendered
1027 and the CUSIP number of the Daily Rate Bond or Weekly Rate Bond; (B) that the
1028 Registered Owner or the Beneficial Owner irrevocably demands purchase of the Daily
1029 Rate Bond or Weekly Rate Bond or portion thereof; (C) the Purchase Date on which such
1030 Daily Rate Bond or Weekly Rate Bond or portion thereof is to be purchased; and (D)
1031 payment instructions with respect to the Purchase Price; and

1032 (3) Shall constitute upon delivery (A) an irrevocable offer to
1033 sell the Daily Rate Bond or Weekly Rate Bond or portion thereof on the Purchase Date,
1034 to any purchaser selected by the Remarketing Agent, at a price equal to the Purchase
1035 Price; (B) an irrevocable authorization and instruction to the Tender Agent to effect
1036 transfer of the Daily Rate Bond or Weekly Rate Bond or portion thereof upon receipt by
1037 the Tender Agent of funds sufficient to pay the Purchase Price thereof on the Purchase
1038 Date; (C) an irrevocable authorization and instruction to the Tender Agent to effect the
1039 exchange of the Daily Rate Bond or Weekly Rate Bond for one or more Daily Rate
1040 Bonds or Weekly Rate Bonds in an equal aggregate principal amount so as to facilitate
1041 the sale of the Daily Rate Bond or Weekly Rate Bond or portion thereof; and (D) an
1042 acknowledgment that the Registered Owner and the Beneficial Owner will have no
1043 further rights with respect to the Daily Rate Bond or Weekly Rate Bond or portion
1044 thereof upon deposit of an amount equal to the Purchase Price thereof with the Tender
1045 Agent on the Purchase Date, except for the right of the Registered Owner (and not the
1046 Beneficial Owner) to receive the Purchase Price upon surrender of the Daily Rate Bond
1047 or Weekly Rate Bond or portion thereof to the Tender Agent.

1048 d. The determination of the Tender Agent and the Remarketing Agent
1049 as to whether a notice of tender has been properly delivered shall be conclusive and
1050 binding upon the Registered Owner and the Beneficial Owner. The Tender Agent or the
1051 Remarketing Agent may waive any irregularity or nonconformity in any notice of tender.

1052 e. The right of each Registered Owner or Beneficial Owner to tender
1053 a Daily Rate Bond or Weekly Rate Bond for optional purchase shall terminate on the
1054 Conversion Date to an Interest Rate Mode that is not a Daily Rate Period or Weekly Rate

1055 Period.

1056 f. The Tender Agent shall promptly return to the Registered Owner
1057 or Beneficial Owner any notice of optional tender for purchase that is incomplete or
1058 improperly completed or not delivered within the time required delivering the notice, and
1059 shall promptly return to the Registered Owner the Daily Rate Bond or Weekly Rate Bond
1060 delivered therewith upon surrender of the receipt, if any, issued therefor.

1061 4. **Mandatory Tender for Purchase of Bonds.**

1062 a. Each series of the Bonds shall be subject to mandatory tender for
1063 purchase by the Tender Agent at the Purchase Price on each of the following Purchase
1064 Dates:

- 1065 (1) Each Conversion Date (unless the Conversion Date is
1066 already a Purchase Date, in which case no separate mandatory tender for purchase shall
1067 occur), except for a Conversion between the Daily Rate Period and Weekly Rate Period;
- 1068 (2) Each County Elective Purchase Date.
- 1069 (3) Each Short-Term Rate Mandatory Purchase Date;
- 1070 (4) Each Long-Term Rate Mandatory Purchase Date;
- 1071 (5) The fifth day preceding each Expiration Date (unless, on or
1072 prior to the fifth day preceding the Expiration Date, the Expiration Date is extended);
- 1073 (6) Each Credit Facility Date and Liquidity Facility Date;
- 1074 (7) Each Termination Date;
- 1075 (8) The date the county elects to terminate the Credit
1076 Enhancement or Liquidity Facility prior to its expiration;
- 1077 (9) Each Non-reinstatement Date; and

1078 (10) Each date specified as a "Purchase Date" in the Direct
1079 Purchase Agreement.

1080 b. In addition to any other requirements set forth herein, each notice
1081 of mandatory tender for purchase of a series of Bonds shall:

1082 (1) Specify the proposed Purchase Date and the event that
1083 gives rise to the proposed Purchase Date;

1084 (2) State that the Bonds shall be subject to mandatory tender
1085 for purchase on the proposed Purchase Date;

1086 (3) State that Registered Owners and Beneficial Owners may
1087 not elect to retain Bonds subject to mandatory tender for purchase;

1088 (4) State that all Bonds subject to mandatory tender for
1089 purchase are required to be delivered to the designated office of the Tender Agent not
1090 later than 1:00 p.m., New York City time, on the Purchase Date;

1091 (5) State that if the Registered Owner of any Bond subject to
1092 mandatory tender for purchase fails to deliver the Bond to the Tender Agent for purchase
1093 on the Purchase Date, and if the Tender Agent is in receipt of funds sufficient to pay the
1094 Purchase Price, the Bond shall nevertheless be deemed purchased on the Purchase Date
1095 and ownership of the Bond will be transferred to the purchaser thereof;

1096 (6) State that any Registered Owner that fails to deliver any
1097 Bond subject to mandatory tender for purchase will have no further rights thereunder or
1098 hereunder except the right to receive the Purchase Price upon presentation and surrender
1099 of the Bond to the Tender Agent, and that the Registrar will place a stop transfer against
1100 the Bond on the Bond Register;

1101 (7) State that the Bonds will be purchased if money sufficient
1102 to effect such purchase has been provided from (A) the remarketing of the Bonds by the
1103 Remarketing Agent; (B) the Liquidity Facility, if any; or (C) funds provided by the
1104 county;

1105 (8) In the case of mandatory tender for purchase on any
1106 proposed Conversion Date, state that such Conversion and such mandatory tender will
1107 not occur if the conditions precedent to the Conversion are not satisfied, and summarize
1108 such conditions;

1109 (9) In the case of mandatory tender for purchase on the fifth
1110 day preceding an Expiration Date, state that such mandatory tender will not occur, if, on
1111 or prior to the fifth day preceding the Expiration Date, the Expiration Date is extended;
1112 and

1113 (10) In the case of mandatory tender for purchase on a Credit
1114 Facility Date or Liquidity Facility Date, state that such mandatory tender will not occur if
1115 the conditions precedent to the effectiveness of the Credit Enhancement or Liquidity
1116 Facility are not satisfied, and summarize such conditions.

1117 c. Except as otherwise expressly provided herein with respect to
1118 notice of mandatory tender for purchase of Bonds on a proposed Conversion Date, Credit
1119 Facility Date or Liquidity Facility Date, (1) the Registrar shall give Electronic Notice of
1120 mandatory tender for purchase of Bonds to the Tender Agent, the Remarketing Agent, the
1121 Credit Provider, if any, and the Liquidity Provider, if any, not less than five days (or such
1122 shorter period as shall be acceptable to the applicable parties) prior to the date on which
1123 the Registrar is required to provide notice to the Registered Owners; and (2) the Registrar

1124 shall give Electronic Notice, confirmed by first class mail, of mandatory tender for
1125 purchase of Bonds to each Registered Owner not less than 15 days prior to each proposed
1126 Purchase Date at their addresses as they appear on the Bond Register as of the date the
1127 notice is prepared.

1128 d. If, following the giving of notice of mandatory tender for purchase
1129 of Bonds, an event occurs that, in accordance with the terms hereof causes such
1130 mandatory tender for purchase not to occur, then (1) the Registrar shall so notify the
1131 Registered Owners at their addresses as they appear on the Bond Register on the date of
1132 the notice, by Electronic Notice, confirmed by first class mail, as soon as practicable; and
1133 (2) the Tender Agent shall return to the Registered Owners any Bonds tendered to the
1134 Tender Agent in connection with such mandatory tender for purchase.

1135 e. Daily Rate Bonds and Weekly Rate Bonds, on any Business Day
1136 designated by the county, Index Floating Rate Bonds, on any Par Call Date designated by
1137 the county, in each case with the consent of the Liquidity Provider, if any, and Direct
1138 Purchase Rate Bonds, on any date designated as such by the county in accordance with
1139 the Direct Purchase Agreement (each, a "County Elective Purchase Date"), are subject to
1140 mandatory tender for purchase at the Purchase Price. Each County Elective Purchase
1141 Date shall be a Business Day not earlier than the 10th day following the second Business
1142 Day after receipt by the Tender Agent of such designation. If on a County Elective
1143 Purchase Date sufficient remarketing proceeds or other amounts provided by the county
1144 are not available to pay the Purchase Price of all Bonds subject to mandatory tender for
1145 purchase, then the designation of the County Elective Purchase Date shall be deemed
1146 rescinded, and the county shall have no obligation to purchase the Bonds tendered or

1147 deemed tendered for purchase on the County Elective Purchase Date. The Registrar shall
1148 give Electronic Notice of such rescission to the Registered Owners, the county, the
1149 Tender Agent, the Remarketing Agent and the Liquidity Provider as soon as practicable
1150 and in any event not later than the succeeding Business Day, confirmed by first class
1151 mail.

1152 **5. Purchase of Bonds by Tender Agent.**

1153 a. Bonds to be purchased by the Tender Agent pursuant to an
1154 optional tender for purchase or mandatory tender for purchase shall be delivered by the
1155 Registered Owners to the Tender Agent (together with necessary assignments and
1156 endorsements) not later than 1:00 p.m., New York City time, on the Purchase Date.

1157 b. Bonds to be purchased by the Tender Agent pursuant to an
1158 optional tender for purchase or mandatory tender for purchase for which notice has been
1159 duly delivered but that are not delivered for purchase on or prior to the Purchase Date,
1160 and for which there has been irrevocably deposited in escrow with the Registrar or the
1161 Tender Agent an amount sufficient to pay the Purchase Price, shall be deemed to have
1162 been tendered to the Tender Agent for purchase, and Registered Owners shall not be
1163 entitled to any payment (including any interest to accrue on or after the Purchase Date)
1164 other than the Purchase Price, and such Bonds shall not be entitled to any benefits hereof,
1165 except for payment of the Purchase Price out of the money deposited in the Purchase
1166 Fund for such payment.

1167 c. For each series of the Bonds subject to optional tender for purchase
1168 or mandatory tender for purchase, the Tender Agent shall establish a special trust fund to
1169 be designated the "Purchase Fund," and, within the Purchase Fund, the Tender Agent

1170 shall establish four separate accounts to be designated the Remarketing Account, the
1171 Liquidity Account, the County Purchase Account and the Undelivered Bond Payment
1172 Account. Only the Tender Agent shall have any right of withdrawal from the Purchase
1173 Fund, and the Purchase Fund and such right of withdrawal shall be for the sole and
1174 exclusive benefit of the Registered Owners of the Bonds subject to purchase on Purchase
1175 Dates (and the Liquidity Provider, to the extent required to reimburse the Liquidity
1176 Provider), and the county shall have no legal, beneficial or equitable interest in the
1177 Purchase Fund. Money in the Purchase Fund shall be held uninvested. Money in the
1178 Purchase Fund shall not be commingled with money held for any other series of bonds of
1179 the county, and money in a particular account of the Purchase Fund shall not be
1180 commingled with money in any other account of the Purchase Fund.

1181 (1) Any money received by the Tender Agent from
1182 remarketing Bonds on a Purchase Date shall be deposited in the Remarketing Account of
1183 the Purchase Fund and applied to pay the Purchase Price of Bonds or to pay or reimburse
1184 the Liquidity Provider for the payment thereof.

1185 (2) Any money received by the Tender Agent from the
1186 Liquidity Provider for the purchase of Bonds on a Purchase Date shall be deposited in the
1187 Liquidity Account of the Purchase Fund and applied in accordance with Section F.5. of
1188 this motion. Notwithstanding anything herein to the contrary, the Tender Agent shall not
1189 draw on the Liquidity Facility to pay the Purchase Price of Bank Bonds or of Bonds held
1190 by the county.

1191 (3) Any money received by the Tender Agent from the county
1192 for the purchase of Bonds on a Purchase Date shall be deposited in the County Purchase

1193 Account of the Purchase Fund and applied to pay or reimburse the Liquidity Provider for
1194 the payment thereof.

1195 d. Upon receipt of notice of an optional tender for purchase of Daily
1196 Rate Bonds duly delivered, the Tender Agent shall provide telephonic notice to the
1197 county, the Remarketing Agent and the Liquidity Provider not later than 11:15 a.m., New
1198 York City time, on the Purchase Date, of the principal amount of Daily Rate Bonds
1199 tendered and the Purchase Price, and the Tender Agent shall promptly confirm such
1200 telephonic notice by Electronic Notice.

1201 e. Upon receipt of notice of an optional tender for purchase of
1202 Weekly Rate Bonds duly delivered, the Tender Agent shall provide Electronic Notice to
1203 the county, the Remarketing Agent and the Liquidity Provider not later than 5:00 p.m.,
1204 New York City time, on the next Business Day, of the principal amount of Weekly Rate
1205 Bonds to be tendered and the Purchase Price.

1206 f. Simultaneously with the giving of notice of any mandatory tender
1207 for purchase of Bonds, the Registrar shall give Electronic Notice to the Tender Agent, the
1208 Remarketing Agent and the Liquidity Provider, if any, specifying the Purchase Date,
1209 principal amount and Purchase Price.

1210 g. Not later than 12:00 p.m., New York City time, on each Purchase
1211 Date (or such earlier time as may be required to effect a Liquidity Facility Request by the
1212 Liquidity Provider), the Tender Agent shall determine the amount, if any, by which the
1213 Purchase Price of the Bonds to be purchased on the Purchase Date exceeds the amount of
1214 the remarketing proceeds on deposit in the Remarketing Account of the Purchase Fund at
1215 such time; and

1216 (1) If a Liquidity Facility is in effect on the Purchase Date,
1217 then (A) not later than 12:15 p.m., New York City time, on the Purchase Date, the Tender
1218 Agent shall request (a "Liquidity Facility Request") the purchase by the Liquidity
1219 Provider under the Liquidity Facility, or the funding by the Liquidity Provider under the
1220 Liquidity Facility of money for the purchase, of unremarketed Bonds having a Purchase
1221 Price equal to the amount of such excess (by submitting to the Liquidity Provider in
1222 accordance with the Liquidity Facility all such documents as are required for that
1223 purpose); and (B) not later than 2:45 p.m., New York City time, on the Purchase Date,
1224 the Tender Agent shall deposit the proceeds of the Liquidity Facility Request in the
1225 Liquidity Account of the Purchase Fund; or

1226 (2) If a Liquidity Facility is not in effect on the Purchase Date
1227 and the county is obligated to make Required Liquidity Payments or otherwise elects in
1228 its sole discretion to make Optional Liquidity Payments to provide funds for such
1229 payment, then (A) not later than 12:30 p.m., New York City time, on the Purchase Date,
1230 the Tender Agent shall notify the county that the amount of such excess is payable by the
1231 county to the Tender Agent not later than 2:30 p.m., New York City time, on the
1232 Purchase Date; and (B) not later than 2:30 p.m., New York City time, on such Purchase
1233 Date, the Tender Agent shall deposit the amount received from the county for such
1234 purpose in the County Purchase Account of the Purchase Fund.

1235 h. Not later than 3:00 p.m., New York City time, on each Purchase
1236 Date, the Tender Agent shall pay the Purchase Price of Bonds to be purchased on the
1237 Purchase Date to the Registered Owners (and not the Beneficial Owners) thereof (upon
1238 surrender thereof for payment of the Purchase Price), from the following sources and in

1239 the following order of priority:

1240 (1) Money on deposit in the Remarketing Account of the
1241 Purchase Fund (representing the proceeds of the remarketing delivered by the
1242 Remarketing Agent);

1243 (2) If a Liquidity Facility is in effect on the Purchase Date,
1244 money on deposit in the Liquidity Account of the Purchase Fund (representing the
1245 proceeds of a Liquidity Facility Request under the Liquidity Facility); and

1246 (3) If a Liquidity Facility is not in effect on the Purchase Date,
1247 money on deposit in the County Purchase Account of the Purchase Fund (representing
1248 amounts paid by the county to the Tender Agent for the purchase of such Bonds).

1249 i. Any money remaining in the Remarketing Account, the Liquidity
1250 Account or the County Purchase Account of the Purchase Fund and representing (but not
1251 exceeding) the Purchase Price of Bonds subject to purchase on the Purchase Date but not
1252 tendered and delivered for purchase on the Purchase Date (after making the payments
1253 from the Purchase Fund described above) shall be transferred by the Tender Agent to the
1254 Undelivered Bond Payment Account of the Purchase Fund not later than 3:30 p.m., New
1255 York City time, on the Purchase Date and retained therein, subject to application as
1256 described below. Any money remaining in the Remarketing Account, the Liquidity
1257 Account and the County Purchase Account of the Purchase Fund on the Purchase Date
1258 after the payments from the Purchase Fund and the transfer to the Undelivered Bond
1259 Payment Account described above shall be wire transferred by the Tender Agent, in
1260 immediately available funds, prior to the close of business on the Purchase Date, to the
1261 Remarketing Agent, the Liquidity Provider and the county, respectively.

1262 j. Money transferred to the Undelivered Bond Payment Account of
1263 the Purchase Fund on any Purchase Date shall be applied, on or after the Purchase Date,
1264 by the Tender Agent to pay the Purchase Price of Undelivered Bonds in respect of which
1265 they were so transferred, upon the surrender of such Bonds to the Tender Agent for such
1266 purpose.

1267 k. There are hereby pledged to secure the payment of the Purchase
1268 Price of Bonds tendered or deemed tendered for purchase all of the Required Liquidity
1269 Payments and other amounts held in the Purchase Fund, subject only to the provisions
1270 hereof permitting the application thereof for the purposes and on the terms and conditions
1271 set forth herein.

1272 6. **Insufficient Funds for Payment of the Purchase Price.**

1273 a. If the funds available for the purchase of Bonds subject to optional
1274 tender for purchase or mandatory tender for purchase on a Purchase Date are insufficient
1275 to purchase all of the Bonds (including Undelivered Bonds), then no purchase of any
1276 Bonds shall occur on the Purchase Date and, on the Purchase Date, the Tender Agent
1277 shall (1) return to the Registered Owners all of the Bonds that were tendered; (2) return
1278 all money received by the Tender Agent for the purchase of the Bonds to the respective
1279 persons that provided such money (in the respective amounts in which such money was
1280 so provided); and (3) notify the Registrar of the foregoing.

1281 b. Bonds that are not purchased on a Purchase Date when required
1282 shall bear interest at the rates provided in Section D.1.d.(2)(B) of this motion.

1283 c. If a Credit Enhancement or Liquidity Facility is in effect, and the
1284 Credit Provider or Liquidity Provider has failed to honor its payment obligations under

1285 the Credit Enhancement or Liquidity Facility, 25% of the Registered Owners of the
1286 Bonds secured by the Credit Enhancement or Liquidity Facility (excluding Bank Bonds
1287 and Bonds held by the county) shall have the right at any time, by an instrument or
1288 instruments in writing executed and delivered to the Registrar, to direct the method and
1289 place of conducting all proceedings to be taken in connection with the enforcement of the
1290 terms and conditions of the Credit Enhancement or Liquidity Facility, or any other
1291 proceedings thereunder; provided, that such direction is in accordance with applicable
1292 law and satisfactory evidence of the ownership of each Bond is provided to the Registrar.

1293 7. **Delayed Remarketing Period.**

1294 a. During a Delayed Remarketing Period, the Remarketing Agent
1295 shall continue to remarket the series of Index Floating Rate Bonds subject to purchase.
1296 The Remarketing Agent shall provide notice to the county and the Registrar no later than
1297 the Business Day after determining that all of the series of Index Floating Rate Bonds can
1298 be remarketed. Upon receipt of such notice from the Remarketing Agent, the county
1299 shall direct the Registrar to provide notice to the Registered Owners that the Index
1300 Floating Rate Bonds will be subject to mandatory tender for purchase on a Business Day
1301 no later than the Business Day following the day such notice is given to the Registrar.
1302 The Registrar shall give Electronic Notice, confirmed by first class mail, of the
1303 mandatory tender for purchase of the Index Floating Rate Bonds to the Registered
1304 Owners at their addresses as they appear on the Bond Register as of the date such
1305 direction is received by the Registrar. The notice shall include the information required
1306 for a mandatory tender for purchase specified in Section F.4. of this motion.

1307 b. During a Delayed Remarketing Period:

1308 (1) Interest on the Index Floating Rate Bonds shall accrue at
1309 the Delayed Remarketing Rate and be payable on each Interest Payment Date;

1310 (2) The Index Floating Rate Bonds shall continue to be subject
1311 to optional redemption by the county;

1312 (3) The county may effect a Conversion of the Index Floating
1313 Rate Bonds to a new Interest Rate Mode; and

1314 (4) The county may designate a County Elective Purchase Date
1315 for the Index Floating Rate Bonds.

