



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

Motion 15789

Proposed No. 2020-0425.1

Sponsors Kohl-Welles

1 A MOTION approving the issuance and sale of the
2 county's Sewer Revenue Bond (WIFIA - N19128WA), in
3 the principal amount of not to exceed \$96,844,510,
4 authorizing the execution and delivery of a term sheet and
5 loan agreement in connection therewith and establishing
6 certain terms of the bond, all in accordance with
7 Ordinance 19112.

8 WHEREAS, pursuant to Ordinance 19112, adopted on June 23, 2020 ("the
9 Ordinance"), the county authorized the issuance of its sewer revenue bonds and limited
10 tax general obligation bonds (payable from sewer revenues), in the aggregate principal
11 amount of \$825,000,000, to pay costs of capital improvements to the System, in
12 accordance with the Comprehensive Plan and the Capital Improvement Budget (each as
13 defined in the Ordinance), and

14 WHEREAS, the Ordinance provides that such bonds may be publicly sold in one
15 or more series, as Parity Bonds or Parity Lien Obligations, as Tax-Exempt Bonds or
16 otherwise, and by competitive bid, negotiated sale or to the federal government or
17 another purchaser, as determined by the Finance Director in consultation with the
18 county's financial advisor, and

19 WHEREAS, the Finance Director has determined that a series of Bonds

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20 authorized pursuant to the Ordinance, designated as the county's Sewer Revenue Bond
21 (WIFIA - N19128WA), in the aggregate principal amount of not to exceed \$96,844,510,
22 be sold as provided in this motion, and

23 WHEREAS, it is in the best interest of the county and the ratepayers of the
24 System that the WIFIA Bond (defined herein) be sold to the United States Environmental
25 Protection Agency, an agency of the United States of America, acting by and through the
26 Administrator of the Environmental Protection Agency ("the WIFIA Lender"), on the
27 terms set forth in the Ordinance, this motion, and the WIFIA Loan Agreement (each as
28 defined herein);

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

30 A. **Definitions.** Capitalized words that are used in this motion but not defined
31 in this motion have the meanings set forth in the Ordinance for all purposes of this
32 motion, unless some other meaning is plainly intended. The words and terms defined in
33 this motion, as used in this motion, have the meanings assigned such terms in this motion,
34 for all purposes of this motion, unless some other meaning is plainly intended.

35 B. **Authorization of WIFIA Bond.** The issuance of the county's Sewer
36 Revenue Bond (WIFIA - N19128WA) ("the WIFIA Bond"), in the principal amount of
37 not to exceed \$96,844,510, as a Parity Bond under the Ordinance, to pay costs of capital
38 improvements to the System, in accordance with the Comprehensive Plan and the Capital
39 Improvement Budget, is hereby authorized and approved. The WIFIA Bond shall be
40 designated as the county's Sewer Revenue Bond (WIFIA - N19128WA), with the year of
41 delivery included in the bond designation.

42 C. **WIFIA Loan Term Sheet and WIFIA Loan Agreement.** The Finance

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43 Director is authorized, on behalf of the county, to execute and deliver to the WIFIA
44 Lender the WIFIA Loan Term Sheet, in substantially the form attached to this motion as
45 Attachment A to this motion, with such changes thereto, if any, as may be approved by
46 the Finance Director in consultation with appropriate county officials and advisors ("the
47 WIFIA Loan Term Sheet"), and such execution and delivery is hereby ratified and
48 confirmed. The signature of the Finance Director on the WIFIA Loan Term Sheet shall
49 conclusively evidence the county's approval of the WIFIA Loan Term Sheet. The
50 Finance Director is further authorized, on behalf of the county, to execute and deliver to
51 the WIFIA Lender the WIFIA Loan Agreement, in substantially the form attached to this
52 motion as Attachment B to this motion, with such changes thereto, if any, as may be
53 approved by the Finance Director in consultation with appropriate county officials and
54 advisors ("the WIFIA Loan Agreement"), and the signature of the Finance Director on
55 the WIFIA Loan Agreement shall conclusively evidence the county's approval of the
56 WIFIA Loan Agreement.

57 **D. Details of WIFIA Bond.** The WIFIA Bond shall be dated its date of issue
58 and delivery and shall be substantially in the form attached as Exhibit A to the WIFIA
59 Loan Agreement. The terms of the WIFIA Bond established in the WIFIA Loan
60 Agreement, including the year and series designation, date, principal amount, interest
61 payment dates, interest rates, maturity schedule, prepayment provisions, and other terms
62 of the WIFIA Bond, are ratified and confirmed. The WIFIA Bond initially shall be
63 registered in the name of the WIFIA Lender. Principal of and interest on the WIFIA Bond
64 shall be payable to the WIFIA Lender or the Registered Owner, as applicable, in the
65 manner, on the payment dates, and in the amounts and at the rates, all as provided in the

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66 WIFIA Loan Agreement. The WIFIA Bond is not designated as a Tax-Exempt
67 Obligation. The WIFIA Bond shall be subject to prepayment as provided in the WIFIA
68 Loan Agreement. The Finance Director or his or her designee shall be the Registrar for
69 the WIFIA Bond for the purposes of registering and authenticating the WIFIA Bond,
70 maintaining the Bond Register with respect to the WIFIA Bond, effecting the transfer of
71 ownership of the WIFIA Bond and paying principal of and interest on the WIFIA Bond.

72 E. **Satisfaction of Parity Conditions.** In accordance with the Ordinance and
73 the provisions of the ordinances authorizing the issuance of the outstanding Parity Bonds,
74 which permit the issuance of Future Parity Bonds upon compliance with the conditions
75 set forth therein, the county council hereby finds and determines, as follows:

76 1. There is not now, and when the WIFIA Bond is issued there will
77 not then be, any deficiency in the Parity Bond Fund or any account therein.

78 2. The Ordinance provides for payment of the principal of and
79 interest on the WIFIA Bond out of the Parity Bond Fund.

80 3. The amount that will be on deposit in the Parity Bond Reserve
81 Account at the Closing of the WIFIA Bond will satisfy the Reserve Requirement, and in
82 connection with any draw under the WIFIA Loan Agreement the Finance Director will
83 confirm whether any additional amount is required to be deposited to the Parity Bond
84 Reserve Account to satisfy the Reserve Requirement and such additional amount, if any,
85 shall be deposited to the Parity Bond Reserve Account from the proceeds of the draw or
86 other sources on or prior to the date of such draw.

87 4. The county will have on file at the Closing of the WIFIA Bond a
88 certificate of the Finance Director demonstrating that, during any 12 consecutive calendar

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89 months out of the immediately preceding 18 calendar months, Net Revenue was at least
90 equal to 1.25 times the amount required to pay, in each year that the WIFIA Bond will be
91 outstanding, the Annual Parity Debt Service for such year, assuming for this purpose that
92 all draws permitted under the WIFIA Loan Agreement are made at the Closing of the
93 WIFIA Bond.

94 The applicable conditions for Future Parity Bonds having been complied with in
95 connection with the issuance of the WIFIA Bond, the pledge contained in the