1316 G. **Remarketing of Bonds.**

1317 1. **Remarketing Agent.**

1318 a. One or more Remarketing Agents may be appointed for one or
1319 more series of the Bonds from time to time by the Finance Director with the prior written
1320 consent of the Liquidity Provider, if any (which consent shall not be unreasonably
1321 withheld). Each Remarketing Agent shall designate its office and signify its acceptance
1322 of the duties and obligations imposed upon it as described herein by a written instrument
1323 of acceptance delivered to the county, the Registrar and the Liquidity Provider, or by
1324 executing and delivering a Remarketing Agreement, in either case under which the
1325 Remarketing Agent will agree, particularly:

1326 (1) To hold all money delivered to it hereunder for the
1327 purchase of Bonds as a fiduciary for the exclusive benefit of the person or persons that
1328 shall have so delivered such money until the Bonds purchased with such money shall
1329 have been delivered to or for the account of such person or persons;

1330 (2) To keep such books and records as are consistent with

1331 prudent industry practice and to make such books and records available for inspection by
1332 the county and the Registrar at all reasonable times;

1333 (3) To determine each Daily Rate, Weekly Rate, Short-Term
1334 Rate, Long-Term Rate, Fixed Rate and Applicable Spread and to give notice of such rates
1335 or spread in accordance with the provisions hereof;

1336 (4) To offer for sale and use its best efforts subject to the terms
1337 of the Remarketing Agreement to find purchasers for the Bonds tendered or deemed
1338 tendered for purchase, any such sale to be made at the Purchase Price or at such other
1339 price as may be permitted under the terms hereof;

1340 (5) To deliver to the Tender Agent all Bonds held by it in
1341 accordance with the terms hereof and of the Remarketing Agreement; and

1342 (6) To perform such other duties and responsibilities as are
1343 provided herein to be performed by the Remarketing Agent.

1344 b. One or more firms may serve as co-Remarketing Agents hereunder
1345 provided that each co-Remarketing Agent satisfies the requirements hereof. If co-
1346 Remarketing Agents have been appointed and are performing the duties of Remarketing
1347 Agent hereunder, all references herein to the Remarketing Agent shall be deemed to refer
1348 to all the Remarketing Agents acting jointly; provided, that the Remarketing Agreement
1349 may provide that one firm may perform certain specified duties hereunder in its sole
1350 capacity.

1351 c. Except as may otherwise be provided in a Remarketing
1352 Agreement, each Remarketing Agent may in good faith hold any Bonds or any other
1353 form of indebtedness issued by the county; own, accept or negotiate any drafts, bills of

1354 exchange, acceptances or obligations thereof; and make disbursements therefor and enter
1355 into any commercial or business arrangement therewith; all without any liability on the
1356 part of the Remarketing Agent for any real or apparent conflict of interest by reason of
1357 any such actions.

1358 2. **Qualifications of Remarketing Agent.** Each Remarketing Agent shall be
1359 authorized by law to perform all of the duties imposed upon it hereunder. The
1360 Remarketing Agent may at any time resign and be discharged of the duties and
1361 obligations of the Remarketing Agent described herein by giving not less than 30 days'
1362 notice to the county, the Registrar, the Tender Agent, the Liquidity Provider and the
1363 Credit Provider, if any, and each Rating Agency. The Remarketing Agent may be
1364 removed at any time upon written notice by the county to the Remarketing Agent, the
1365 Tender Agent, the Registrar, the Liquidity Provider and the Credit Provider, if any, and
1366 each Rating Agency.

1367 3. **Sale of Bonds by Remarketing Agent.**

1368 a. Upon receipt by the Remarketing Agent of (1) notice of optional
1369 tender for purchase of Daily Rate Bonds or Weekly Rate Bonds; or (2) notice of
1370 mandatory tender for purchase of a series of Bonds, the Remarketing Agent shall offer
1371 for sale and use its best efforts subject to the terms of the Remarketing Agreement to find
1372 purchasers for the Bonds tendered or deemed tendered for purchase, any such sale to be
1373 made at the Purchase Price or at such other price as may be permitted under the terms
1374 hereof; provided, that so long as a Credit Enhancement or Liquidity Facility is in effect,
1375 the Remarketing Agent shall not knowingly offer for sale or sell any Daily Rate Bonds or
1376 Weekly Rate Bonds to the county; and provided further, that the Remarketing Agent shall

1377 not offer for sale or use its best efforts to find purchasers for the Bonds tendered or
1378 deemed tendered for purchase that are subject to mandatory tender for purchase:

1379 (1) on the fifth day preceding each Expiration Date (unless, on
1380 or prior to the fifth day preceding the Expiration Date, the Expiration Date is extended);

1381 (2) on the Termination Date; or

1382 (3) on the Non-reinstatement Date.

1383 b. The Remarketing Agent shall pay or direct the purchasers to pay
1384 the proceeds of all purchases of Bonds made, solicited and arranged by the Remarketing
1385 Agent, to the Tender Agent (for deposit in the Remarketing Account of the Purchase
1386 Fund), not later than 12:00 p.m., New York City time, on the Purchase Date, in
1387 immediately available funds.

1388 c. Not later than 4:30 p.m., New York City time, on the Business Day
1389 preceding each Purchase Date (other than a Purchase Date for Daily Rate Bonds subject
1390 to optional tender for purchase), the Remarketing Agent shall give telephonic notice to
1391 the Tender Agent, promptly confirmed by Electronic Notice, specifying: (1) the principal
1392 amount and Purchase Price of Bonds subject to purchase on the Purchase Date for which
1393 the Remarketing Agent has received indications of interest from prospective purchasers;
1394 and (2) the principal amount and Purchase Price of Bonds subject to purchase on the
1395 Purchase Date for which the Remarketing Agent has not received indications of interest
1396 from prospective purchasers.

1397 d. Except as otherwise expressly provided herein, the Remarketing
1398 Agent shall offer for sale and use its best efforts subject to the terms of the Remarketing
1399 Agreement to find purchasers for the Bank Bonds, any such sale to be made at the

1400 Purchase Price or at such other price as may be permitted under the terms hereof, the
1401 interest component of the Purchase Price being calculated at the rate that would be borne
1402 by the Bank Bonds if the Bank Bonds were not Bank Bonds. In connection with each
1403 remarketing of Bank Bonds by the Remarketing Agent:

1404 (1) The Remarketing Agent shall (A) provide to the county, the
1405 Registrar, the Tender Agent and the Liquidity Provider not less than one Business Day's
1406 prior notice of such remarketing; and (B) pay, or cause to be paid to the Liquidity
1407 Provider, by wire transfer of immediately available funds, the proceeds of such
1408 remarketing;

1409 (2) The county shall (A) in consultation with the Liquidity
1410 Provider, calculate the amount of money payable to the Liquidity Provider pursuant to the
1411 Liquidity Facility or the related Liquidity Facility Agreement by reason of, and on the
1412 date of, such remarketing ("the Remarketing Payment Amount"); and (B) pay to the
1413 Liquidity Provider, on the date of such remarketing, by wire transfer of immediately
1414 available funds, the amount of money which, when added to the proceeds of such
1415 remarketing being delivered to the Liquidity Provider on the date of such remarketing,
1416 equals the Remarketing Payment Amount;

1417 (3) The Tender Agent shall confirm with the Liquidity
1418 Provider the receipt by the Liquidity Provider of the Remarketing Payment Amount, the
1419 reinstatement of the obligation of the Liquidity Provider to make funds available under
1420 the Liquidity Facility and the authorization of the Liquidity Provider to release the Bank
1421 Bonds or its security interest therein; and

1422 (4) After, and only after, receipt by the Tender Agent of

1423 confirmation by the Liquidity Provider of the reinstatement of the obligation of the
1424 Liquidity Provider under the Liquidity Facility to purchase or make funds available for
1425 the purchase of Bank Bonds following the remarketing of such Bank Bonds and
1426 authorization by the Liquidity Provider of such transfer or such authentication and
1427 delivery, the Tender Agent shall (A) if the Bonds are held in book-entry only form, cause
1428 the ownership interest in such Bank Bonds to be transferred to or for the benefit of such
1429 purchaser or purchasers designated by the Remarketing Agent; and (B) if the Bonds are
1430 not held in book-entry only form, cause the Registrar to authenticate Bonds in lieu of
1431 such Bank Bonds and to deliver the same to or upon the instruction of the Remarketing
1432 Agent.

1433 e. The Remarketing Agent shall offer for sale and use its best efforts
1434 subject to the terms of the Remarketing Agreement to find purchasers for (1) any Bonds
1435 subject to purchase on a Purchase Date that have been purchased with money provided by
1436 the county to the Tender Agent for such purpose; and (2) any Bonds that have been
1437 purchased by the county pursuant to the Liquidity Facility or the related Liquidity
1438 Facility Agreement and have not been surrendered by the county for cancellation.

1439 4. **Delivery of Bonds.**

1440 a. Upon application of available money to purchase Bonds on a
1441 Purchase Date (and/or to the transfer thereof to the Undelivered Bond Payment Account
1442 of the Purchase Fund on a Purchase Date), the Tender Agent shall cause the Registrar to
1443 register the transfer of Bonds so purchased in the names of the purchasers in accordance
1444 with information provided by the Remarketing Agent for such purpose and to make
1445 Bonds available for delivery against payment therefor.

1446 b. Upon application of money drawn on a Liquidity Facility to
1447 purchase Bonds on a Purchase Date (and/or to the transfer thereof to the Undelivered
1448 Bond Payment Account of the Purchase Fund on a Purchase Date), the Bonds so
1449 purchased shall constitute Bank Bonds unless and until such Bonds cease to be Bank
1450 Bonds. If the Bonds are held in book-entry only form, the ownership interest in such
1451 Bank Bonds shall be transferred on the books of DTC to or for the account of the Tender
1452 Agent or a participant acting on behalf of the Tender Agent and the Tender Agent shall,
1453 and shall cause such participant to, mark its own books and records to reflect the
1454 beneficial ownership of such Bank Bonds by the Liquidity Provider. If the Bonds are no
1455 longer held in book-entry only form, such Bank Bonds shall be delivered by the Tender
1456 Agent to the Registrar for registration of transfer and shall be registered by the Registrar
1457 in the name of the Liquidity Facility Provider, or any nominee of the Liquidity Facility
1458 Provider, and delivered by the Registrar to the Tender Agent and held by the Tender
1459 Agent as bailee and custodian of the Liquidity Facility Provider. The Tender Agent shall
1460 release and redeliver or transfer Bank Bonds that have been remarketed by the
1461 Remarketing Agent. Any other disposition of Bank Bonds shall be made only at the
1462 written direction or with the prior written consent of the Liquidity Facility Provider.

1463 c. Upon application of money provided by the county to purchase
1464 Bonds on a Purchase Date (and/or to the transfer thereof to the Undelivered Bond
1465 Payment Account of the Purchase Fund on a Purchase Date), the Bonds so purchased
1466 shall be registered in the name of the county and shall, at the direction of the county, be
1467 delivered to the Registrar for cancellation (and canceled by the Registrar) or delivered to
1468 the Tender Agent for the account of the county and remarketed.

1469 H. **Credit Facilities and Liquidity Facilities.**

1470 1. **Credit Facilities.**

1471 a. **Delivery of a Credit Enhancement.** The county may, at its sole
1472 option, maintain or deliver a Credit Enhancement or otherwise make funds available to
1473 the Registrar pursuant to a Credit Enhancement to provide for the payment of principal of
1474 and interest on one or more series of the Bonds or portions thereof. Any Credit
1475 Enhancement that secures payment of one or more series of Daily Rate Bonds, Weekly
1476 Rate Bonds or Short-Term Rate Bonds shall be equal to the Required Stated Amount with
1477 a term of not less than 360 days after the Credit Facility Date. In each case where a
1478 Credit Enhancement is to be delivered to the Registrar (including the delivery of a new
1479 Credit Enhancement in substitution for an existing Credit Enhancement), the Credit
1480 Enhancement shall become effective only if the Bonds to be secured thereby have been
1481 successfully purchased and remarketed on the Purchase Date. Upon delivery of a Credit
1482 Enhancement, together with the Supporting Credit Facility Documents described below,
1483 the Registrar shall accept the Credit Enhancement and, upon such acceptance, the Credit
1484 Enhancement shall be the Credit Enhancement and the issuer of the Credit Enhancement
1485 shall be the Credit Provider for all purposes hereof.

1486 b. **Mandatory Tender for Purchase of Bonds in Connection with**
1487 **Delivery of a Credit Enhancement.** If a Credit Enhancement is delivered and accepted,
1488 the Bonds to be secured thereby shall be subject to mandatory tender for purchase on the
1489 Credit Facility Date.

1490 c. **Notice of Delivery of Credit Enhancement; Conditional**
1491 **Mandatory Tender for Purchase of Bonds.** The county shall give Electronic Notice of

1492 the proposed delivery of a Credit Enhancement and the proposed Credit Facility Date to
1493 the Registrar, the Tender Agent, the Remarketing Agent, the Credit Provider, if any, and
1494 the Liquidity Provider, if any, not less than five days (or such shorter period as shall be
1495 acceptable to the applicable parties) prior to the date on which the Registrar is required to
1496 provide notice to the Registered Owners. The Registrar shall give Electronic Notice,
1497 confirmed by first class mail, of the proposed delivery of a Credit Enhancement and the
1498 proposed Credit Facility Date to each Registered Owner not less than 15 days prior to the
1499 proposed Credit Facility Date at their addresses as they appear on the Bond Register as of
1500 the date of notice of the proposed delivery of a Credit Enhancement is received by the
1501 Registrar from the county. The notice shall include the information required for a
1502 mandatory tender for purchase specified in Section F.4. of this motion. The notice shall
1503 also state that the mandatory tender for purchase will not occur if, on or prior to the
1504 proposed Credit Facility Date, the Tender Agent does not receive the Credit
1505 Enhancement, together with the Supporting Credit Facility Documents. If, because the
1506 conditions to the mandatory tender for purchase are not satisfied, no mandatory tender for
1507 purchase occurs on the proposed Credit Facility Date, (1) the Tender Agent give notice
1508 thereof to the Registrar; (2) the Registrar shall give Electronic Notice thereof, confirmed
1509 by first class mail, to the Registered Owners at their addresses as they appear on the Bond
1510 Register as of the date of such notice; and (3) the Tender Agent shall return to the
1511 Registered Owners any Bonds tendered to the Tender Agent in connection with such
1512 mandatory tender for purchase.

1513 d. **Expiration and Termination.** The county may elect at any time,
1514 in accordance with the terms of a Credit Enhancement or related Credit Facility

1515 Agreement (1) to permit the Credit Enhancement to expire without delivering a substitute
1516 Credit Enhancement; or (2) to terminate the Credit Enhancement prior to its Expiration
1517 Date.

1518 e. **Supporting Credit Facility Documents.** In connection with the
1519 delivery of a Credit Enhancement after the Closing Date, the county shall deliver, or shall
1520 cause to be delivered, the following documents ("the Supporting Credit Facility
1521 Documents"):

1522 (1) written consent of the Liquidity Provider, if any, if the
1523 Liquidity Provider is a separate entity from the Credit Provider;

1524 (2) written evidence from each Rating Agency of the rating to
1525 be assigned by the Rating Agency to the Bonds following the delivery of the Credit
1526 Enhancement;

1527 (3) a written opinion of counsel to the Credit Provider,
1528 addressed to the Registrar and the Tender Agent, to the effect that the Credit
1529 Enhancement is the legal, valid and binding obligation of the Credit Provider, enforceable
1530 against the Credit Provider in accordance with its terms (subject to customary exceptions
1531 relating to bankruptcy, insolvency and rights of creditors generally and to specific
1532 performance and equitable remedies);

1533 (4) an opinion of Bond Counsel to the effect that the delivery
1534 of the Credit Enhancement will not, in and of itself, cause interest on the Bonds to be
1535 secured thereby to be includable in gross income for federal income tax purposes; and

1536 (5) if applicable, the written acknowledgment of the Credit
1537 Provider of the Credit Enhancement then in effect that all conditions precedent to

1538 termination of the Credit Enhancement then in effect that are set forth in the Credit
1539 Enhancement then in effect or in any related Credit Facility Agreement have been
1540 fulfilled (or provision satisfactory to the Credit Provider has been made for such
1541 fulfillment).

1542 f. The Registrar shall hold and maintain each Credit Enhancement
1543 for the benefit of the Registered Owners of Bonds secured thereby until the Credit
1544 Enhancement expires in accordance with its terms, is earlier terminated by the county or
1545 is replaced by a substitute Credit Enhancement. Subject to the provisions hereof, the
1546 Registrar shall enforce all terms, covenants and conditions of each Credit Enhancement,
1547 including payment when due of any draws on the Credit Enhancement and the provisions
1548 relating to the payment of draws on, and reinstatement of amounts that may be drawn on,
1549 the Credit Enhancement, and will not consent to, agree to or permit any amendment or
1550 modification of the Credit Enhancement that would materially adversely affect the rights
1551 or security of the Registered Owners of the Bonds secured thereby. The Registrar shall
1552 be entitled to rely on a written opinion of counsel or an officer's certificate as to whether
1553 an amendment or modification of the Credit Enhancement would materially adversely
1554 affect the rights or security of the Registered Owners secured thereby. If at any time
1555 during the term of a Credit Enhancement any successor Registrar is appointed and
1556 qualified hereunder, the resigning or removed Registrar shall request that the Credit
1557 Provider transfer the Credit Enhancement to the successor Registrar. If the resigning or
1558 removed Registrar fails to make this request, the successor Registrar shall do so and shall
1559 delay accepting appointment hereunder until the Credit Provider assents to such request.
1560 When a Credit Enhancement expires in accordance with its terms, is terminated by the

1561 county or is replaced by a substitute Credit Enhancement, the Registrar shall immediately
1562 surrender the Credit Enhancement to the Credit Provider; provided, that the Registrar
1563 shall not surrender the Credit Enhancement until all draws permitted on the Credit
1564 Enhancement in accordance with its terms that are required hereby have been funded.

1565 g. The Registrar shall not terminate or reduce the amount available
1566 under a Credit Enhancement except by reason of (1) the redemption, cancellation and/or
1567 defeasance of Bonds secured thereby; (2) the Conversion of Bonds secured thereby to an
1568 Interest Rate Mode that is not covered by the Credit Enhancement; or (3) a substitute
1569 Credit Enhancement is delivered and becomes effective.

1570 h. While a Credit Enhancement is in effect, the Registrar shall draw
1571 on the Credit Enhancement in accordance with its terms so as to receive thereunder not
1572 later than 1:00 p.m., New York City time, on each Interest Payment Date and principal
1573 payment date, an amount, in immediately available funds, equal to the amount of interest
1574 and principal payable on the Bonds secured thereby on the Interest Payment Date and
1575 principal payment date. If the Credit Provider fails to fund a conforming draw on the
1576 Credit Enhancement, the Registrar shall promptly notify the county, demand payment by
1577 the county, and pay when due the amount of interest and principal payable on the Bonds
1578 secured thereby on the Interest Payment Date and principal payment date from amounts
1579 on deposit in the Multi-Modal LTGO/Sewer Revenue Bond Fund in accordance with the
1580 terms hereof. Proceeds of draws on the Credit Enhancement shall be deposited in the
1581 Credit Facility Fund and shall be applied to pay principal of and interest on the Bonds
1582 secured thereby prior to the application of any other funds held by the Registrar therefor.
1583 Notwithstanding the foregoing, (1) if the Credit Provider and the Liquidity Provider are

1584 the same entity, the Registrar shall not draw on the Credit Enhancement to make any
1585 payments on Bank Bonds; and (2) in no event shall the Registrar draw on the Credit
1586 Enhancement to make any payments on Bonds held by the county.

1587 i. While a Credit Enhancement is in effect, the Registrar shall
1588 establish, maintain and hold in trust a special fund designated as the "Credit Facility
1589 Fund" for the benefit of the Registered Owners of Bonds secured thereby. The Registrar
1590 shall deposit in the Credit Facility Fund all money from draws on the Credit
1591 Enhancement for the purpose of paying when due the principal of and interest on Bonds
1592 secured thereby. Money in the Credit Facility Fund shall be held uninvested, separate
1593 and apart from all other funds and accounts and shall not be commingled with any other
1594 money. Money in the Credit Facility Fund shall be withdrawn by the Registrar from the
1595 Credit Facility Fund and applied to the payment of the principal of and interest on Bonds
1596 secured thereby on each Interest Payment Date and principal payment date.

1597 j. Whenever the consent of the Registered Owners is required, the
1598 consent of each Credit Provider shall also be required unless otherwise expressly
1599 provided herein. Each Credit Provider shall be deemed to be the Registered Owner of all
1600 Bonds secured by the Credit Enhancement for purposes of granting consent.

1601 k. All provisions herein relating to the rights of each Credit Provider
1602 shall be of no force and effect if (1) there is no Credit Enhancement in effect and all
1603 amounts payable to the Credit Provider under the Credit Enhancement or any related
1604 Credit Facility Agreement have been satisfied; or (2) a Credit Provider Failure has
1605 occurred and is continuing.

1606 2. **Liquidity Facilities.**

1607 a. **Delivery of a Liquidity Facility.** The county may, in its sole
1608 option, maintain or deliver a Liquidity Facility or otherwise make funds available to the
1609 Tender Agent pursuant to a Liquidity Facility to provide for the purchase of one or more
1610 series of the Bonds upon their optional tender for purchase or mandatory tender for
1611 purchase. Any Liquidity Facility that secures payment of the Purchase Price of one or
1612 more series of Daily Rate Bonds, Weekly Rate Bonds or Short-Term Rate Bonds shall be
1613 in an amount equal to the Required Stated Amount with a term of not less than 360 days
1614 after the Liquidity Facility Date. In each case where a Liquidity Facility is to be
1615 delivered to the Tender Agent (including the delivery of a new Liquidity Facility in
1616 substitution for an existing Liquidity Facility), the Liquidity Facility shall become
1617 effective only if the Bonds to be secured thereby have been successfully purchased and
1618 remarketed on the Purchase Date. Upon delivery of a Liquidity Facility, together with
1619 the Supporting Liquidity Facility Documents described below, the Tender Agent shall
1620 accept the Liquidity Facility and, upon such acceptance, the Liquidity Facility shall be
1621 the Liquidity Facility and the issuer of the Liquidity Facility shall be the Liquidity
1622 Provider for all purposes hereof.

1623 b. **Mandatory Tender for Purchase of Bonds in Connection with**
1624 **Delivery of a Liquidity Facility.** If a Liquidity Facility is delivered and accepted, the
1625 Bonds to be secured thereby shall be subject to mandatory tender for purchase on the
1626 Liquidity Facility Date. If an existing Liquidity Facility is in effect on the Liquidity
1627 Facility Date, funds for the purchase of the Bonds tendered on the Liquidity Facility Date
1628 shall be made available in accordance with the terms of the Liquidity Facility then in
1629 effect and not the substitute Liquidity Facility to be delivered on the Liquidity Facility

1630 Date.

1631 c. **Notice of Delivery of a Liquidity Facility, Conditional**

1632 **Mandatory Tender of Bonds.** The county shall give Electronic Notice of the proposed
1633 delivery of a Liquidity Facility and the proposed Liquidity Facility Date to the Registrar,
1634 the Tender Agent, the Remarketing Agent, the Credit Provider, if any, and the Liquidity
1635 Provider, if any, not less than five days (or such shorter period as shall be acceptable to
1636 the applicable parties) prior to the date on which the Registrar is required to provide
1637 notice to the Registered Owners. The Registrar shall give Electronic Notice, confirmed
1638 by first class mail, of the proposed delivery of a Liquidity Facility and the proposed
1639 Liquidity Facility Date to each Registered Owner not less than 15 days prior to the
1640 proposed Liquidity Facility Date at their addresses as they appear on the Bond Register as
1641 of the date of notice of the proposed delivery of a Liquidity Facility is received by the
1642 Registrar from the county. The notice shall include the information required for a
1643 mandatory tender for purchase specified in Section F.4. of this motion. The notice shall
1644 also state that the mandatory tender for purchase will not occur if, on or prior to the
1645 proposed Liquidity Facility Date, the Tender Agent does not receive the Liquidity
1646 Facility, together with the Supporting Liquidity Facility Documents. If, because the
1647 conditions to the mandatory tender for purchase are not satisfied, no mandatory tender for
1648 purchase occurs on the proposed Liquidity Facility Date, (1) the Tender Agent give
1649 notice thereof to the Registrar; (2) the Registrar shall give Electronic Notice thereof,
1650 confirmed by first class mail, to the Registered Owners at their addresses as they appear
1651 on the Bond Register as of the date of such notice; and (3) the Tender Agent shall return
1652 to the Registered Owners any Bonds tendered to the Tender Agent in connection with

1653 such mandatory tender for purchase.

1654 d. **Expiration and Termination.** The county may elect at any time,
1655 in accordance with the terms of a Liquidity Facility or related Liquidity Facility
1656 Agreement, (1) to permit the Liquidity Facility to expire without delivering a substitute
1657 Liquidity Facility; or (2) to terminate the Liquidity Facility prior to its Expiration Date.

1658 e. **Supporting Liquidity Facility Documents.** In connection with
1659 the delivery of a Liquidity Facility after the Closing Date, the county shall deliver, or
1660 shall cause to be delivered, the following documents ("the Supporting Liquidity Facility
1661 Documents"):

1662 (1) written evidence from each Rating Agency of the rating to
1663 be assigned by the Rating Agency to the Bonds following the delivery of the Liquidity
1664 Facility;

1665 (2) a written opinion of counsel to the Liquidity Provider,
1666 addressed to the Registrar and the Tender Agent, to the effect that the Liquidity Facility is
1667 the legal, valid and binding obligation of the Liquidity Provider, enforceable against the
1668 Liquidity Provider in accordance with its terms (subject to customary exceptions relating
1669 to bankruptcy, insolvency and rights of creditors generally and to specific performance
1670 and equitable remedies);

1671 (3) an opinion of Bond Counsel to the effect that the delivery
1672 of the Liquidity Facility will not, in and of itself, cause interest on the Bonds to be
1673 secured thereby to be includable in gross income for federal income tax purposes; and

1674 (4) if applicable, the written acknowledgment of the Liquidity
1675 Provider of the Liquidity Facility then in effect that all conditions precedent to

1676 termination of the Liquidity Facility then in effect that are set forth in the Liquidity
1677 Facility then in effect or in any related Liquidity Facility Agreement have been fulfilled
1678 (or provision satisfactory to the Liquidity Provider has been made for such fulfillment).

1679 f. The Tender Agent shall not terminate or reduce the amount
1680 available under a Liquidity Facility except by reason of (1) the redemption, cancellation
1681 and/or defeasance of Bonds secured thereby; (2) the Conversion of Bonds secured
1682 thereby to an Interest Rate Mode that is not covered by the Liquidity Facility; or (3) a
1683 substitute Liquidity Facility is delivered and becomes effective.

1684 I. **Required Liquidity Payments and Optional Liquidity Payments.**

1685 1. **Required Liquidity Payments.** The county shall duly and punctually pay
1686 or cause to be paid to the Tender Agent, for deposit in the County Purchase Account of
1687 the Purchase Fund, as and when due, and in the amounts required to provide money for
1688 the payment of the Purchase Price of Bonds tendered or deemed tendered for purchase
1689 and not remarketed pursuant to the terms hereof on the following Purchase Dates:

1690 a. each Purchase Date for Daily Rate Bonds if a Liquidity Facility is
1691 not in effect;

1692 b. each Purchase Date for Weekly Rate Bonds if a Liquidity Facility
1693 is not in effect;

1694 c. each Purchase Date for Direct Purchase Rate Bonds designated as
1695 such in the Direct Purchase Agreement;

1696 d. each Short-Term Rate Mandatory Purchase Date if a Liquidity
1697 Facility is not in effect with respect to such Short-Term Rate Bonds; and

1698 e. each Long-Term Rate Mandatory Purchase Date if a Liquidity

1699 Facility is not in effect.

1700 Collectively, subsection 1.a. through e. of this section are referred to as the "Required
1701 Liquidity Payments."

1702 2. **Optional Liquidity Payments.** The county may elect, in its discretion, to
1703 pay or cause to be paid to the Tender Agent, for deposit in the County Purchase Account
1704 of the Purchase Fund, the amounts required to provide money for the payment of the
1705 Purchase Price of Bonds tendered or deemed tendered for purchase and not remarketed
1706 pursuant to the terms hereof on any Purchase Date other than a Purchase Date on which
1707 the county is required to make a Required Liquidity Payment. Each such payment is
1708 referred to as an "Optional Liquidity Payment."

1709 3. The failure of the county to make a Required Liquidity Payment as and
1710 when due shall constitute a default. The failure of the county to make an Optional
1711 Liquidity Payment as and when needed shall not constitute a default.

1712 J. **Authorization of Bonds.** The issuance of the Bonds, designated as the
1713 county's Multi-Modal Limited Tax General Obligation Refunding Bonds (Payable from
1714 Sewer Revenue), Series 2015A, in the aggregate principal amount of \$50,000,000, and
1715 Multi-Modal Limited Tax General Obligation Refunding Bonds (Payable from Sewer
1716 Revenue), Series 2015B, in the aggregate principal amount of \$50,000,000, as Multi-
1717 Modal LTGO/Sewer Revenue Bonds, to refund the Refunded Bonds, is hereby ratified
1718 and confirmed.

1719 The Bonds shall be dated their date of issue and delivery and shall be in the form
1720 attached as Attachment B to this motion. The Bonds shall be issued as Tax-Exempt
1721 Bonds. The Bonds shall conform in all respects to the terms and conditions specified in

1722 the Bond Ordinance and this motion.

1723 **K. Satisfaction of Parity Conditions.** In accordance with the provisions of
1724 the ordinances authorizing the issuance of the currently outstanding obligations of the
1725 System, which permit the issuance of Multi-Modal LTGO/Sewer Revenue Bonds upon
1726 compliance with the conditions set forth therein, the council finds and determines, as
1727 follows:

1728 1. The Bonds are issued for a lawful purpose of the county related to the
1729 System.

1730 2. There is no default in the payment of the principal of or interest on any
1731 Parity Bonds, Parity Lien Obligations, Junior Lien Obligations, Multi-Modal
1732 LTGO/Sewer Revenue Bonds, Subordinate Lien Obligations, Public Works Trust Fund
1733 Loans or SRF Loans.

1734 3. The county will have on file on the Closing Date a certificate of the
1735 Finance Director showing that Net Revenue in any 12 consecutive months out of the most
1736 recent 18 months preceding the Closing Date, based on financial statements of the
1737 System prepared by the county and after deducting therefrom the Senior Lien Payments
1738 required in each calendar year during the life of the Bonds, is at least equal to 1.10 times
1739 the Annual Debt Service for the Bonds, any other then outstanding Multi-Modal
1740 LTGO/Sewer Revenue Bonds and all then outstanding Junior Lien Obligations in each
1741 year during the life of the Bonds.

1742 The applicable conditions for the issuance of Multi-Modal LTGO/Sewer Revenue
1743 Bonds having been complied with in connection with the issuance of the Bonds, the
1744 pledge contained in the Bond Ordinance of Revenue of the System to pay and secure the

1745 payment of the Bonds will constitute a lien and charge on Revenue of the System equal in
1746 rank with the lien and charge on the Revenue of the System to pay and secure the
1747 payment of the Multi-Modal LTGO/Sewer Revenue Bonds.

1748 L. **Designation as Refunding Candidates.** The Bonds are hereby
1749 designated as "Refunding Candidates" for purposes of ordinances of the county
1750 authorizing the issuance of bonds to refund outstanding obligations of the county payable
1751 from Revenue of the System.

1752 M. **Continuing Disclosure Undertaking.** In accordance with Section 25 of
1753 the Bond Ordinance, if and to the extent required by paragraph (b)(5) of Rule15c2-12, the
1754 Finance Director, on behalf of the county, is authorized and directed to enter into one or
1755 more Undertakings for continuing disclosure for one or more series the Bonds.

1756 N. **Further Authority.** The county officials and their agents, attorneys and
1757 representatives are hereby authorized and directed to do everything necessary for the sale,
1758 issuance, execution, delivery and remarketing of the Bonds and for the proper use and
1759 application of the proceeds of the Bonds, all in accordance with the provisions of the
1760 Bond Ordinance and this motion.

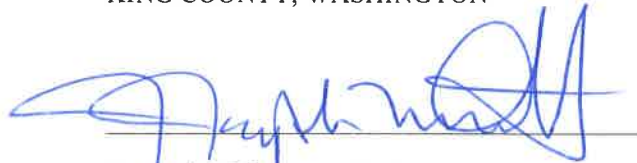
1761 O. **Severability.** If any provision in this motion is declared by any court of
1762 competent jurisdiction to be contrary to law, then that provision shall be null and void

1763 and shall be deemed separable from the remaining provisions of this motion and shall in
1764 no way affect the validity of the other provisions of this motion or of the Bonds.
1765

Motion 14977 was introduced on 9/25/2017 and passed by the Metropolitan King
County Council on 10/16/2017, by the following vote:

Yes: 9 - Mr. von Reichbauer, Mr. Gossett, Ms. Lambert, Mr. Dunn,
Mr. McDermott, Mr. Dembowski, Mr. Upthegrove, Ms. Kohl-Welles
and Ms. Balducci
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



J. Joseph McDermott, Chair

ATTEST:



Melani Pedroza, Clerk of the Council



Attachments: A. Continuing Covenant Agreement, B. Form of Bond

CONTINUING COVENANT AGREEMENT

dated as of October __, 2017,

between

KING COUNTY, WASHINGTON,

and

STATE STREET PUBLIC LENDING CORPORATION

relating to:

\$100,000,000
King County, Washington
Multi-Modal Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenue),
Series 2017A and Series 2017B

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EXHIBITS

EXHIBIT A	–	FORM OF COMPLIANCE CERTIFICATE
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CONTINUING COVENANT AGREEMENT

This CONTINUING COVENANT AGREEMENT dated as of October __, 2017 (as amended, modified or restated from time to time in accordance with the provisions hereof, this "Agreement"), by and between KING COUNTY, WASHINGTON, a political subdivision of the State of Washington (the "County") and STATE STREET PUBLIC LENDING CORPORATION.

RECITALS

WHEREAS, the County has issued its King County, Washington, Multi-Modal Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenue), Series 2017A and Series 2017B (collectively, the "Bonds"), pursuant to that certain Ordinance _____ passed by the County Council on _____, 2017 (as amended, modified or restated from time to time in accordance with the provisions thereof and hereof, and together with Motion _____ passed by the County Council on _____, 2017, the "Ordinance").

WHEREAS, the Purchaser (as hereinafter defined) has agreed to purchase the Bonds, and as a condition to such purchase, the Purchaser has required the County to enter into this Agreement.

NOW, THEREFORE, to induce the Purchaser to purchase the Bonds, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the County and the Purchaser hereby agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

Section 1.01 Defined Terms. In addition to the terms defined in the recitals and elsewhere in this Agreement and the Ordinance, the following terms shall have the meanings set forth below:

"Act" means the comprehensive plan for metropolitan water pollution abatement under the authority of chapters 36.35 and 35.58 of the Revised Code of Washington.

"Affiliate" of any Person means any other Person, directly or indirectly through one or more intermediaries, controlling, controlled by or under common control with such Person. A Person shall be deemed to control another Person if the controlling Person owns 10% or more of any class of voting securities (or other ownership interests) of the controlled Person or possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled Person, whether through ownership of stock, by contract or otherwise.

"Alternate Base Rate" means a fluctuating rate of interest per annum equal to the highest of (a) the Prime Rate plus one hundred basis points (1.0%), (b) the Federal Funds Rate plus two hundred basis points (2.0%), or (c) six hundred and fifty basis points (6.50%). Each change in

the Alternate Base Rate shall take effect simultaneously with the corresponding change or changes in the Prime Rate or the Federal Funds Rate, as the case may be.

“Agreement” has the meaning set forth in the introductory paragraph hereof.

“Amortization End Date” means the earliest to occur of (a) the third (3rd) anniversary of the Mandatory Tender Date, (b) the date on which the interest rate on all the Bonds has been converted to an interest rate other than the Direct Purchase Rate applicable during the Direct Purchase Rate Period, (c) the date on which all Bonds are redeemed, repaid, prepaid or cancelled in accordance with the terms of the Ordinance, or (d) the date on which all of the Bonds are remarketed to a purchaser of the Bonds other than the Purchaser.

“Amortization Payment” has the meaning set forth in Section 2.02(b) hereof.

“Amortization Payment Date” means, with respect to any Bonds, (a) the Initial Amortization Payment Date and each first Business Day of each sixth month thereafter occurring prior to the Amortization End Date, and (b) the Amortization End Date.

“Amortization Period” has the meaning set forth in Section 2.02(b) hereof.

“Anti-Terrorism Laws” has the meaning set forth in Section 5.01(w) hereof.

“Authorized Denomination” means \$250,000 and any integral multiple of \$5,000 in excess thereof.

“Bankruptcy Code” means the Bankruptcy Code, 11 U.S.C. § 101, et seq., as amended.

“Bank Agreement” means any credit agreement, liquidity agreement, standby bond purchase agreement, reimbursement agreement, direct purchase agreement, bond purchase agreement, or other agreement or instrument (or any amendment, supplement or other modification thereof) under which, directly or indirectly, any Person or Persons undertakes to make or provide funds to make payment of, or to purchase or provide credit enhancement for bonds or notes of the County secured by or payable from the full faith and credit of the County, or the Revenue of the System, in either case, on a parity with or subordinate to the Bonds.

“Bond Counsel” means Foster Pepper PLLC, or any other firm of attorneys nationally recognized on the subject of tax-exempt municipal finance selected by the County.

“Bond Obligations” means all amounts payable by the County, and all other obligations to be performed by the County pursuant to this Agreement and the other Related Documents.

“Bondholder” means the Purchaser and each Purchaser Transferee or Non-Purchaser Transferee pursuant to Section 8.06 hereof so long as such Purchaser Transferee or Non-Purchaser Transferee is an owner of Bonds, or, with respect to Sections 2.04, 8.04 and 8.05 hereof and Article III hereof, was a Bondholder during the relevant period of time.

“*Bonds*” shall have the meaning set forth in the recitals hereof.

“*Business Day*” means a day which is not (a) a Saturday, Sunday or legal holiday on which banking institutions in New York, New York, Boston, Massachusetts or the state where the principal corporate office of the Registrar is located are authorized by law to close, (b) a day on which the New York Stock Exchange or the Federal Reserve Bank is closed or (c) a day on which the principal offices of the of the Calculation Agent and the Purchaser are closed; *provided* that, when used in connection with a Reset Date, the term “*Business Day*” shall also exclude any day which is not a London Business Day.

“*Calculation Agent*” means State Street Public Lending Corporation, together with any successor or assignee approved by the County and the Purchaser in writing.

“*Change in Law*” means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III or any successor Basel accord, shall in each case be deemed to be a “*Change in Law*,” regardless of the date enacted, adopted or issued.

“*Code*” means the Internal Revenue Code of 1986, as amended, and the final, temporary or proposed regulations, rulings and proclamations promulgated thereunder.

“*Compliance Certificate*” means a certificate substantially in the form of Exhibit A hereto.

“*Computation Date*” means the second London Business Day preceding (a) the Effective Date and (b) each Reset Date thereafter.

“*Controlled Group*” means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the County, are treated as a single employer under Section 414 of the Code.

“*County*” has the meaning set forth in the introductory paragraph hereof.

“*County Representative*” means any person authorized from time to time in writing by the County, or its successors and assigns, to perform a designated act or execute a designated document.

“*Default Rate*” means, for any day, a rate of interest per annum equal to the sum of the Alternate Base Rate in effect on such day plus three percent (3.0%).

“*Determination of Taxability*” means and shall be deemed to have occurred on the first to occur of the following:

(a) on the date when the County files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability has occurred;

(b) on the date on which a Bondholder or any former Bondholder notifies the County that it has received a written opinion by a nationally recognized firm of attorneys of substantial expertise on the subject of tax-exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, on or prior to that date such firm of attorneys shall have withdrawn such opinion in full as to such conclusion, or such other nationally recognized firm of attorneys of substantial expertise on the subject of tax-exempt municipal finance shall have issued an opinion to the effect that an Event of Taxability has not occurred, or any present or former Bondholder or the County shall have received a ruling or determination letter issued to or on behalf of the County by the Commissioner or any District Director of the Internal Revenue Service (or any other governmental official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability has not occurred;

(c) on the date when the County shall be advised in writing by the Commissioner of the Internal Revenue Service or the Director of Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the Internal Revenue Service (or any other government official exercising the same or a substantially similar function from time to time, including an employee subordinate to one of these officers who has been authorized to provide such advice) that, based upon filings of the County, or upon any review or audit of the County or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(d) on the date when the County shall receive notice from a Bondholder or any former Bondholder that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Bondholder or such former Bondholder the interest on the Bonds due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (c) or (d) hereunder unless the County has been afforded the reasonable opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; *provided further, however*, that upon demand from a Bondholder, the Purchaser or former Bondholder, the County shall promptly reimburse such Bondholder or former Bondholder for any payments, including any taxes, interest, penalties or other charges, such Bondholder (or former Bondholder) shall be obligated to make as a result of the Determination of Taxability.

“*Direct Purchase Applicable Spread*” means, initially, 40 basis points (0.40%), and upon the effective date of any rating action announced by the applicable Rating Agency that results in a change in the lowest unenhanced long-term rating assigned to publicly-offered Parity Lien Obligations, shall be as follows:

Aaa/AAA	40 basis points (0.40%)
Aa1/AA+	50 basis points (0.50%)
Aa2/AA	60 basis points (0.60%)
Aa3/AA-	70 basis points (0.70%)
A1/A+	85 basis points (0.85%)
A2/A	100 basis points (1.00%)
A3/A-	115 basis points (1.15%)
Baa1/BBB+	140 basis points (1.40%)

In the event of the adoption of any new or changed rating system, each of the ratings referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. The Applicable Spread shall be adjusted cumulatively according to the schedule above for any rating downgrade. As provided in Section 2.03, upon the occurrence and during the continuance of any rating downgrade, suspension, withdrawal, or cancellation under Section 7.01(xiii) that constitutes an Event of Default, the Bond Obligations shall bear interest at the Default Rate.

“*Direct Purchase Interest Period*” means the then applicable LIBOR Index Interest Period.

“*Direct Purchase Rate*” means a per annum rate of interest equal to the LIBOR Index Rate for the Bonds established in accordance with Section 2.02(d) hereof.

“*Direct Purchase Rate Period*” means the period from the Effective Date to [April] ____, 2021, as such period may be extended in accordance with the provisions of this Agreement and the Ordinance.

“*Dollars*”, “*US\$*”, “*\$*” and “*U.S. Dollars*” means the lawful currency of the United States of America.

“*DTC*” means The Depository Trust Company.

“*Effective Date*” means October ____, 2017, subject to the satisfaction or waiver by the Purchaser of the conditions precedent set forth in Article IV hereof.

“*Electronic Notice*” means notice given by facsimile transmission with receipt of confirmation by the sender or by telephone or by email transmission (in either case, promptly confirmed in writing).

“*Environmental Laws*” means all applicable federal, state, local and foreign laws, statutes, ordinances, codes, rules, standards and regulations, now or hereafter in effect, and any

applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative order, consent decree, order or judgment, imposing liability or standards of conduct for or relating to the regulation and protection of human health, safety, the environment and natural resources (including ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation). “*Environmental Laws*” include, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. §§ 9601 et seq.) (“*CERCLA*”); the Hazardous Materials Transportation Authorization Act of 1994 (49 U.S.C. §§ 5101 et seq.); the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §§ 136 et seq.); the Solid Waste Disposal Act (42 U.S.C. §§ 6901 et seq.); the Toxic Substance Control Act (15 U.S.C. §§ 2601 et seq.); the Clean Air Act (42 U.S.C. §§ 7401 et seq.); the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.); the Occupational Safety and Health Act (29 U.S.C. §§ 651 et seq.); and the Safe Drinking Water Act (42 U.S.C. §§ 300(f) et seq.), and any and all regulations promulgated thereunder, and all analogous state, local and foreign counterparts or equivalents and any transfer of ownership notification or approval statutes.

“*ERISA*” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

“*Event of Default*” with respect to this Agreement shall have the meaning set forth in Section 7.01 of this Agreement and, with respect to any Related Document, shall have the meaning set forth therein.

“*Event of Taxability*” means (a) a change in Law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the County, or the failure to take any action by the County, or the making by the County of any misrepresentation herein or in any certificate required to be given in connection with the issuance, sale or delivery of the Bonds) which has the effect of causing interest paid or payable on the Bonds to become includable, in whole or in part, in the gross income of a Bondholder or any former Bondholder for federal income tax purposes or (b) the entry of any decree or judgment by a court of competent jurisdiction, or the taking of any official action by the Internal Revenue Service or the Department of the Treasury, which decree, judgment or action shall be final under applicable procedural law, in either case, which has the effect of causing interest paid or payable on the Bonds to become includable, in whole or in part, in the gross income of such Bondholder or such former Bondholder for federal income tax purposes with respect to the Bonds.

“*Excess Interest Amount*” shall have the meaning set forth in Section 2.05 hereof.

“*Executive Order*” has the meaning set forth in Section 5.01(w) hereof.

“*Federal Funds Rate*” means, for any day, the rate of interest per annum as determined by the Purchaser at which overnight Federal Funds are offered to the Purchaser for such day by major banks in the interbank market, with any change in such rate to become effective as to the County on the date of any change in such rate. Each determination of the Federal Funds Rate by the Purchaser shall be deemed conclusive and binding on the County absent manifest error.

“*Fiscal Year*” means the twelve month period from January 1 through the following December 31.

“*Fitch*” means Fitch Ratings, its successors and assigns.

“*FRB*” means the Board of Governors of the Federal Reserve System of the United States, together with any successors thereof.

“*GAAP*” means generally accepted accounting principles in the United States of America as in effect from time to time as applicable to State of Washington municipalities, applied by the County on a basis consistent with the County's most recent financial statements.

“*Governmental Authority*” means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, tribunal, agency, bureau, court or entity (including the Federal Deposit Insurance Corporation or the FRB, any central bank or any comparable authority), or any arbitrator with authority to bind any of the parties to this Agreement at law.

“*Governmental Authorization*” means any permit, license, authorization, plan, directive, consent order or consent decree of or from any Governmental Authority.

“*Guarantee*” means the legal obligation to pay the Indebtedness or satisfy the liabilities of another Person, whether such guarantee is of payment or of performance.

“*Indebtedness*” of any Person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, (d) all obligations of such Person as lessee under capital leases, (e) all Indebtedness of others secured by a lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person, (f) all Guarantees by such Person of Indebtedness of other Persons and (g) all obligations of such Person under any Swap Agreement.

“*Initial Amortization Payment Date*” means the first Business Day of the sixth (6th) full calendar month following the Mandatory Tender Date.

“*Interest Payment Date*” means (a) the first Business Day of each calendar month, (b) any date on which all of the Bonds are redeemed, (c) any day that is a Conversion Date for such Bonds from a Direct Purchase Rate Period, and (d) the Maturity Date.

“*Investment Policy*” means the investment policy of the County delivered to the Purchaser, pursuant to Section 4.01(a)(iv) hereof.

“*Investor Letter*” means an investor letter substantially in the form of Exhibit B hereto.

“Junior Lien Obligations” has the meaning set forth in the Ordinance.

“Laws” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“LIBOR Index” means the London interbank offered rate as administered by the Ice Benchmark Administration (or any other Person that takes over the administration of such rate for United States Dollars for a period equal in length to a one-month LIBOR Index Interest Period as displayed on pages LIBOR01 or LIBOR02 of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the Calculation Agent in its reasonable discretion) at approximately 11:00 a.m., London time, two London Business Days prior to the commencement of such one month LIBOR Index Interest Period, as the rate for dollar deposits in the London interbank market with a maturity comparable to such Interest Period. In the event that such rate does not appear on such page (or on any such successor or substitute page), the LIBOR Rate shall be determined by reference to such other publicly available service for displaying interest rates for dollar deposits in the London interbank market as may be selected by the Calculation Agent in its reasonable discretion or, in the absence of such availability, by reference to the rate at which dollar deposits of \$5,000,000 and for a maturity comparable to such LIBOR Index Interest Period are offered by the principal London office of the Calculation Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two London Business Days prior to the commencement of such one-month LIBOR Index Interest Period. If LIBOR as determined pursuant to this definition is ever less than zero, then for purposes of determining the LIBOR Index Rate, LIBOR shall be deemed to be zero. The Calculation Agent’s internal records of applicable interest rates shall be determinative in the absence of manifest error.

“LIBOR Index Interest Period” means, while any Bonds bear interest at the LIBOR Index Rate, the period from (and including) the Effective Date to (but not including) the first Business Day of the next succeeding month, and thereafter shall mean the period from (and including) the first Business Day of each month to (but not including) the first Business Day of the next succeeding month or, if sooner, to (but not including) the last day of the Direct Purchase Rate Period).

“LIBOR Index Rate” means an interest rate determined on each Computation Date equal to the product of (a) the sum of (i) the product of the LIBOR Index multiplied by 70% plus (ii) the Direct Purchase Applicable Spread, multiplied by (b) the Margin Rate Factor. The LIBOR Index Rate shall be rounded upward to the third decimal place.

“*Lien*” means any mortgage, lien, security interest, pledge, charge or encumbrance of any kind in respect of any Property, including the interests of a vendor or lessor under any conditional sale, capital lease or other title retention arrangement.

“*London Business Day*” means any Business Day on which banks are open for dealings in dollar deposits in the London interbank market.

“*Mandatory Tender Date*” means (a) [April] ____, 2021, and/or (b) following an Event of Default under this Agreement, the Business Day on which the County receives written direction from the Purchaser to cause a mandatory tender for purchase of the Bonds, in each case, a Purchase Date on which the Bonds are subject to mandatory tender for purchase pursuant to Section F.4 of the Motion. Each of the foregoing shall constitute a “Purchase Date” for purposes of the Ordinance.

“*Mandatory Tender Purchase Price*” means an amount equal to 100% of the principal amount of the Bonds subject to mandatory tender for purchase on the Mandatory Tender Date and accrued interest thereon, if applicable.

“*Margin Rate Factor*” means the greater of (a) 1.0 and (b) the product of (i) one minus the Maximum Corporate Tax Rate multiplied by (ii) 1.53846. The effective date of any change in the Margin Rate Factor shall be the effective date of the decrease or increase (as applicable) in the Maximum Corporate Tax Rate resulting in such change.

“*Margin Stock*” shall have the meaning ascribed to such term in Regulation U promulgated by the FRB, as now and hereafter from time to time in effect.

“*Material Adverse Effect*” means, as to the County, (a) any material adverse change in or effect on (i) the ability of the County to issue the Bonds or otherwise consummate the transactions contemplated by this Agreement or the Ordinance, (ii) the ability of the County to perform any of its obligations under the Bonds, this Agreement or the Ordinance, taken as a whole, or (iii) the legality, validity, binding effect or enforceability against the County of the Bonds, the Security, this Agreement or the Ordinance, or (b) any material reduction in the Revenue of the System from the most recently delivered annual audited financial statements of the System.

“*Maximum Corporate Tax Rate*” means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to the Purchaser, the maximum statutory rate of federal income taxation which could apply to the Purchaser).

“*Maximum Interest Rate*” means the maximum rate of interest on the relevant obligation permitted by applicable law.

“*Moody's*” means Moody's Investors Service, Inc., its successors and assigns.

“*Motion*” means that certain Motion _____ passed by the County Council on _____, 2017, with respect to the Bonds.

“*Multi-Modal LTGO/Sewer Revenue Bonds*” has the meaning set forth in the Ordinance.

“*1933 Act*” has the meaning set forth in Section 8.06(b) hereof.

“*Non-Purchaser Transferee*” shall have the meaning set forth in Section 8.06(c) hereof.

“*OFAC*” has the meaning set forth in Section 5.01(w) hereof.

“*Ordinance*” has the meaning assigned to that term in the recitals to this Agreement and shall include all amendments, supplements and modifications in accordance with the terms thereof and hereof.

“*Other Taxes*” shall have the meaning set forth in Section 3.01(a) hereof.

“*Parity Bond Ordinance*” means, collectively, each ordinance of the County authorizing the issuance of Parity Bonds.

“*Parity Bonds*” has the meaning set forth in the Ordinance.

“*Parity Indebtedness*” means Indebtedness, including bonds, now or hereafter outstanding, which is secured by a pledge of (a) the full faith and credit of the County, and (b) the Revenue of the System, on a parity basis with the Bonds.

“*Parity Lien Obligations*” has the meaning set forth in the Ordinance.

“*Patriot Act*” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107-56 (signed into law October 26, 2001).

“*PBGC*” means the Pension Benefit Guaranty Corporation or any successor thereto.

“*Person*” means an individual, a corporation, a partnership, an association, a trust or any other entity or organization, including a government or a political subdivision or an agency or instrumentality thereof.

“*Plan*” means an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code as to which the County or a member of the Controlled Group may have any liability.

“*Potential Default*” means an event which but for the lapse of time or the giving of notice, or both, would constitute an Event of Default.

"Prime Rate" means the rate of interest per annum from time to time announced by the Purchaser as its prime rate (which is not intended to be the lowest rate of interest charged by the Purchaser in connection with the extension of credit to its customers). Each change in the Prime Rate shall take effect at the time of such change in such prime rate. Each determination of the Prime Rate by the Purchaser will be conclusive and binding on the County absent manifest error.

"Property" means any and all rights, titles and interests in and to any and all property, whether real or personal, tangible (including cash) or intangible, wherever situated and whether now owned or hereafter acquired.

"Public Works Trust Fund Loans" has the meaning set forth in the Ordinance.

"Purchase Price" shall have the meaning set forth in Section 2.01(a) hereof.

"Purchaser" means, initially, State Street Public Lending Corporation, a wholly-owned subsidiary of State Street Bank and Trust Company, and its successors and assigns, and upon the receipt from time to time by the County of a notice described in Section 8.06(a) means the Person designated in such notice as the Purchaser, as more fully provided in Section 8.06(a) hereof.

"Purchaser Rate" means a fluctuating interest rate per annum which, for each day, shall equal (a) for the period from and including the Mandatory Tender Date to and including the thirtieth (30th) day immediately succeeding the Mandatory Tender Date, the Alternate Base Rate from time to time in effect, (b) from the period from and including the thirty-first (31st) day immediately succeeding the Mandatory Tender Date to and including the ninetieth (90th) day immediately succeeding the Mandatory Tender Date, the Alternate Base Rate from time to time in effect plus one percent (1.0%), and (c) from the period from and including the ninety-first (91st) day immediately succeeding the Mandatory Tender Date and thereafter, the Alternate Base Rate from time to time in effect plus two percent (2.0%); *provided that* if an Event of Default has occurred and is continuing, the Purchaser Rate shall equal the Default Rate.

"Purchaser Transferee" shall have the meaning set forth in Section 8.06(b) hereof.

"Rating Agency" means any of Fitch, Moody's or S&P, as applicable.

"Rating Documentation" shall have the meaning set forth in Section 4.01(d)(iv) hereof.

"Registrar" means the Registrar appointed pursuant to the terms of the Ordinance and each successor thereto appointed in accordance with the terms of the Ordinance and this Agreement.

"Related Documents" means this Agreement, the Ordinance, the Tax Certificate, the Bonds, and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the foregoing.

"Revenue of the System" has the meaning set forth in the Ordinance.

“*Reset Date*” means the first Business Day of each month.

“*S&P*” means S&P Global Ratings, a division of Standard & Poor’s Financial Services, LLC.

“*Security*” means the pledge by the County of (a) the full faith and credit of the County to make payments due and to levy taxes and (b) the Revenue of the System to secure its payment obligations with respect to the Bonds, this Agreement and any other Multi-Modal LTGO/Sewer Revenue Bonds.

“*SRF Loans*” has the meaning set forth in the Ordinance.

“*State*” means the State of Washington.

“*Subordinate Lien Obligations*” has the meaning set forth in the Ordinance.

“*Swap Agreement*” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “*Master Agreement*”), including any such obligations or liabilities under any Master Agreement.

“*System*” has the meaning set forth in the Ordinance.

“*Tax Certificate*” means the federal tax certificate dated as of the Effective Date and executed by the County, with respect to the Bonds, as the same may be amended or supplemented in accordance with its terms.

“*Taxable Date*” means the date on which interest on the Bonds is first includable in gross income of the Bondholder (including, without limitation, any previous Bondholder) thereof as a result of an Event of Taxability as such date is established pursuant to a Determination of Taxability.

“*Taxable Period*” shall have the meaning set forth in Section 2.04 hereof.

“*Taxable Rate*” means, with respect to a Taxable Period, the product of (a) the interest rate on the Bonds during such period and (b) the Taxable Rate Factor.

“*Taxable Rate Factor*” means the quotient of (a) one divided by (b) one minus the Maximum Corporate Tax Rate.

“*Taxes*” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, fines, additions to tax or penalties applicable thereto.

“*Unremarketed Bonds*” means Bonds with respect to which the Purchaser has not received payment of the Mandatory Tender Purchase Price, if any, on the Mandatory Tender Date.

Section 1.02 Computation of Time Periods. In this Agreement, in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding.”

Section 1.03 Construction.

(a) Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular, the singular includes the plural and the part includes the whole and “or” has the inclusive meaning represented by the phrase “and/or.” The words “hereof,” “herein,” “hereunder” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The word “including” has the meaning “including, but not limited to.” The section headings contained in this Agreement and the table of contents preceding this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation thereof in any respect. Section, subsection and exhibit references are to this Agreement unless otherwise specified.

(b) All references in this Agreement to times of day shall be references to New York City time.

Section 1.04 Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with GAAP.

Section 1.05 Relation to Other Documents; Acknowledgment of Different Provisions of Related Documents; Incorporation by Reference.

(a) Nothing in this Agreement shall be deemed to amend or relieve the County of its obligations under any Related Document to which it is a party. Conversely, to the extent that the provisions of any Related Document allow the County to take certain actions, or not to take certain actions, with regard, for example, to permitted liens, incurrence of Indebtedness, transfers

of assets, maintenance of financial ratios and similar matters, the County nevertheless shall be fully bound by the provisions of this Agreement.

(b) Except as provided in Section 1.05(c) and Section 1.05(d) hereof, all references to other documents shall be deemed to include all amendments, modifications and supplements thereto to the extent such amendment, modification or supplement is made in accordance with the provisions of such document and this Agreement.

(c) All provisions of this Agreement making reference to specific sections of any Related Document shall be deemed to incorporate such sections into this Agreement by reference as though specifically set forth herein (with such changes and modifications as may be herein provided) and shall continue in full force and effect with respect to this Agreement notwithstanding payment of all amounts due under or secured by the Related Documents, the termination or defeasance thereof or any amendment thereto or any waiver given in connection therewith, so long as this Agreement is in effect and until all Bond Obligations are paid in full. No amendment, modification, consent, waiver or termination with respect to any of such sections which would materially and adversely affect the Purchaser shall be effective as to this Agreement until specifically agreed to in writing by the parties hereto with specific reference to this Agreement.

(d) Any capitalized terms used herein which are not specifically defined herein shall have the same meanings herein as set forth in the Ordinance. Any terms defined herein by reference to the Ordinance or any requirement that an action be taken in accordance with any Related Document shall refer to such documents as in effect on the date of issuance of the Bonds unless the Purchaser has agreed in writing to any applicable amendment which would materially and adversely affect the Purchaser.

ARTICLE II

PURCHASE OF BONDS AND THE COUNTY'S OBLIGATIONS

Section 2.01 Purchase of Bonds.

(a) Upon the satisfaction of the conditions set forth in Article IV hereof and based on the representations, warranties and covenants of the County set forth herein, the Purchaser hereby agrees to purchase, and the County hereby agrees to issue and to sell to the Purchaser, all, but not less than all, of the Bonds at the purchase price of \$100,000,000 representing the aggregate principal amount of the Bonds (the "*Purchase Price*").

(b) On the Effective Date, the County shall deliver or cause to be delivered to the Purchaser, the documents described in and otherwise satisfy the conditions described in Article IV hereof. Upon the satisfaction of such conditions, the Purchaser will pay the Purchase Price for the Bonds in immediately available federal funds payable to the County. One fully registered Bond for each series of the Bonds, in the aggregate principal amount equal to the Purchase Price, shall be issued to and registered in the name of the Purchaser, or as otherwise directed by the Purchaser. The Bonds shall be so issued and registered to and held by the Purchaser, or as otherwise directed by the Purchaser.

Section 2.02 Payment Obligations. (a) The County hereby unconditionally, irrevocably and absolutely agrees to make prompt and full payment of all payment obligations owed to the Bondholders under the Related Documents and to pay any other Bond Obligations owing to the Bondholders pursuant to the Related Documents, whether now existing or hereafter arising, irrespective of their nature, whether direct or indirect, absolute or contingent, with interest thereon at the rate or rates provided in such Related Documents and under such Bond Obligations.

(b) In the event the Purchaser has not received the Mandatory Tender Purchase Price on the Mandatory Tender Date, the County shall cause the Unremarketed Bonds to be purchased or redeemed on the Mandatory Tender Date; *provided that*, if the County is required to cause Unremarketed Bonds to be purchased or redeemed as set forth above and (i) no Potential Default or Event of Default shall have occurred and be continuing and (ii) the representations and warranties set forth in Article V shall be true and correct on the Mandatory Tender Date, then the County shall cause the principal amount of such Bonds to be purchased or redeemed in installments payable not later than each Amortization Payment Date (each such payment, an "*Amortization Payment*"), with the final installment in an amount equal to the entire then-outstanding principal amount of such Bonds to be purchased or redeemed not later than the Amortization End Date (the period commencing on the Mandatory Tender Date and ending on the Amortization End Date is herein referred to as the "*Amortization Period*"). Each Amortization Payment shall be not less than that amount of principal which, calculated as of the Mandatory Tender Date, will result in equal (as nearly as possible) aggregate Amortization Payments over the Amortization Period, or if less, the then-outstanding principal amount of such Bonds to be purchased or redeemed. During the Amortization Period, interest on Unremarketed Bonds shall accrue at the Purchaser Rate and be payable monthly in arrears on the first Business Day of each calendar month.

(c) The County shall pay within thirty (30) days after demand:

(i) if an Event of Default shall have occurred, all costs and expenses of the Purchaser in connection with the enforcement (whether by means of legal proceedings or otherwise) of any of its rights and remedies under this Agreement, the other Related Documents and such other documents which may be delivered in connection therewith;

(ii) a fee for each amendment to this Agreement or any other Related Document or any consent or waiver by the Purchaser with respect to any Related Document, in each case, in a minimum amount equal to \$5,000, plus the reasonable fees and expenses of counsel to the Purchaser;

(iii) the reasonable fees and out-of-pocket expenses for counsel or other reasonably required consultants to the Purchaser in connection with advising the Purchaser as to its rights, remedies and obligations under this Agreement and the other Related Documents as a result of the occurrence of, or in connection with, an Event of Default or Potential Default, or in connection with responding to requests from the County for approvals, consents and waivers; and

(iv) any amounts advanced by or on behalf of the Purchaser to the extent required to cure any Potential Default, Event of Default or event of nonperformance by the County hereunder or under any Related Document, together with interest at the Default Rate.

(d) (i) The Calculation Agent shall determine the LIBOR Index Rate on each Computation Date. Each LIBOR Index Rate shall become effective on the Reset Date succeeding the Computation Date. Interest at the LIBOR Index Rate shall accrue each day during each LIBOR Index Interest Period, commencing on and including the first day of the LIBOR Index Interest Period to but excluding the last day of the LIBOR Index Interest Period. Following the determination of the Direct Purchase Rate, the Calculation Agent shall give notice of the LIBOR Index Rate to the Registrar and to the County by Electronic Notice not less than one Business Day prior to the Reset Date. If the LIBOR Index Rate is not determined by the Calculation Agent on the Computation Date, the interest rate to be borne by the Bonds shall be the rate determined on the preceding Computation Date until the Calculation Agent next determines the LIBOR Index Rate. All interest (including interest at the Default Rate) accrued on Bond Obligations shall be calculated on the basis of the actual number of days elapsed in a 360-day year.

(ii) The determination of any LIBOR Index Rate by the Calculation Agent shall be conclusive and binding upon the County, the Registrar and any Bondowner. In determining the interest rate or rates that the Bonds shall bear as provided in this subsection (d), the Calculation Agent shall not have any liability to the County, the Registrar and any Bondowner except for its gross negligence or willful misconduct.

(iii) From and after any Taxable Date, the interest rate on the Bonds in a LIBOR Index Rate Period shall be established at a rate at all times equal to the Taxable Rate.

(iv) During the Amortization Period, interest on the Bonds shall accrue at the Purchaser Rate and be payable monthly in arrears on the first Business Day of each calendar month.

(v) The initial LIBOR Index Interest Period shall commence on the Effective Date and be to (but not including) November ___, 2017, the initial LIBOR Index Rate shall be _____%, the initial Interest Payment Date shall be ___, 2017, and the Bonds shall be subject to mandatory tender for purchase on any Mandatory Tender Date for the Bonds.

(e) During the Direct Purchase Rate Period, all payments of principal and interest on the Bonds shall be paid to the Purchaser in accordance with the wire instructions set forth in *Schedule I* hereof or such other wire instructions as the Purchaser provides to the County and the Registrar in writing.

Section 2.03 Default Rate. Upon the occurrence and during the continuance of an Event of Default, the Bond Obligations shall bear interest at the Default Rate, which shall be

payable by the County to each Bondholder (or, if applicable, the Purchaser) upon demand therefor.

Section 2.04 Determination of Taxability. (a) In the event a Determination of Taxability occurs, to the extent not payable to each Bondholder under the terms of the Ordinance and the Bonds, the County hereby agrees to pay to each Bondholder on demand therefor (i) an amount equal to the difference between (A) the amount of interest that would have been paid to such Bondholder on the Bonds during the period for which interest on the Bonds is included in the gross income of such Bondholder if the Bonds had borne interest at the Taxable Rate, beginning on the Taxable Date (the "*Taxable Period*"), and (B) the amount of interest actually paid to the Bondholder (or, if applicable, the Purchaser) during the Taxable Period, and (ii) an amount equal to any interest, penalties or charges owed by such Bondholder as a result of interest on the Bonds becoming included in the gross income of such Bondholder, together with any and all reasonable attorneys' fees, court costs, or other out-of-pocket costs incurred by such Bondholder in connection therewith;

(b) Subject to the provisions of paragraph (c) below, such Bondholder shall afford the County the reasonable opportunity, at the County's sole cost and expense, to contest (i) the validity of any amendment to the Code which causes the interest on the Bonds to be included in the gross income of such Bondholder or (ii) any challenge to the validity of the tax exemption with respect to the interest on the Bonds, including the right to direct the necessary litigation contesting such challenge (including administrative audit appeals); *provided* that, in no event shall a Bondholder be required to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the County or any other Person; and

(c) As a condition precedent to the exercise by the County of its right to contest set forth in paragraph (b) above, the County shall, on demand, immediately reimburse such Bondholder for any and all expenses (including reasonable attorneys' fees for services that may be required or desirable, as determined by such Bondholder (in its sole discretion) that may be incurred by the Bondholder in connection with any such contest, and shall, on demand, immediately reimburse the Bondholder for any payments, including any taxes, interest, penalties or other charges payable by such Bondholder for failure to include such interest in its gross income.

Section 2.05 Maximum Interest Rate. (a) If the amount of interest payable for any period in accordance with the terms hereof on the Bonds exceeds the amount of interest that would be payable for such period had interest for such period been calculated at the Maximum Interest Rate, then interest for such period shall be payable in an amount calculated at the Maximum Interest Rate.

(b) Any interest that would have been due and payable for any period but for the operation of the immediately preceding paragraph (a) shall accrue and be payable as provided in this paragraph (b) and shall, less interest actually paid to each Bondholder for such period, constitute the "*Excess Interest Amount*." If there is any accrued and unpaid Excess Interest Amount as of any Interest Payment Date, then the principal amount with respect to which interest is payable shall bear interest at the Maximum Interest Rate until payment to each Bondholder of the entire Excess Interest Amount.

(c) Notwithstanding the foregoing, on the date on which no principal amount with respect to the Bonds remains unpaid, the County shall pay to each Bondholder a fee equal to any accrued and unpaid Excess Interest Amount.

Section 2.06 Obligations Absolute. The payment obligations of the County under this Agreement shall be unconditional and irrevocable and shall be paid strictly in accordance with the terms of the Ordinance and this Agreement under all circumstances, including without limitation the following:

(a) any lack of validity or enforceability of this Agreement, the Bonds or any of the other Related Documents;

(b) any amendment or waiver of or any consent to departure from all or any of the Related Documents;

(c) the existence of any claim, set-off, defense or other right which the County may have at any time against the Purchaser, any other Bondholder or any other person or entity, whether in connection with this Agreement, the other Related Documents, the transactions contemplated herein or therein or any unrelated transaction; or

(d) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing.

Section 2.07 Funding Indemnity. In the event the Purchaser shall incur any loss, cost, or expense (including, without limitation, any loss, cost, or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired or contracted to be acquired by the Purchaser to purchase or hold the Bonds or the relending or reinvesting of such deposits or other funds or amounts paid or prepaid to the Purchaser) as a result of any redemption or conversion of the Bonds on a date other than an Interest Payment Date for any reason, whether before or after default, and whether or not such payment is required by any provision of this Agreement or the Ordinance, then upon the demand of the Purchaser, the County shall pay to the Purchaser a redemption or conversion premium, as applicable, in such amount as will reimburse the Purchaser for such loss, cost, or expense. If the Purchaser requests such redemption or conversion premium, as applicable, it shall provide to the County a certificate setting forth the computation of the loss, cost, or expense giving rise to the request for such redemption or conversion premium, as applicable, in reasonable detail and such certificate shall be conclusive if reasonably determined.

Section 2.08 Optional Purchase, Prepayment, Redemption or Conversion.

(a) Subject to Section 2.07 and the terms of this Section, each Business Day is a County Elective Purchase Date. Subject to Section 2.07 and the terms of this Section, the Bonds are also subject to prepayment or redemption prior to the Maturity Date at the option of the County on any Business Day, in whole or in part, at a price equal to the principal amount of the Bonds to be prepaid or redeemed, plus interest accrued thereon to the date fixed for prepayment or redemption, without premium.

(b) Notice of redemption of the Bonds after the Mandatory Tender Date may be given not less than five days prior to the date fixed for redemption.

(c) If the Registrar has given notice in accordance with the Ordinance of a Conversion of the Bonds to take effect prior to the Mandatory Tender Date and the Conversion does not take effect, the Bonds shall continue to bear interest at the Direct Purchase Rate.

(d) In the event that the County shall cause all or a portion of the Bonds to be purchased on a County Elective Purchase Date, prepaid, redeemed or otherwise refunded in whole or in part, or the interest rate on all or a portion of the Bonds is to be converted to an interest rate other than the Direct Purchase Rate, in each case prior to the date which is the eighteenth (18th) month anniversary of the Effective Date, the County shall pay to the Purchaser a fee in connection with each such purchase, prepayment, redemption, refunding or conversion of such Bonds from the Direct Purchase Rate, in an amount equal to the product of (A) the Direct Purchase Applicable Spread in effect on the date of such purchase, prepayment, redemption, refunding or conversion, as applicable, (B) the principal amount of the Bonds to be so purchased, prepaid, redeemed, refunded or converted to an interest rate other than the Direct Purchase Rate, and (C) a fraction, the numerator of which is equal to the number of days from and including the date of such purchase, prepayment, redemption, refunding or conversion, as applicable, to and including the eighteenth (18th) month anniversary of the Effective Date, and the denominator of which is 360, payable on the date of such purchase, prepayment, redemption, refunding or conversion, as applicable.

Section 2.09 Purchaser Consent to Subsequent Direct Purchase Rate Period. So long as the Purchaser is the Bondholder, on or before the date two hundred ten (210) days prior to the end of the Direct Purchase Rate Period, the County may provide written notice to the Purchaser of its desire to convert the Bonds to a new Direct Purchase Rate Period and requesting the Purchaser to purchase such Bonds in such new Direct Purchase Rate Period. The Purchaser will make reasonable efforts to respond to such request within sixty (60) days after receipt of all information necessary, in the Purchaser's reasonable judgment, to permit the Purchaser to make an informed credit decision. The Purchaser may, in its sole and absolute discretion, decide to accept or reject any such request and no consent shall become effective unless the Purchaser shall have consented thereto in writing. In the event the Purchaser fails to definitively respond to such request within such sixty (60) day period, the Purchaser shall be deemed to have refused to grant such request. The consent of the Purchaser, if granted, shall be conditioned upon the preparation, execution and delivery of documentation in form and substance satisfactory to the Purchaser (which may include, but not be limited to, the delivery of a "no adverse effect opinion" of Bond Counsel to the Purchaser with respect to the tax-exempt status of the Bonds as a result of such conversion and interest rate setting). In the event the County and the Purchaser fail to document in writing their agreement of the proposed rate(s) and terms of the succeeding period(s), the County shall continue to be required to cause the Bonds to be purchased or redeemed at the Mandatory Tender Purchase Price on the Mandatory Tender Date, subject to Section 2.02(b) hereof.

Section 2.10 No Bond Rating; CUSIP, DTC; Offering Document. The Bonds shall not be (i) assigned a specific rating by any Rating Agency, (ii) registered with DTC or any other

securities depository, (iii) issued pursuant to any type of official statement, private placement memorandum or other offering document, (iv) assigned a CUSIP number or (v) placed or offered by a broker-dealer in the capacity of an underwriter or placement agent.

ARTICLE III

TAXES AND YIELD PROTECTION

Section 3.01 Net of Taxes, Etc.

(a) Any and all payments to the Purchaser or any Bondholder by the County hereunder or with respect to the Bonds shall be made free and clear of and without deduction or withholding for any and all Taxes. If the County shall be required by law to deduct or withhold any Taxes imposed by the United States of America or any political subdivision thereof from or in respect of any sum payable hereunder or with respect to the Bonds, then (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) the Purchaser or such Bondholder receives an amount equal to the sum it would have received had no such deductions been made, (ii) the County shall make such deductions and (iii) the County shall timely pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. If the County shall make any payment under this Section to or for the benefit of the Purchaser or such Bondholder with respect to Taxes and if the Purchaser, or such Bondholder shall claim any credit or deduction for such Taxes against any other taxes payable by the Purchaser or such Bondholder to any taxing jurisdiction in the United States of America, then the Purchaser or such Bondholder shall pay to the County an amount equal to the amount by which such other taxes are actually reduced; *provided*, that the aggregate amount payable by the Purchaser or such Bondholder pursuant to this sentence shall not exceed the aggregate amount previously paid by the County with respect to such Taxes. In addition, the County agrees to pay any present or future stamp, recording or documentary taxes and any other excise or property taxes, charges or similar levies that arise under the laws of the United States of America or any state of the United States from any payment made hereunder or under the Bonds or from the execution or delivery of this Agreement or the Bonds, or otherwise with respect to this Agreement or the Bonds (hereinafter referred to as "*Other Taxes*"). The Purchaser or such Bondholder shall provide to the County within a reasonable time a copy of any written notification it receives with respect to Taxes or Other Taxes owing by the County to the Purchaser or such Bondholder hereunder; *provided*, that the Purchaser or such Bondholder's failure to send such notice shall not relieve the County of its obligation to pay such amounts hereunder.

(b) The County shall, to the fullest extent permitted by law and subject to the provisions hereof, pay the Purchaser or such Bondholder for the full amount of Taxes and Other Taxes including any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section paid by the Purchaser or such Bondholder or any liability (including penalties, interest and reasonable expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted; *provided*, that the County shall not be obligated to pay the Purchaser or such Bondholder for any penalties, interest or expenses relating

to Taxes or Other Taxes arising from the Purchaser's or such Bondholder's gross negligence or willful misconduct as determined by a court of competent jurisdiction. Payments by the County pursuant to this Section shall be made within thirty (30) days from the date the Purchaser or such Bondholder makes written demand therefor, which demand shall be accompanied by a certificate describing in reasonable detail the basis thereof. The Purchaser or such Bondholder agrees to repay to the County any refund (including that portion of any interest that was included as part of such refund) with respect to Taxes or Other Taxes paid by the County pursuant to this Section received by the Purchaser or such Bondholder for Taxes or Other Taxes that were paid by the County pursuant to this Section and to contest, with the cooperation and at the expense of the County, any such Taxes or Other Taxes which the Purchaser or such Bondholder or the County reasonably believes not to have been properly assessed.

(c) Within thirty (30) days after the date of any payment of Taxes by the County, the County shall furnish to the Purchaser or such Bondholder, as applicable, the original or a certified copy of a receipt evidencing payment thereof. The County shall compensate the Purchaser or such Bondholder for all reasonable losses and expenses sustained by the Purchaser or such Bondholder, as applicable, as a result of any failure by the County to so furnish such copy of such receipt.

(d) Without prejudice to the survival of any other agreement of the County hereunder, the agreements and obligations of the County contained in this Section shall survive the termination of this Agreement and the payment in full of the Bonds and the obligations of the County thereunder and hereunder.

Section 3.02 Increased Costs.

(a) *Increased Costs Generally.* If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, liquidity ratio, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, a Bondholder;

(ii) subject a Bondholder to any taxes, charges, fees, deductions or withholding of any kind with respect to this Agreement or the Bonds (except for Taxes or Other Taxes covered by Section 3.01), or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on a Bondholder any other condition, cost or expense affecting this Agreement, the Bonds or any transaction hereunder;

and the result of any of the foregoing shall be to increase the cost to any such Bondholder with respect to this Agreement, the Bonds, or the making, maintenance or funding of the purchase price of the Bonds, or to reduce the amount of any sum received or receivable by such Bondholder hereunder (whether of principal, interest or any other amount) then, upon request of such Bondholder or the Purchaser, as applicable, the County will pay to such Bondholder or the Purchaser, as applicable, such additional amount or amounts as will compensate such

Bondholder, for such additional costs incurred or reduction suffered, subject to paragraph (d) below.

(b) *Capital Requirements.* If a Bondholder determines that any Change in Law affecting such Bondholder or any such Bondholder's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Bondholder's capital or liquidity or on the capital or liquidity of such Bondholder's holding company, if any, as a consequence of this Agreement or the Bonds to a level below that which such Bondholder or such Bondholder's holding company could have achieved but for such Change in Law (taking into consideration such Bondholder's policies and the policies of such Bondholder's holding company with respect to capital adequacy), then from time to time the County will pay to such Bondholder, such additional amount or amounts as will compensate such Bondholder or such Bondholder's holding company for any such reduction suffered, subject to paragraph (d) below.

(c) *Certificates for Reimbursement.* A certificate of a Bondholder or the Purchaser, as applicable, setting forth the amount or amounts necessary to compensate such Bondholder or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the County shall be conclusive absent manifest error. The County shall pay such Bondholder or the Purchaser, as applicable, the amount shown as due on any such certificate within thirty (30) days after receipt thereof.

(d) *Delay in Requests.* Failure or delay on the part of a Bondholder or the Purchaser, as applicable, to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of such Bondholder's right to demand such compensation; *provided that* the County shall not be required to compensate the Purchaser or any other Bondholder pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than ninety (90) days prior to the date that the Purchaser or any such other Bondholder, notifies the County of the Change in Law giving rise to such increased costs or reductions and of the Purchaser's or any such Bondholder's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the ninety (90) day period referred to above shall be extended to include the period of retroactive effect thereof).

Section 3.03 Survival. All of the County's obligations under this Article III shall survive the termination of this Agreement and the repayment, satisfaction or discharge of all other Bond Obligations.

ARTICLE IV

CONDITIONS PRECEDENT TO PURCHASE OF BONDS

Section 4.01 Documentary Requirements. The obligation of the Purchaser to purchase the Bonds on the Effective Date is subject to the conditions precedent that the Purchaser shall have received, on or before the Effective Date, the items listed below in this Section, each dated and in form and substance as is satisfactory to the Purchaser.

(a) The following County documents:

(i) copies of the ordinances and resolutions of the governing body of the County approving the execution and delivery of the Related Documents to which the County is a party and the other matters contemplated hereby, certified by a County Representative as being true and complete and in full force and effect on the Effective Date;

(ii) the audited annual financial statements of the County for the Fiscal Year ended December 31, 2016;

(iii) the audited annual financial statements of the System for the Fiscal Year ended December 31, 2016, together with internally prepared unaudited financial statements of the System for each fiscal quarter(s) since the end of such Fiscal Year that ended more than two months prior to the Effective Date;

(iv) a copy of the County's Investment Policy in effect as of the Effective Date; and

(v) a certificate dated the Effective Date and executed by a County Representative certifying the names, titles, offices and signatures of the persons authorized to sign, on behalf of the County, the Related Documents to which it is a party and the other documents to be delivered by it hereunder or thereunder.

(b) The following financing documents:

(i) an executed original or certified copy, as applicable, of each of the Related Documents; and

(ii) an executed original of the Bond of each series of the Bonds.

(c) The following opinions, dated the Effective Date and addressed to the Purchaser or on which the Purchaser is otherwise expressly authorized to rely:

(i) from counsel to the County, opinions as to the due authorization, execution, delivery and enforceability of the Related Documents to which the County is a party, and such other customary matters as the Purchaser may reasonably request;

(ii) from Bond Counsel, opinions to the effect that the interest on the Bonds is excludable from gross income for federal income tax purposes and such other customary matters as the Purchaser may reasonably request.

(d) The following documents and other information:

(i) a certificate dated the Effective Date and executed by a County Representative certifying (A) that there has been no event or circumstance since December 31, 2016, that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect, (B) that the representations

and warranties contained in Article V hereof and the other Related Documents are true and correct in all material respects on the Effective Date, (C) no event has occurred and is continuing, or would result from entry into this Agreement, which would constitute a Potential Default or Event of Default and (D) since the dated date of the Rating Documentation, the unenhanced long-term debt ratings assigned to any publicly-offered Junior Lien Obligations have not been withdrawn, suspended or reduced;

(ii) a certificate dated the Effective Date and executed by a County Representative, certifying that the County is in compliance with the covenants set forth in the Ordinance;

(iii) true and correct copies of all Governmental Authorizations, if any, necessary for the County to execute, deliver and perform the Related Documents to which it is a party;

(iv) recent evidence that the unenhanced long-term debt rating assigned by Moody's and S&P to the publicly-offered Parity Lien Obligations is at least "Aaa" and "AAA," respectively (the "*Rating Documentation*"); and

(v) receipt of an executed flow of funds memorandum by an officer of the County set forth in the County's incumbency certificate and authorized to execute transaction documents as set forth in the Ordinance.

Section 4.02 Litigation. The Purchaser shall have received a written description of all actions, suits or proceedings pending or threatened against the County in any court or before any arbitrator of any kind or before or by any governmental or non-governmental body which could reasonably be expected to result in a Material Adverse Effect, if any, and such other statements, certificates, agreements, documents and information with respect thereto as the Purchaser may reasonably request.

Section 4.03 Other Matters. All other legal matters pertaining to the execution and delivery of this Agreement and the Related Documents shall be satisfactory to the Purchaser and its counsel, and the Purchaser shall have received such other statements, certificates, agreements, documents and information with respect to the County and matters contemplated by this Agreement as the Purchaser may reasonably request.

Section 4.04 Payment of Fees and Expenses. On or prior to the Effective Date, the Purchaser shall have received reimbursement (or direct payment) of the Purchaser's fees and expenses (including the legal fees and expenses of McGuireWoods LLP) and any other fees incurred in connection with the transaction contemplated by the Related Documents.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

Section 5.01 Representations and Warranties. The County hereby makes the following representations and warranties to the Purchaser and each Bondholder:

(a) Existence. The County is a political subdivision of the State, with full right and power (i) to issue and sell the Bonds, (ii) to own its properties, including the System, and to carry on its activities, including activities of the System, as now conducted and as contemplated to be conducted in connection with the issuance of the Bonds and the execution, delivery and performance of its obligations under the Related Documents and this Agreement, (iii) to execute, deliver and perform its obligations under the Related Documents and this Agreement, and (iv) to provide for the security of the Bonds pursuant to the Ordinance; and the County has complied with all provisions of applicable law in all matters related to such actions of the County as are contemplated by the Related Documents and this Agreement.

(b) Authorization; Contravention. The issuance of the Bonds and the execution, delivery and performance by the County of this Agreement and each Related Document are within the County's powers, have been duly authorized by all necessary action, and will not and do not (i) violate any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to the County, including, without limitation, the System; *provided, however,* that the County hereby advises the Purchaser that it is not clear whether the County has the authority to indemnify a private party for its own gross negligence and that a court could find that the provisions in this Agreement requiring the County to indemnify the Purchaser against the Purchaser's or a Bondholder's gross negligence are not enforceable, (ii) result in a breach of or constitute a default under any material indenture, ordinance or loan or credit agreement or any other material agreement, lease or instrument applicable to the County and to which the County is a party or by which it or its properties, including, without limitation, the System, may be bound or affected, or (iii) result in, or require, the creation or imposition of any Lien upon or with respect to any of the properties, including, without limitation, the System, now owned or hereafter acquired by the County, other than as contemplated by this Agreement, the Bonds and the other Related Documents; and the County is not in material default under any such law, rule, regulation, order, writ, judgment, injunction, decree, determination or award or any such indenture, ordinance, agreement, lease or instrument, including, without limitation, the Act and any Environmental Laws to which the County or the System is subject.

(c) Binding Effect; Security.

(i) This Agreement, the Bonds and the Related Documents constitute valid and binding agreements of the County, enforceable in accordance with their respective terms except as (x) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and (y) the availability of equitable remedies may be limited by equitable principles of general applicability. The Bonds have been duly and validly issued under the Ordinance and are entitled to the benefits thereof, and the Ordinance is or will be on the Effective Date in full force and effect.

(ii) The Ordinance creates, for the benefit of the holders of Bonds, (A) a legally valid, binding and irrevocable pledge of the full faith, credit and resources of the County which have been irrevocably pledged pursuant to the Ordinance for the annual levy and collection of an ad valorem tax permitted to counties without a vote of the people upon all the property within the County subject to taxation in an amount that will

be sufficient, together with all other revenues and money of the County legally available for such purpose, to make the payments into the Multi-Modal LTGO/Sewer Revenue Bond Fund required by the Ordinance as the same become due, and (B) a legally valid, binding and irrevocable pledge of and statutory Lien on the Revenue of the System and other moneys and securities held or set aside or to be set aside and held in the Multi-Modal LTGO/Sewer Revenue Bond Fund. Such pledge extends to the payment of interest on the Bonds at the Direct Purchase Rate. The payment of principal of and interest on Bonds ranks on a parity with the payment of principal of and interest on other Multi-Modal LTGO/Sewer Revenue Bonds issued under the Ordinance. No filing, registering or publication of the Ordinance or any other instrument (other than any filing, registration or publication made by the County prior to the Closing Date) is required to establish such pledge or to protect or maintain such Lien.

(d) No Consent or Approval. No consent, approval, permit, authorization or order of, or registration or filing with, any court or governmental agency, authority or other instrumentality not already obtained, given or made is required on the part of the County for the execution, delivery and performance by the County of the Related Documents or this Agreement.

(e) Financial Information.

(i) The audited financial statements of the County for the fiscal year ended December 31, 2016 fairly present the financial position of the County at the end of such fiscal year and the results of operations for the year then ended, in conformity with GAAP.

(ii) Except as described in writing to the Purchaser, since December 31, 2016 there has been no material adverse change in the financial position, results of operations or prospects of the County. Since December 31, 2016, no transaction or event shall have occurred and no change shall have occurred in the condition (financial or otherwise) or operations of the County which materially adversely affects the issuance of any of the Bonds, the pledge of the full faith, credit and resources of the County for the payment of the Bonds, the Revenue of the System, or the ability of the County to repay when due its obligations under this Agreement, any of the Bonds, the Ordinance and the other Related Documents.

(iii) The audited financial statements of the System for the fiscal year ended December 31, 2016 fairly present the financial position of the System at the end of such fiscal year and the results of operations for the year then ended, in conformity with GAAP except as otherwise expressly described therein.

(iv) Except as described in writing to the Purchaser, since December 31, 2016 there has been no material adverse change in the financial position, results of operations or prospects of the System. Since December 31, 2016, no transaction or event shall have occurred and no change shall have occurred in the condition (financial or otherwise) or operations of the System which materially adversely affects the issuance of any of the Bonds, the pledge of Revenue of the System for the payment of the Bonds, the Revenue

of the System, or the ability of the County to repay when due its obligations under this Agreement, any of the Bonds, the Ordinance and the other Related Documents.

(f) Litigation. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, arbitrator, governmental agency or authority, or other board, body or official, pending or, to the best knowledge of the County, threatened against or affecting the County, questioning the validity of the Ordinance or any proceeding taken or to be taken by the County in connection with the execution, delivery and performance by the County of the Related Documents or this Agreement, or seeking to prohibit, restrain or enjoin the execution, delivery or performance by the County of any of the foregoing, nor, to the best knowledge of the County, is there any basis therefor, wherein an unfavorable decision, ruling or finding would adversely affect (i) the validity of the Ordinance or the other Related Documents, (ii) the validity or enforceability of, or the authority or ability of the County to perform its obligations under, the Ordinance, the other Related Documents or this Agreement, (iii) the ability of the County to conduct its activities, including, without limitation, activities of the System, as presently conducted or as proposed or contemplated to be conducted under the terms of this Agreement, the Ordinance and the other Related Documents, or (iv) the exemption of interest on any tax-exempt bond or note of the County from Federal income taxes.

(g) No Sovereign Immunity. Pursuant to Section 4.08.120 of the Revised Code of Washington, the defense of sovereign immunity is not available to the County in any proceeding by the Purchaser to enforce any of the obligations of the County under this Agreement or the Bonds.

(h) No ERISA Plans. The County has never established, is not a party to and has never contributed to any "employee benefit plan" within the meaning of Section 3(3) of ERISA or any other form of bonus, incentive compensation, deferred compensation or other similar plan or arrangement other than a "governmental plan" within the meaning of Section 414(b) of the Code or Section 3(32) of ERISA.

(i) No Default. The County is not in breach of or default under the Ordinance, or in breach of or default under any law or regulation of the State or of the United States or any judgment, decree, agreement or other instrument applicable to the County or the System and, in either case, to which the County is a party, except where such breach or default, so far as the County can foresee, will not materially adversely affect, the operations, condition (financial or otherwise) or affairs of the County or the System. No Potential Default or Event of Default has occurred or is continuing. The County is not in default in the payment of any Indebtedness, including, without limitation, Indebtedness payable from Revenue of the System.

(j) Disclosure. All documents and certificates provided to the Purchaser by or on behalf of the County in connection with the transactions contemplated by the Related Documents are true and correct as of the date hereof and were provided in expectation of the Purchaser's reliance thereon in executing this Agreement. There are no facts that the County has failed to disclose to the Purchaser that, individually or in the aggregate, materially adversely affect or, so far as the County can foresee, will materially adversely affect, the operations, condition (financial or otherwise) or affairs of the County or of the System.

(k) Tax-Exempt Status of Bonds. The County has not taken any action, and knows of no action that any other person has taken, which would cause interest on the Bonds to be includable in the gross income of the recipients thereof for Federal income tax purposes.

(l) No Usury. Pursuant to Section 19.52.080 of the Revised Code of Washington, the terms of this Agreement regarding the calculation and payment of interest and fees do not contravene any applicable usury laws.

(m) Pending Legislation. The County knows of no legislation pending that could, if enacted, adversely affect the validity or enforceability of this Agreement or the Related Documents, or the ability of the County to perform its obligations hereunder or under the Related Documents. No legislation has been enacted which in any way adversely affects the issuance or delivery of the Bonds or the execution, delivery or performance of this Agreement or the Related Documents or the creation, organization or existence of the County or the titles to office of any officers thereof, or the power of the County to carry out its obligations under this Agreement or the Related Documents or the ability of the County to perform its obligations hereunder or under the Related Documents.

(n) Compliance with Laws. The County is in compliance with all Laws, ordinances, orders, rules and regulations applicable to the County and to the System (including, in each case, ERISA and Environmental Laws), except to the extent noncompliance would not reasonably be expected to result in a Material Adverse Effect.

(o) Incorporation of Representations and Warranties by Reference. The County hereby makes to the Purchaser the same representations and warranties as are set forth in the Related Documents, which representations and warranties, as well as the related defined terms contained therein, are hereby incorporated by reference with the same effect as if each and every such representation and warranty and defined term were set forth herein in its entirety. No amendment to such representations and warranties or defined terms made pursuant to the Related Documents shall be effective to amend such representations and warranties and defined terms as incorporated by reference herein without the written consent of the Purchaser.

(p) Status of Obligations. The interest on Bonds and maturing principal and sinking fund requirements due and payable in connection with Bonds shall, in each case, be secured by the full faith, credit and resources of the County, which have been irrevocably pledged pursuant to the Ordinance for the annual levy and collection of an ad valorem tax upon all the property within the County subject to taxation, within and a part of the tax levy permitted to counties without a vote of the people, in an amount that will be sufficient, together with all other revenues and money of the County legally available for such purpose, to make the payments into the Multi-Modal LTGO/Sewer Revenue Bond Fund required by the Ordinance as the same become due. The obligation of the County to pay amounts set forth herein as fees (including, but not limited to, the amounts described in Sections 2.02(c) and 8.04 hereof), and of the County to indemnify the Purchaser pursuant to Section 8.04 hereof, and to make all other payments (other than interest on Bonds and principal and sinking fund requirements due and payable in connection with Bonds) to the Purchaser under this Agreement and the other Related Documents shall be a general, unsecured obligation of the County. The (i) interest on Bonds, (ii) maturing principal and sinking fund requirements due and payable in connection with Bonds, and (iii) the

obligation of the County to pay amounts set forth herein as fees (including, but not limited to, the amounts described in Sections 2.02(c) and 8.04 hereof), and of the County to indemnify the Purchaser pursuant to Section 8.04 hereof, and to make all other payments to the Purchaser under this Agreement and the other Related Documents shall, in each case, be payable from the funds and accounts established under the Ordinance, and secured by the Revenue of the System, on a parity with the payment of interest on all other Multi-Modal LTGO/Sewer Revenue Bonds, all as more fully provided in the Ordinance, but such payments shall be junior, subordinate and inferior to Operating and Maintenance Expenses; junior, subordinate and inferior to the lien and charge on the Revenue of the System for the payments required to be made into the Parity Bond Fund and the accounts therein; junior, subordinate and inferior to the lien and charge on the Revenue of the System of the payments required to be made into the Parity Lien Obligation Bond Fund and the accounts therein; junior and inferior to the lien and charge on the Revenue of the System to pay and secure the payment of any Junior Lien Obligations; but equal to the lien and charge on the Revenue of the System to pay and secure any additional Multi-Modal LTGO/Sewer Revenue Bonds; and superior to all other liens and charges of any kind or nature, including, inter alia, the lien and charge on the Revenue of the System to pay and secure the payment of the Subordinate Lien Obligations and the SRF Loans and Public Works Trust Fund Loans. No filing, registering, recording of the Ordinance or any other instrument is required to establish the pledge thereby of the full faith, credit and resources of the County or to establish the pledge thereby of or protect or maintain the Lien created thereby on the Revenue of the System.

(q) Senior Debt. As of the Effective Date, with the exception of outstanding Parity Bonds, Parity Lien Obligations, Junior Lien Obligations and reimbursement obligations related to the foregoing, the County has not issued, incurred, assumed or Guaranteed any Indebtedness which is outstanding and is (i) payable from Revenue of the System and (ii) senior, as to the priority of payment or security, to the Bonds. The Bonds and the other Multi-Modal LTGO/Sewer Revenue Bonds are on a parity as to priority of payment and security as provided in the Ordinance.

(r) Margin Stock. The County is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock.

(s) No Acceleration. No credit provider, liquidity provider, bond insurer, bond purchaser or any other Person is permitted to accelerate or otherwise cause the maturity of any Indebtedness of the County secured by a Lien on the full faith and credit of the County to make payments due and to levy taxes to become due prior to its respective scheduled terms. Except as described on Schedule 5.01(s) attached hereto, no credit provider, liquidity provider, bond insurer, bond purchaser or any other Person is permitted to accelerate or otherwise cause the maturity of any Indebtedness of the County secured by a Lien on the Revenue of the System to become due prior to its respective scheduled terms.

(t) Swap Termination Payments; Cash Collateral. The County has not entered into any Swap Agreement (i) pursuant to which termination payments are secured by any pledge of the full faith and credit of the County to make payments due and to levy taxes or by any Lien on the Revenue of the System, in either case, prior in priority to the pledge of the Security securing

the Bonds or (ii) which requires the County to post cash collateral to secure its obligations thereunder.

(u) [Reserved].

(v) Casualty. Except as described in writing to the Purchaser, neither the business nor the Property of the County, including, without limitation, of the System, is currently affected by any fire, explosion, accident, strike, lockout or other labor dispute, drought, storm, hail, earthquake, embargo, act of God or of the public enemy or other casualty (whether or not covered by insurance), which could have a Material Adverse Effect.

(w) Securities Act. No registration of the Bonds is required under the 1933 Act, and the Ordinance is not required to be qualified under the Trust Indenture Act of 1939, as amended.

(x) Anti-Terrorism Laws. (i) The County is not in violation of any Laws relating to terrorism or money laundering ("*Anti-Terrorism Laws*"), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the "*Executive Order*"), and the Patriot Act;

(ii) The County is not any of the following:

(A) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(B) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(C) a Person with which the Purchaser is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

(D) a Person that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order; or

(E) a Person that is named as a "specially designated national and blocked person" on the most current list published by the Office of Foreign Asset Control ("*OFAC*") or any list of Persons issued by OFAC pursuant to the Executive Order at its official website or any replacement website or other replacement official publication of such list; and

(iii) The County does not (A) conduct any business or engage in making or receiving any contribution of funds, goods or services to or for the benefit of any Person described in subsection (ii)(B) above, (B) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or (C) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

ARTICLE VI
COVENANTS

Section 6.01 Covenants. The County covenants and agrees that, until the full and final payment and satisfaction of all of the Bond Obligations, unless the Purchaser shall otherwise consent in writing:

(a) Information. The County will deliver to the Purchaser:

(i) as soon as practicable and, in any event, within 210 days after the end of each fiscal year of the County, financial statements consisting of a balance sheet of the general fund of the County as of the end of such fiscal year, a statement of revenues, expenditures and changes in fund balance of the general fund of the County for such fiscal year, and a combined statement of government operating revenues, expenditures, and changes in fund balances of the County's general government funds, together with schedules of property tax assessments and of the Revenue of the System, in each case, setting forth in comparative form the corresponding figures (if any) for the preceding fiscal year, all in reasonable detail and accompanied, if available, by (A) an audit report of the County's independent public accountants or the state auditor stating that they have (except as noted therein) been prepared in accordance with GAAP, and (B) a certificate from an authorized financial officer of the County stating that no Potential Default or Event of Default has come to his or her attention which was continuing at the end of such fiscal year or on the date of his or her certificate, or, if applicable, indicating the nature of such Potential Default or Event of Default and the action which the County proposes to take with respect thereto;

(ii) if not provided together with the financial statements described in clause (i) above, as soon as available and in any event within 270 days after the end of each fiscal year of the County, an audit report of the County prepared by the County's independent public accountants or the state auditor and accompanied by financial statements of the type described in clause (i) above, stating that such financial statements have (except as noted therein) been prepared in accordance with GAAP, and accompanied by a certificate from an authorized financial officer of the County stating that no Potential Default or Event of Default has come to his or her attention which was continuing at the end of such fiscal year or on the date of his or her certificate, or, if applicable, indicating the nature of such Potential Default or Event of Default and the action which the County proposes to take with respect thereto, and (B) simultaneously with the furnishing thereof, each audit report required to be delivered pursuant to Section 17.C of the Ordinance;

(iii) as soon as practicable and, in any event, within 180 days after the end of each fiscal year of the County, financial statements consisting of a balance sheet of the System as of the end of such fiscal year and a statement of revenues, expenditures and changes in fund balance of the System for such fiscal year, in each case, setting forth in comparative form the corresponding figures (if any) for the preceding fiscal year, all in reasonable detail and accompanied, if available, by (A) an audit report of the County's

independent public accountants or the state auditor stating that they have (except as noted therein) been prepared in accordance with GAAP, and (B) a certificate from an authorized financial officer of the County (I) stating that no Potential Default or Event of Default has come to his or her attention which was continuing at the end of such fiscal year or on the date of his or her certificate, or, if applicable, indicating the nature of such Potential Default or Event of Default and the action which the County proposes to take with respect thereto, and (II) setting forth the financial data and computations evidencing the County's current compliance with the covenants set forth in Section 16 of the Ordinance;

(iv) if not provided together with the financial statements described in clause (iii) above, as soon as available and in any event within 270 days after the end of each fiscal year of the County, an audit report of the System prepared by the County's independent public accountants or the state auditor and accompanied by financial statements of the type described in clause (iii) above, stating that such financial statements have (except as noted therein) been prepared in accordance with GAAP, and accompanied by a certificate from an authorized financial officer of the County stating that no Potential Default or Event of Default has come to his or her attention which was continuing at the end of such fiscal year or on the date of his or her certificate, or, if applicable, indicating the nature of such Potential Default or Event of Default and the action which the County proposes to take with respect thereto;

(v) as soon as available after the end of each of the first three fiscal quarters of each fiscal year of the County, (A) the unaudited financial information of the County for such quarter for the System, in the form customarily prepared by the County, and (B) the unaudited financial information of the County for such quarter for the general fund of the County, in the form customarily prepared by the County, accompanied by a certificate from an authorized financial officer of the County stating that no Potential Default or Event of Default has come to his or her attention which was continuing at the end of such fiscal year or on the date of his or her certificate, or, if applicable, indicating the nature of such Potential Default or Event of Default and the action which the County proposes to take with respect thereto;

(vi) immediately after the County shall have obtained knowledge of the occurrence of a Potential Default or Event of Default, the written statement of an authorized officer of the County setting forth the details of each such Potential Default or Event of Default and the action which the County proposes to take with respect thereto;

(vii) promptly, but, in any event, within five (5) Business Days after receipt by the County of notification thereof, notice of any change, suspension or termination in the ratings on the publicly-offered Parity Bonds, Parity Lien Obligations, Junior Lien Obligations or Parity Indebtedness by any of the Rating Agencies;

(viii) promptly, notice of the failure of the County to make a payment under any Parity Bonds, Parity Lien Obligations, Junior Lien Obligations or Parity Indebtedness;

(ix) promptly (A) notice of the failure by the Registrar to perform any of its obligations under the Related Documents to which such entity is a party, and (B) notice of any proposed conversion, prepayment, redemption or refunding of the Bonds;

(x) promptly upon receipt of the written request therefor from the Purchaser, copies of all management letters of substance and other reports of substance that are submitted to the County by its independent accountants or the state auditor in connection with any annual or interim audit of the books of the County or the System made by such accountants or the state auditor;

(xi) promptly, after the filing thereof, any material event notices or other filing required to be filed pursuant to Securities and Exchange Commission Rule 15c2-12 relating to an adverse (including preliminary) determination as to the tax-exempt status of any Parity Bonds or other events affecting the tax-exempt status of Parity Bonds as required by the provisions of said Rule, if any;

(xii) promptly, notice of any action, suit or proceeding known to it at law or in equity or by or before any governmental instrumentality or other agency which, if adversely determined, would materially impair the ability of the County to carry out its obligations under the Act, this Agreement, the Related Documents or any other document, instrument or agreement required hereunder or thereunder, or would materially and adversely affect its assets or financial condition;

(xiii) promptly, notice of any proposed amendments to Related Documents and copies of all actual amendments thereto;

(xiv) immediately upon the occurrence of a default under any Parity Bond Ordinance that results in the acceleration of the related Parity Bonds, notice of such event; and

(xv) from time to time such additional information regarding the financial position, results of operations or prospects of the County or the System as the Purchaser may reasonably request.

(b) No Amendment Without Consent of the Purchaser. Without the prior written consent of the Purchaser, the County will not agree or consent to any amendment, supplement or modification of any Related Document, nor waive any provision thereof.

(c) Registrar. The County shall not appoint any Person to perform the duties of the Registrar without the consent of the Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed; *provided, however*, that the Purchaser's consent is not required for any successor state fiscal agency to assume the duties of Registrar hereunder or under the Ordinance. The Purchaser hereby consents to the state fiscal agency of the State of Washington, currently U.S. Bank National Association, acting as the Registrar.

(d) Incorporation of Covenants by Reference. (i) The County agrees that it will perform and comply with each and every covenant and agreement required to be performed or

observed by it in the Ordinance, including, without limitation, Sections 9, 10 and 11 of the Ordinance, and in the other Related Documents, all of which provisions, as well as related defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety. To the extent that (a) any such incorporated provision permits any Person to waive compliance with or consent to such provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to any Person and (b) any such waiver or consent or acceptance of a document, opinion or other instrument would adversely affect the interests of the Purchaser, then for purposes of this Agreement, such provision shall be complied with only if it is waived or consented to in writing by the Purchaser and such document, opinion or other instrument shall be acceptable or satisfactory only if it is acceptable or satisfactory to the Purchaser. Without the written consent of the Purchaser, no amendment to such covenants and agreements or defined terms made pursuant to any certificate or any other Related Document shall be effective to amend such covenants and agreements and defined terms as incorporated by reference herein.

(ii) In the event that the County shall, directly or indirectly, enter into or otherwise consent to any Bank Agreement, whether now in effect or entered into by the County after the date hereof, which includes financial covenants, events of default or remedies (including more rapid term-out periods or acceleration) more restrictive or different than those included in this Agreement, such financial covenants, events of default or remedies (including, without limitation, acceleration), as well as related defined terms contained in such Bank Agreement, are hereby incorporated by reference (all of the foregoing are collectively referred to herein as the “*Incorporated Provisions*”) in this Section 6.01(d)(ii) for the benefit of the Purchaser with the same effect as if each and every such Incorporated Provision were set forth in this Section 6.01(d)(ii) in its entirety. The County will perform and comply with each and every Incorporated Provision incorporated herein. The County further covenants to promptly execute and deliver at its expense an amendment to this Agreement in form and substance satisfactory to the Purchaser evidencing the amendment of this Agreement to include such Incorporated Provisions, *provided* that the execution and delivery of such amendment shall not be a precondition to the effectiveness of such amendment as provided for in this Section 6.01(d)(ii), but shall merely be for the convenience of the parties hereto, [and *provided further*, that any other provision of this Agreement to the contrary notwithstanding, the remedy of acceleration set forth in Section 7.02(i) of the Bank Agreement dated as of November 16, 2016, between the County and the Purchaser with respect to the County’s Junior Lien Variable Rate Demand Sewer Revenue Bonds, Series 2015A and 2015B, shall not constitute an Incorporated Provision]. To the extent that any such Incorporated Provision (A) permits any Person or Persons to waive compliance with such provision or (B) requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to any Person or Persons, then for purposes of this Agreement, such Incorporated Provision shall be complied with hereunder only if (x) it is waived by the Purchaser or (y) such document, opinion or other instrument and such event or condition shall be acceptable or satisfactory to the Purchaser, which acceptance or satisfaction shall not be unreasonably withheld or delayed. No amendment to such Incorporated Provisions made pursuant to any of the Related Documents or otherwise shall be effective to amend such Incorporated Provision without the prior written consent of the Purchaser and such Incorporated Provision shall remain in full force, except to the extent modified, amended or waived by the Purchaser, whether or not the respective document containing such Incorporated Provision

remains in effect, whether or not the original beneficiary of such Incorporated Provision continues to be a creditor of the County or whether or not such original beneficiary has otherwise lost its rights to enforce such Incorporated Provision.

(e) Tax Status of the Bonds. The County shall not take any action or omit to take any action which, if taken or omitted, would adversely affect the exemption of interest on any tax-exempt bond or note of the County, including the Bonds, from Federal income taxes.

(f) ERISA. The County will not establish, become a party to or contribute to any "employee benefit plan" within the meaning of Section 3(3) of ERISA or any other form of bonus, incentive compensation, deferred compensation or other similar plan or arrangement other than a "governmental plan" within the meaning of Section 414(b) of the Code and Section 3(32) of ERISA.

(g) Maintenance of Books and Records. The County will keep proper books of record and account, including, without limitation, of the System, in which full, true and correct entries in accordance with GAAP will be made of all dealings or transactions in relation to its business and activities.

(h) Access to Officers, Employees or Agents. The County will permit its officers, employees and agents to discuss with the Purchaser matters pertinent to an evaluation of the credit of the County and of the System, all at such reasonable times as the Purchaser may reasonably request.

(i) Inspection of Records. At any reasonable time and upon reasonable notice from time to time, and at the expense of the County upon and during the continuance of an Event of Default, the County shall permit the Purchaser or any agents or representatives thereof designated in writing (i) to visit and inspect any of the properties of the County and of the System, and to discuss the affairs, finances and accounts of the County and of the System with, and to be advised as to the same by, the principal officers and employees of the County and its independent public accountants or state auditor, as applicable, all at such reasonable times during normal business hours and as often as the Purchaser may reasonably request, and (ii) to review and inspect the corporate books and financial records of the County and of the System and to make copies thereof and extracts therefrom.

(j) Compliance with Law. The County will comply with and observe the obligations and requirements set forth in the Ordinance, the Constitution of the State and the statutes (including Environmental Laws), regulations, orders or writs binding upon it relating to the Bonds or otherwise applicable to the operations, affairs, properties, condition (financial or otherwise) or prospects of the County, including, without limitation, the System, except to the extent such non-compliance would not reasonably be expected to have a Material Adverse Effect.

(k) Proceeds of Bonds. (i) No part of the proceeds of the Bonds or any advance hereunder will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying Margin Stock; and (ii) the County shall use the proceeds of the Bonds for the purposes set forth in the Ordinance.

(l) Payment of Obligations. The County shall take such action as necessary to cause payment of the Bonds and the other Bond Obligations, and shall take such further action as is appropriate in order to provide for payment of any and all of its obligations hereunder.

(m) Further Assurances. From time to time hereafter, the County will promptly, and in any event within seven (7) Business Days after receiving any such request, execute and deliver such additional instruments, certificates or documents, and will take all such actions as the Purchaser may reasonably request for the purposes of implementing or effectuating the provisions of this Agreement and each of the Related Documents.

(n) Other Indebtedness. The County will not create or incur any indebtedness for borrowed money with respect to monies or securities in the Multi-Modal LTGO/Sewer Revenue Bond Fund other than the Bonds and other indebtedness which is on a parity with the Bonds.

(o) Liens. The County will not issue any bonds, notes, debentures, or other evidences of indebtedness of similar nature, other than the Bonds, payable out of or secured by a security interest in or a pledge or assignment of the Revenue of the System or other moneys, securities or funds held or set aside by the County under the Ordinance, except as provided in the Ordinance; and it will not create or cause to be created any lien or charge on the Revenue of the System or such moneys, securities or funds, except as provided in the Ordinance.

(p) Preservation of Existence. The County will preserve and maintain its existence, rights and privileges in the State, and will qualify and remain qualified and authorized to do business in each other jurisdiction in which such qualification is necessary in view of its activities or operations.

(q) Actions. The County shall not take any action, or cause the Registrar to take any action, under the Related Documents inconsistent with the rights of the Purchaser under this Agreement, including, without limitation, its obligations to make payments to the Purchaser, without the prior written consent of the Purchaser.

(r) Disclosure. Except as otherwise required by law (and if required by law, the County will use reasonable efforts to provide to the Purchaser any such proposed disclosure in advance of any filing by the County as legally required, with a reasonable opportunity for the Purchaser to review such disclosure and consult with the County regarding such disclosure), the County shall not refer to the Purchaser in any official statement or make any changes in reference to the Purchaser in any official statement without the Purchaser's prior written consent thereto; *provided* that the County shall be permitted to identify in its annual audited financial statements of the County or of the System, the principal amount of the Bonds held by the Purchaser (but without identifying the Purchaser by name) and the manner in which interest on the Bonds is calculated (but without specific reference to the actual Direct Purchase Applicable Spread or pricing grid with respect to the Bonds); and *provided, further*, that in no event shall specific fees payable to the Purchaser hereunder or in connection with the Bonds be identified or described. The Purchaser hereby consents to any reference to the Purchaser in official statements of the County which is substantially in the form of Exhibit C hereto, so long as the foregoing prohibitions are also met.

(s) Ordinance. The County shall transfer Revenue of the System and amounts on deposit in any account under the Ordinance to the Purchaser in order to pay obligations owing to the Purchaser under this Agreement and the Bonds when due, to the extent permitted under the Ordinance.

(t) Waiver of Sovereign Immunity. To the fullest extent permitted by law, in any action, suit, litigation or proceeding, the County shall not claim or otherwise assert sovereign immunity with respect to any obligations of the County under this Agreement or with respect to Bonds.

(u) Insurance. The County shall maintain or cause to be maintained insurance or self-insurance covering such casualties and contingencies, of such types as are presently covered and in such amounts as required by the Ordinance.

(v) Maintenance of Property. The County shall maintain, preserve and keep all of the Properties of the County, including, without limitation, of the System, in accordance with the terms of the Ordinance.

(w) Swap Agreements. The County shall not enter into any Swap Agreement relating to Indebtedness secured by a pledge of the full faith and credit of the County or by a pledge of the Revenue of the System (i) wherein any termination payments thereunder are senior to or on parity with the payment of the Bonds (including Unremarketed Bonds) or (ii) which requires the County to post cash collateral to secure its obligations thereunder.

(x) [No Acceleration of Other Obligations. To the extent permitted by law, the County shall not grant the remedy of acceleration to any person holding any Parity Bonds, Parity Lien Obligations, Junior Lien Obligations or Parity Indebtedness upon the occurrence of an event of default with respect to such debt unless the County shall grant the Purchaser the right to accelerate amounts owed hereunder and pursuant to the Bonds upon the occurrence of an Event of Default.]

(y) No Partial Conversion. The County shall not convert or permit the conversion of the interest rate on less than all the Bonds to any other interest rate mode other than the Direct Purchase Rate applicable during the Direct Purchase Rate Period under the Ordinance without the prior written consent of the Purchaser.

(z) Maintenance of Ratings. The County shall maintain not less than two unenhanced long-term credit ratings on its Parity Lien Obligations from the Rating Agencies during the term of this Agreement.

ARTICLE VII

EVENTS OF DEFAULT

Section 7.01 Events of Default. The occurrence of any of the following events (whatever the reason for such event and whether voluntary, involuntary, or effected by operation of Law) shall be an “*Event of Default*” hereunder, unless waived in writing by the Purchaser:

(i) default by the County in the payment of (A) any amounts (principal or interest) payable under the Bonds (including any Unremarketed Bond) when and as due, or (B) other amounts or other Bond Obligations required to be paid or reimbursed under this Agreement to the Purchaser or any other Bondholder when and as the same shall become due and payable;

(ii) any representation or warranty made by the County in this Agreement, the Related Documents or in any certificate or information delivered in connection herewith or therewith shall prove to have been materially false or materially misleading either on the date hereof or on the date when made (or deemed made);

(iii) default in the due observance or performance by the County of any covenant set forth (or incorporated by reference) in Article VI (other than Section 6.01(a)(i), Section 6.01(a)(ii), Section 6.01(a)(iii), Section 6.01(a)(iv), Section 6.01(a)(v), Section 6.01(m) or Section 6.01(u));

(iv) default in the due observance or performance by the County of any other term, covenant or agreement set forth (or incorporated by reference) in this Agreement and the continuance of such default for thirty (30) days after the occurrence thereof;

(v) the occurrence of an "event of default" under any of the Related Documents;

(vi) a proceeding is instituted in a court having jurisdiction in the premises seeking an order for relief, rehabilitation, reorganization, conservation, liquidation or dissolution in respect to the County or for any substantial part of its property under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or for the appointment of a receiver, liquidator, assignee, custodian, trustee or sequestrator (or other similar official) and such proceeding is not terminated within sixty (60) days after commencement or such court enters an order granting the relief sought in such proceeding or the County shall institute or take any corporate action for the purpose of instituting any such proceeding, or the County shall become insolvent, or unable to pay its debts as they mature, within the meaning of the Bankruptcy Code, shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, shall consent to the entry of an order for relief in an involuntary case under any such law or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian or sequestrator (or other similar official) of the County or for any substantial part of its property, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due within the meaning of the Bankruptcy Code, or shall take any corporate action in furtherance of any of the foregoing;

(vii) a debt moratorium, debt restructuring, debt adjustment or comparable restriction is imposed by the County or any Governmental Authority with appropriate jurisdiction on the repayment when due and payable of the principal of or interest on any Indebtedness of the County, including, without limitation, Indebtedness of the County secured by a pledge of the Revenue of the System;

(viii) this Agreement, the Ordinance or the Bonds or any material provision hereof or thereof with respect to the payment of principal or interest on the Bonds (including Unremarketed Bonds) or with respect to the pledge of the Revenue of the System or any other pledge or security interest created under the Ordinance, shall for any reason cease to be valid and binding on the County, or an officer of the County shall deny that the County has any or further liability under this Agreement, the Ordinance or the Bonds or any material provision hereof or thereof with respect to the payment of principal or interest on the Bonds (including Unremarketed Bonds) or with respect to the pledge of the Revenue of the System or any other pledge or security interest created under the Ordinance, or any Governmental Authority having jurisdiction shall find or rule that this Agreement, the Ordinance or the Bonds or any material provision hereof or thereof with respect to the payment of principal or interest on the Bonds (including Unremarketed Bonds) or with respect to the pledge of the Revenue of the System or any other pledge or security interest created under the Ordinance, is not valid or binding on the County;

(ix) the County shall (i) default in any payment of principal of, premium, if any, or interest on any Parity Bonds, Parity Lien Obligations, Junior Lien Obligations or Parity Indebtedness, other than Indebtedness owed pursuant to this Agreement; or (ii) default in the observance or performance of any other agreement or condition relating to any such Parity Bonds, Parity Lien Obligations, Junior Lien Obligations or Parity Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Parity Bonds, Parity Lien Obligations, Junior Lien Obligations or Parity Indebtedness (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Parity Bonds, Parity Lien Obligations, Junior Lien Obligations or Parity Indebtedness to become due and payable;

(x) the County shall (i) default on the payment of the principal of or interest on any Subordinate Lien Obligations, beyond the period of grace, if any, provided in the instrument or agreement under which such Subordinate Lien Obligations were created or incurred, *provided* that no such payment default as described in this clause (i) shall constitute an Event of Default so long as (A) the party or parties which failed to receive such payment from the County shall be stayed from executing, or otherwise not legally permitted to execute, on any Property of the System with respect to such default and (B) as a result of such default or failure to perform on behalf of County thereof, no other holder of any Parity Bonds, Parity Lien Obligations, Junior Lien Obligations, Parity Indebtedness or Subordinate Lien Obligations shall have declared such Indebtedness due and payable prior to the maturity date thereof or otherwise commenced its exercise of remedies pursuant to the agreement or instrument relating to such Indebtedness; or (ii) default in the observance or performance of any agreement or condition relating to any Subordinate Lien Obligations, or contained in any instrument or agreement evidencing, securing or relating thereto, or any other default, event of default or similar event shall occur or condition exist, the effect of which default, event of default or similar event or condition is to permit (determined without regard to whether any notice is required) any

such Subordinate Lien Obligations to become immediately due and payable in full as the result of the acceleration or mandatory redemption of such Subordinate Lien Obligations;

(xi) any final, non-appealable judgment or judgments, writ or writs or warrant or warrants of attachment, or any similar process or processes in an aggregate amount in excess of \$10,000,000 and payable from the full faith and credit of the County or the Revenue of the System on a parity basis with the Bonds, shall be rendered against the County and remain unpaid, unvacated, unbonded, uninsured, or unstayed for a period of sixty (60) days; or

(xii) the unenhanced long-term rating of any Parity Indebtedness is lowered below "BBB+" (or its equivalent) by S&P or Fitch or "Baa1" (or its equivalent) by Moody's, or such unenhanced long-term ratings are suspended, withdrawn or cancelled by S&P, Fitch or Moody's (provided that the County shall not be in default due to the failure to maintain three such unenhanced long-term ratings so long as (i) it maintains two such unenhanced long-term ratings from any of Moody's, S&P or Fitch, and (ii) it has caused such unenhanced long-term rating from such third Rating Agency to be withdrawn for ordinary course of business reasons and shall not have withdrawn any such unenhanced long-term rating from such third Rating Agency for credit-related reasons or in order to cure or otherwise avoid any Event of Default or any interest rate or other pricing implications); or

(xiii) the unenhanced long-term rating of any Parity Bonds, Parity Lien Obligations or Junior Lien Obligations is lowered below "BBB+" (or its equivalent) by S&P or Fitch or "Baa1" (or its equivalent) by Moody's, or such unenhanced long-term ratings are suspended, withdrawn or cancelled by S&P, Fitch or Moody's (provided that the County shall not be in default due to the failure to maintain three such unenhanced long-term ratings so long as (i) it maintains two such unenhanced long-term ratings from any of Moody's, S&P or Fitch, and (ii) it has caused such unenhanced long-term rating from such third Rating Agency to be withdrawn for ordinary course of business reasons and shall not have withdrawn any such unenhanced long-term rating from such third Rating Agency for credit-related reasons or in order to cure or otherwise avoid any Event of Default or any interest rate or other pricing implications).

Section 7.02 Consequences of an Event of Default. If an Event of Default specified in Section 7.01 hereof shall occur and be continuing, the Purchaser may take one or more of the following actions at any time and from time to time (regardless of whether the actions are taken at the same or different times):

(i) [by written notice to the County, declare the outstanding amount of the Bond Obligations under this Agreement to be immediately due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived, and an action therefor shall immediately accrue;]

(ii) deliver a written notice to the County that an Event of Default has occurred and is continuing and direct the County to cause a mandatory tender of the Bonds or take such other remedial action as is provided for in the Ordinance;

(iii) either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable under the Related Documents or to enforce performance or observance of any obligation, agreement or covenant of the County under the Related Documents, whether for specific performance of any agreement or covenant of the County or in aid of the execution of any power granted to the Purchaser in the Related Documents;

(iv) at the expense of the County, cure any Potential Default, Event of Default or event of nonperformance hereunder or under any Related Document; *provided, however,* that the Purchaser shall have no obligation to effect such a cure; and

(v) exercise, or cause to be exercised, any and all remedies as it may have under the Related Documents and as otherwise available at law and at equity.

Section 7.03 Solely for the Benefit of Purchaser. The rights and remedies of the Purchaser specified herein are for the sole and exclusive benefit, use and protection of the Purchaser, and the Purchaser is entitled, but shall have no duty or obligation to the County or any other Person or otherwise, to exercise or to refrain from exercising any right or remedy reserved to the Purchaser hereunder or under any of the other Related Documents.

Section 7.04 Discontinuance of Proceedings. In case the Purchaser shall proceed to invoke any right, remedy or recourse permitted hereunder or under the Related Documents and shall thereafter elect to discontinue or abandon the same for any reason, the Purchaser shall have the unqualified right so to do and, in such event, the County and the Purchaser shall be restored to their former positions with respect to the Bond Obligations, the Related Documents and otherwise, and the rights, remedies, recourse and powers of the Purchaser shall continue as if the same had never been invoked.

ARTICLE VIII

MISCELLANEOUS

Section 8.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement or any other Related Document, and no consent to any departure by the County therefrom, shall be effective unless in writing signed by the Purchaser and the County, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. In the case of any such waiver or consent relating to any provision hereof, any Potential Default or Event of Default so waived or consented to shall be deemed to be cured and not continuing, but no such waiver or consent shall extend to any other or subsequent Potential Default or Event of Default or impair any right consequent thereto.

Section 8.02 Notices; Effectiveness; Electronic Communication. (a) Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by fax transmission or e-mail transmission as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, if to the County or the Purchaser, to the address, fax number, e-mail address or telephone number specified for such Person on *Schedule I*. Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by fax transmission or e-mail transmission shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient).

(b) Each of the County and the Purchaser may change its address, fax number or telephone number or e-mail address for notices and other communications hereunder by notice to the other parties hereto.

(c) The Purchaser shall be entitled to rely and act upon any notices (including telephonic or Electronic Notices) purportedly given by or on behalf of the County even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. All telephonic notices to and other telephonic communications with the Purchaser may be recorded by the Purchaser, and each of the parties hereto hereby consents to such recording.

Section 8.03 No Waiver; Cumulative Remedies. No failure by the Purchaser to exercise, and no delay by the Purchaser in exercising, any right, remedy, power or privilege hereunder or under any other Related Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Related Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Section 8.04 Costs and Expenses; Damage Waiver. (a) The County agrees to pay to the Purchaser (i) on the date of execution of this Agreement, all reasonable costs and expenses incurred by the Purchaser and its counsel in connection with the preparation, execution and delivery of this Agreement and any other documents and instruments that may be delivered in connection therewith, *provided*, that such counsel fees shall not exceed \$40,000 plus disbursements, and (ii) all costs, charges and expenses (including reasonable fees and expenses of counsel for the Purchaser, and out-of-pocket expenses of the Purchaser) otherwise arising in connection with this Agreement and the other Related Documents, including, without limitation, in connection with any amendment or waiver with respect to this Agreement, the Bonds and the other Related Documents and any stamp and other taxes and fees payable or determined to be

payable in connection with the execution and delivery of this Agreement and any other documents or instruments that may be delivered in connection therewith.

(b) To the extent permitted by law, the County agrees to indemnify and hold each Bondholder harmless from and against, and to pay on demand, any and all claims, damages, losses, liabilities, costs and expenses whatsoever which such Bondholder may incur or suffer by reason of or in connection with (i) the issuance and sale of the Bonds, (ii) the execution and delivery or performance of this Agreement or any other documents which may be delivered in connection with this Agreement, or (iii) any breach by the County of any warranty, covenant, term or condition in, or the occurrence of any default under, this Agreement or any other Related Document, including, without limitation, the reasonable fees and expenses of counsel for the Purchaser with respect thereto and with respect to advising such Bondholder as to its rights and responsibilities under the Bonds or any other Related Document and all reasonable fees and expenses, if any, in connection with the enforcement or defense of the rights of such Bondholder in connection with the Bonds, this Agreement or any of the Related Documents, or the collection of any monies due under the Bonds, this Agreement or such other documents which may be delivered in connection with this Agreement or any of the Related Documents; except, only if, and to the extent that any such claim, damage, loss, liability, cost or expense shall be caused by such Bondholder's gross negligence or willful misconduct as determined by a court of competent jurisdiction. Promptly after receipt by a Bondholder of notice of the commencement, or threatened commencement, of any action subject to the indemnities contained in this Section 8.04(b) such Bondholder shall promptly notify the County thereof, *provided* that failure to give such notice shall not relieve the County from any liability to such Bondholder hereunder. The obligations of the County under this Section 8.04(b) shall survive payment of all obligations by the County to the Bondholders owed under the Bonds and this Agreement.

(c) To the fullest extent permitted by applicable law, the County shall not assert, and hereby waives, and acknowledges that no other Person shall have, any claim against any Person indemnified under Section 8.04(b), on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, the purchase of the Bonds or the use of the proceeds thereof. No Bondholder shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Bondholder through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Related Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Bondholder as determined by a final and non-appealable judgment of a court of competent jurisdiction.

(d) All amounts due under this Section shall be payable not later than thirty (30) Business Days after demand therefor.

(e) The agreements in this Section 8.04 shall survive the payment in full of the Bonds, the repayment, satisfaction or discharge of all the other Bond Obligations and the termination of this Agreement.

Section 8.05 Payments Set Aside. To the extent that any payment by or on behalf of the County is made to the Purchaser, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Purchaser in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under the Bankruptcy Code or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made.

Section 8.06 Successors and Assigns.

(a) *Successors and Assigns Generally.* This Agreement is a continuing obligation and shall be binding upon the County, its successors, transferees and assigns and shall inure to the benefit of the Bondholders and their respective permitted successors, transferees and assigns. The County may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Purchaser. Each Bondholder may, in its sole discretion and in accordance with applicable Law, from time to time assign, sell or transfer in whole or in part, this Agreement, its interest in the Bonds and in the Related Documents in accordance with the provisions of paragraph (b) or (c) of this Section. Each Bondholder may at any time and from time to time enter into participation agreements in accordance with the provisions of paragraph (d) of this Section. Each Bondholder may at any time pledge or assign a security interest subject to the restrictions of paragraph (e) of this Section.

(b) *Sales and Transfers by Bondholder to a Purchaser Transferee.* Without limitation of the foregoing generality, a Bondholder may at any time sell or otherwise transfer to one or more transferees all or a portion of the Bonds to a Person that is (i) an Affiliate of the Purchaser or (ii) a trust or other custodial arrangement established by the Purchaser or an Affiliate of the Purchaser, the owners of any beneficial interest in which are limited to “qualified institutional buyers” as defined in Rule 144A promulgated under the Securities Act of 1933, as amended (the “1933 Act”), or “accredited investors” as defined in Rule 501 of Regulation D under the 1933 Act (each, a “Purchaser Transferee”). From and after the date of such sale or transfer, State Street Public Lending Corporation (and its successors) shall continue to have all of the rights of the Purchaser hereunder and under the other Related Documents as if no such transfer or sale had occurred; *provided, however*, that (A) no such sale or transfer referred to in clause (b)(i) or (b)(ii) hereof shall in any way affect the obligations of the Purchaser hereunder, (B) the County shall be required to deal only with the Purchaser with respect to any matters under this Agreement and (C) in the case of a sale or transfer referred to in clause (b)(i) or (b)(ii) hereof, only the Purchaser shall be entitled to enforce the provisions of this Agreement against the County.

(c) *Sales and Transfers by Bondholder to a Non-Purchaser Transferee.* Without limitation of the foregoing generality, a Bondholder may at any time sell or otherwise transfer to one or more transferees which are not Purchaser Transferees but each of which constitutes (i) a “qualified institutional buyer” as defined in Rule 144A promulgated under the 1933 Act or an “accredited investor” as defined in Rule 501 of Regulation D under the 1933 Act, or (ii) a commercial bank organized under the laws of the United States, or any state thereof, or any other

country which is a member of the Organization for Economic Cooperation and Development, or a political subdivision of any such country, and, in any such case, having a combined capital and surplus, determined as of the date of any transfer pursuant to this clause (c), of not less than \$5,000,000,000 (each a "Non-Purchaser Transferee") all or a portion of the Bonds if (A) written notice of such sale or transfer, including that such sale or transfer is to a Non-Purchaser Transferee, together with addresses and related information with respect to the Non-Purchaser Transferee, shall have been given to the County, the Registrar and the Purchaser (if different than the Bondholder) by such selling Bondholder and Non-Purchaser Transferee, and (B) the Non-Purchaser Transferee shall have delivered to the County, the Registrar and the selling Bondholder, an Investor Letter.

From and after the date the County, the Registrar and the selling Bondholder have received written notice and an executed Investor Letter, (A) the Non-Purchaser Transferee thereunder shall be a party hereto and shall have the rights and obligations of a Bondholder hereunder and under the other Related Documents, and this Agreement shall be deemed to be amended to the extent, but only to the extent, necessary to effect the addition of the Non-Purchaser Transferee, and any reference to the assigning Bondholder hereunder and under the other Related Documents shall thereafter refer to such transferring Bondholder and to the Non-Purchaser Transferee to the extent of their respective interests, and (B) if the transferring Bondholder no longer owns any Bonds, then it shall relinquish its rights and be released from its obligations hereunder and under the Related Documents.

(d) *Participations.* Each Bondholder shall have the right to grant participations in all or a portion of such Bondholder's interest in the Bonds, this Agreement and the other Related Documents to one or more other banking institutions; *provided, however,* that (i) no such participation by any such participant shall in any way affect the obligations of the Purchaser hereunder and (ii) the County and the Registrar shall be required to deal only with the Purchaser, with respect to any matters under this Agreement, the Bonds and the other Related Documents and no such participant shall be entitled to enforce any provision hereunder against the County. The County agrees that each participant shall be entitled to the benefits of Sections 3.01, 3.02, 3.03 and 8.04 hereof to the same extent as if it were a Bondholder hereunder; *provided, however,* that a participant shall not be entitled to receive any greater payment under Sections 3.01, 3.02 and 3.03 than such Bondholder would have been entitled to receive with respect to the participation sold to such participant, unless the sale of the participation to such participant is made with the County's prior written consent.

(e) *Certain Pledges.* In addition to the rights of the Purchaser set forth above, the Purchaser may at any time pledge or grant a security interest in all or any portion of its rights or interests under the Bonds, this Agreement and/or the Related Documents to secure obligations of the Purchaser or an Affiliate of the Purchaser, including any pledge or assignment to secure obligations to a Federal Reserve Bank or to any state or local governmental entity or with respect to public deposits; *provided* that no such pledge or assignment shall release the Purchaser from any of its obligations hereunder or substitute any such pledgee or assignee for the Purchaser as a party hereto.

(f) *Limit on Restrictions.* Notwithstanding anything set forth in this Section 8.06 to the contrary, upon the occurrence and during the continuance of Event of Default, a Bondholder may, without the consent of the County, sell, assign or transfer this Agreement, the Bonds and the other Related Documents to any Non-Purchaser Transferee in accordance with Section 8.06(c) hereof.

Section 8.07 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Related Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Purchaser and when the Purchaser shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by fax transmission or e-mail transmission (e.g., “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this Agreement. Without limiting the foregoing, to the extent a manually executed counterpart is not specifically required to be delivered under the terms of any Related Document, upon the request of any party, such fax transmission or e-mail transmission shall be promptly followed by such manually executed counterpart.

Section 8.08 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Related Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Purchaser, regardless of any investigation made by the Purchaser or on its behalf and notwithstanding that the Purchaser may have had notice or knowledge of any Potential Default at the time of the purchase of the Bonds, and shall continue in full force and effect as long as any Bond Obligation hereunder shall remain unpaid or unsatisfied.

Section 8.09 Severability. If any provision of this Agreement or the other Related Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Related Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 8.10 Governing Law; Jurisdiction; Etc. (a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK; PROVIDED THAT THE DUTIES AND OBLIGATIONS OF THE COUNTY UNDER THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE, WITHOUT GIVING EFFECT TO CONFLICT OF LAW PRINCIPLES.

(b) *Submission to Jurisdiction.* THE COUNTY HEREBY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF WASHINGTON AND OF ANY STATE COURT SITTING IN THE CITY OF SEATTLE FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER RELATED DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY; *PROVIDED* THAT THE PARTIES AGREE TO THE EXTENT EITHER SUCH COURT SHALL HAVE COMPETENT JURISDICTION, THAT THE PARTIES SHALL FIRST DESIGNATE THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF WASHINGTON AS THE SITE OF SUCH SUIT, ACTION OR PROCEEDING. THE COUNTY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) *Service of Process.* EACH PARTY TO THIS AGREEMENT IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 8.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY TO THIS AGREEMENT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

Section 8.11 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER RELATED DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 8.12 Acknowledgment and Appointment of Calculation Agent. The Purchaser hereby acknowledges and accepts its appointment as Calculation Agent during the Direct Purchase Rate Period pursuant to the Ordinance and acknowledges, accepts and agrees to all the duties and obligations of the Calculation Agent set forth in the Ordinance.

Section 8.13 No Advisory or Fiduciary Role. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the County acknowledges and agrees, that: (a) (i) the services regarding this Agreement provided by the Purchaser and any Affiliate

thereof are arm's-length commercial transactions between the County, on the one hand, and the Purchaser and its Affiliates, on the other hand, (ii) the County has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the County is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Related Documents; (b) (i) the Purchaser and its Affiliates each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the County or any other Person and (ii) neither the Purchaser nor any of its Affiliates has any obligation to the County with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Related Documents or imposed by Law, if any; and (c) the Purchaser and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the County, and neither the Purchaser nor any of its Affiliates has any obligation to disclose any of such interests to the County. To the fullest extent permitted by law, the County hereby waives and releases any claims that it may have against the Purchaser or any of its Affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby.

Section 8.14 Electronic Execution of Certain Documents. The words "execute," "execution," "signed," "signature," and words of like import in any Related Document (including waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Purchaser, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 8.15 USA Patriot Act. The Purchaser is subject to the Patriot Act and hereby notifies the County that pursuant to the requirements of the Patriot Act, the Purchaser is required to obtain, verify and record information that identifies the County, which information includes the name and address of the County and other information that will allow the Purchaser to identify the County in accordance with the Patriot Act. The County shall, promptly following a request by the Purchaser provide all documentation and other information that the Purchaser requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

Section 8.16 Time of the Essence. Time is of the essence of the Related Documents.

Section 8.17 Entire Agreement. **THIS AGREEMENT AND THE OTHER RELATED DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.**

Section 8.18 Further Assurances. From time to time upon the request of either party hereto, the other shall promptly and duly execute, acknowledge and deliver any and all such further instruments and documents as the requesting party may in its reasonable discretion deem necessary or desirable to confirm this Agreement, and the other Related Documents, to carry out the purpose and intent hereof and thereof or to enable the requesting party to enforce any of its rights hereunder or thereunder. At any time, and from time to time, upon request by the Purchaser, the County will, at the County's expense, (a) correct any defect, error or omission which may be discovered in the form or content of any of the Related Documents, and (b) make, execute, deliver and record, or cause to be made, executed, delivered and recorded, any and all further instruments, certificates, and other documents as may, in the opinion of the Purchaser, be necessary or desirable in order to complete (and, to the extent permitted by law, perfect) or continue and preserve the Lien of the Ordinance. In addition, at any time, and from time to time, upon request by the Purchaser, the County will, at the County's expense, provide any and all further instruments, certificates and other documents as may, in the opinion of the Purchaser, be necessary or desirable in order to verify the County's identity and background in a manner satisfactory to the Purchaser.

Section 8.19 Appointment as the Calculation Agent. The County hereby appoints the Purchaser as Calculation Agent during the Direct Purchase Rate Period pursuant to the Ordinance.

Section 8.20 No Third-Party Rights. Nothing in this Agreement, whether express or implied, shall be construed to give to any Person other than the parties hereto and the Bondholders any legal or equitable right, remedy or claim under or in respect of this Agreement, which is intended for the sole and exclusive benefit of the parties hereto.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the Effective Date.

**STATE STREET PUBLIC LENDING
CORPORATION**

By: _____
Name: Mimi K. Li
Title: Vice President

KING COUNTY, WASHINGTON

By: _____
Name: Ken Guy
Title: Director, Finance and Business Operations
Division, Department of Executive Services

EXHIBIT A

FORM OF COMPLIANCE CERTIFICATE

KING COUNTY, WASHINGTON

Covenant Compliance

Date _____, _____

This Certificate is delivered pursuant to that certain Continuing Covenant Agreement dated October __, 2017 (the "*Agreement*"), between King County, Washington (the "*County*") and State Street Public Lending Corporation. Unless otherwise defined herein, the terms used in this Certificate shall have the meanings assigned thereto in the Agreement.

The undersigned is an authorized officer of the County, and hereby certifies that:

1. I am the duly appointed _____ of the County;
2. I have reviewed the terms of the Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the County during the accounting period covered by the attached financial statements;
3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or the occurrence of any event which constitutes a Potential Default or an Event of Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth below;
4. The representations and warranties of the County contained in the Agreement are true, complete and correct as of the date of this certificate, as if made on the date of this certificate;
5. The County is in compliance with the terms and provisions of the Ordinance; and
6. The Attachment hereto sets forth financial data and computations evidencing the County's current compliance with the covenants set forth in Section 16 of the Ordinance, all of which data and computations are, to the best of my knowledge, true, complete and correct and have been made in accordance with the relevant Sections and definitions of the Ordinance.

Described below are the exceptions, if any, to paragraph 3 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the County has taken, is taking, or proposes to take with respect to each such condition or event:

The foregoing certification and the financial statements delivered with this Certificate in support hereof, are made and delivered this ____ day of _____, 20__.

KING COUNTY, WASHINGTON

By: _____
Its: _____

ATTACHMENT TO COMPLIANCE CERTIFICATE

DATED AS OF _____, 20__

EXHIBIT B
FORM OF INVESTOR LETTER

October __, 2017

King County, Washington
Department of Finance
500 Fourth Avenue ADM-FI-0611
Seattle, Washington 98104
Attention: Nigel H. Lewis
Telephone No.: (206) 263-2857
Facsimile No.: (206) 296-7345

Re: \$100,000,000 King County, Washington Multi-Modal Limited Tax General
Obligation Refunding Bonds (Payable from Sewer Revenue),
Series 2017A and Series 2017B

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to our purchase of all of the above-referenced bonds (the "*Bonds*"), dated their date of issuance. The Bonds were issued by King County, Washington (the "*County*") under and secured in the manner set forth pursuant to that certain Ordinance _____ passed by the County Council on _____, 2017 (as amended, modified or restated from time to time in accordance with the provisions thereof and hereof, and together with Motion _____ passed by the County Council on _____, 2017, the "*Ordinance*"). State Street Public Lending Corporation (the "*Purchaser*," the "*undersigned*," "*us*" or "*we*," as applicable) is purchasing the Bonds pursuant to a Continuing Covenant Agreement, dated as of October __, 2017, between the Purchaser and the County. We hereby represent and warrant to you and agree with you as follows:

1. We understand that the Bonds have not been registered pursuant to the Securities Act of 1933, as amended (the "*1933 Act*"), the securities laws of any state nor has the Ordinance been qualified pursuant to the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions set forth therein. We acknowledge that the Bonds (i) are not being registered or otherwise qualified for sale under the "blue sky" laws and regulations of any state, (ii) will not be listed on any securities exchange, and (iii) will not carry a rating from any rating service.

2. We have not offered, offered to sell, offered for sale or sold any of the Bonds by means of any form of general solicitation or general advertising, and we are not an underwriter of the Bonds within the meaning of Section 2(11) of the 1933 Act.

3. We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Bonds.

4. We have authority to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the purchaser in connection with the purchase of the Bonds.

5. The undersigned is a duly appointed, qualified and acting representative of the Purchaser and is authorized to cause the Purchaser to make the certifications, representations and warranties contained herein by execution of this letter on behalf of the Purchaser.

6. The Purchaser is a "qualified institutional buyer" as defined in Rule 144A promulgated under the 1933 Act.

7. The undersigned understands that no official statement, prospectus, offering circular, or other comprehensive offering statement is being provided with respect to the Bonds. The undersigned has made its own inquiry and analysis with respect to the County, the Bonds and the security therefor, and other material factors affecting the security for and payment of the Bonds.

8. The undersigned acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the County, to which a reasonable investor would attach significance in making investment decisions, and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the County, the Bonds and the security therefor, so that as a reasonable investor, it has been able to make its decision to purchase the Bonds.

9. The Bonds are being acquired by the Purchaser for investment for its own account and not with a present view toward resale or distribution; *provided, however*, that the Purchaser reserves the right to sell, transfer or redistribute the Bonds, but agrees that any such sale, transfer or distribution by the Purchaser shall be to a Person:

(a) that is an affiliate of the Purchaser;

(b) that is a trust or other custodial arrangement established by the Purchaser or one of its affiliates, the owners of any beneficial interest in which are limited to qualified institutional buyers or accredited investors; or

(c) that the Purchaser reasonably believes to be a qualified institutional buyer or an accredited investor, or a commercial bank organized under the laws of the United States, or any state thereof, or any other country which is a member of the Organization for Economic Cooperation and Development, or a political subdivision of any such country, and, in any case, having a combined capital and surplus of not less than \$5,000,000,000 as of the date of such sale, transfer or distribution, and which in any case, executes an investor letter substantially in the form of this letter.

Very truly yours,

**STATE STREET PUBLIC LENDING
CORPORATION**

By _____
Name: _____
Title: _____

EXHIBIT C

FORM OF DISCLOSURE OF COUNTY CREDIT FACILITIES

SCHEDULE I

ADDRESSES

If to the Purchaser:
(regarding credit matters):

State Street Public Lending Corporation
c/o State Street Bank and Trust Company
State Street Financial Center SFC/5
One Lincoln Street
Boston, Massachusetts 02111-2900
Attention: Mimi K. Li, CFA, Vice President
Telephone: (617) 664-3196
Telecopier: (617) 946-0188
Email: mkli@statestreet.com

(regarding operational matters):

State Street Public Lending Corporation
c/o State Street Bank and Trust Company
State Street Financial Center SFC/5
One Lincoln Street
Boston, Massachusetts 02111-2900
Attention: Thomas Marra
Telephone: (617) 664-5862
Telecopier: (617) 350-4020
Email: MuniFinanceAdministration@
statestreet.com

(regarding payments):

State Street Bank and Trust Company
Boston, MA
ABA #: 011 000 028
Account #: 10502326
Account Name: SSPLC Loan Account
Reference: AIPA - Series 2017A and B -
SSPLC & King County

If to the County:

King County, Washington
Department of Finance
500 Fourth Avenue ADM-FI-0611
Seattle, Washington 98104
Attention: Nigel H. Lewis
Telephone No.: (206) 263-2857
Facsimile No.: (206) 296-7345
Email: nigel.lewis@kingcounty.gov

If to the Registrar, to:

U.S. Bank National Association
1420 Fifth Avenue, 7th Floor
PD-WA-T7CT
Seattle, Washington 98101
Attention: Corporate Trust Department
Telephone: (206) 344-4687
Facsimile: (206) 344-4630
Email:

SCHEDULE 5.01(S)
ACCELERATION CLAUSES

**ATTACHMENT B
FORM OF BOND**

14977

No. R- _____

\$ _____

UNITED STATES OF AMERICA

STATE OF WASHINGTON

KING COUNTY

**MULTI-MODAL LIMITED TAX GENERAL OBLIGATION REFUNDING BOND
(PAYABLE FROM SEWER REVENUE), SERIES 2017[A]/[B]**

Registered Owner: _____

Principal Amount: _____ **AND NO/100 DOLLARS**

KING COUNTY, WASHINGTON (the "County"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on January 1, 2040 (the "Maturity Date"), the Principal Amount specified above and to pay interest thereon from the date of this bond, or the most recent date to which interest has been paid or duly provided for, until payment of this bond, at the Interest Rate specified in the Bond Legislation, payable on each Interest Payment Date.

Both principal of and interest on this bond are payable in lawful money of the United States of America. Interest on this bond is payable by electronic transfer on the Interest Payment Date, or by check or draft of the Registrar mailed on the Interest Payment Date to the Registered Owner at the address appearing on the Bond Register on the Record Date. The County is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received on or prior to the Record Date and at the sole expense of the Registered Owner. Principal of and premium, if any, on this bond are payable upon presentation and surrender of the Bond by the Registered Owner to the Registrar at maturity or upon prior redemption in full.

This bond is one of an authorized issue of bonds of like series, date and tenor, in the aggregate principal amount of \$50,000,000 (the "Bonds"), and is issued to provide funds necessary to pay costs of refunding certain outstanding obligations of the County payable from Revenue of the System.

The Bonds are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State, the County Charter and applicable ordinances duly adopted by the County, including Ordinance _____ and Motion _____ of the County Council (together, the "Bond Legislation"). Capitalized terms used in this bond and not defined herein have the meanings given such terms in the Bond Legislation.

The Bonds are subject to redemption as provided in the Bond Legislation.

The Bonds are general obligations of the County. The County has irrevocably covenanted and agreed for as long as any of the Bonds are outstanding and unpaid, that each year it will include in its budget and levy an *ad valorem* tax upon all property within the County subject to taxation in an amount that will be sufficient, together with all other revenues and money of the County legally available for such purposes, to pay the principal of and interest on the Bonds as the same become due. The County has pledged that the annual tax authorized to be levied for the payment of such principal and interest shall be within and a part of the tax levy permitted to counties without a vote of the people. The full faith, credit and resources of the County have been irrevocably pledged for the annual levy and collection of such taxes and for the prompt payment of the principal of and interest on the Bonds as the same become due.

The County has further obligated and bound itself to set aside and pay into the Multi-Modal LTGO/Sewer Revenue Bond Fund out of Revenue of the System amounts sufficient to pay when due the principal of and interest on the Bonds. The pledge of Revenue of the System constitutes a lien and charge on Revenue of the System subject to Operating and Maintenance Expenses and junior, subordinate and inferior to the lien and charge on Revenue of the System securing the Parity Bonds, the Parity Lien Obligations and the Junior Lien Obligations, equal to the lien and charge securing any additional Multi-Modal LTGO/Sewer Revenue Bonds hereafter issued, and superior to any other charges whatsoever. The County has reserved the right to issue additional Multi-Modal LTGO/Sewer Revenue Bonds on the terms and conditions set forth in the Bond Legislation.

The County has pledged that it will cause the System to be maintained in good condition and repair and to be operated in an efficient manner and at a reasonable cost. The County has further pledged that it will at all times establish, maintain and collect adequate rates and charges for sewage disposal service as provided in the Bond Legislation. Reference to the Bond Legislation is made for a description of the nature and extent of the security for the Bonds, the funds or revenues pledged, and the terms and conditions upon which the Bonds are issued.

The pledge of tax levies and revenues and other obligations of the County under the Bond Legislation may be discharged prior to maturity of the Bonds by making provision for the payment thereof on the terms and conditions set forth in the Bond Legislation.

This bond will not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Legislation until the Certificate of Authentication hereon has been manually signed by the Registrar.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State and the Charter and ordinances of the County to exist and to have happened, been done and performed precedent to and in the issuance of this bond do exist and have happened, been done and performed and that the issuance of this bond and the Bonds does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the County may incur.

IN WITNESS WHEREOF, the County has caused this bond to be executed by the manual or facsimile signature of the County Executive, to be attested by the manual or facsimile signature of the Clerk of the County Council, and the seal of the County to be impressed or imprinted hereon, all as of _____.

KING COUNTY, WASHINGTON

By _____
King County Executive

ATTEST:

Clerk of the County Council

Date of Authentication: _____.

CERTIFICATE OF AUTHENTICATION

This is one of the fully registered Limited Tax General Obligation Bonds (Payable from Sewer Revenues), [Year], Series _____, of King County, Washington, dated _____, described in the within mentioned Bond Legislation.

WASHINGTON STATE FISCAL AGENT
as Registrar

By _____
Authorized Signer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto
PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER OF
TRANSFeree

(Please print or typewrite name and address, including zip code of Transferee)

the within bond and does hereby irrevocably constitute and appoint _____
or its successor, as Registrar to transfer this bond on the books kept for registration thereof with full
power of substitution in the premises.

DATED: _____, 20__.

NOTE: The signature on this Assignment must
correspond with the name of the registered owner as it
appears upon the face of the within bond in every
particular, without alteration or enlargement or any
change whatever.

SIGNATURE GUARANTEED:

NOTICE: Signatures must be guaranteed
pursuant to law.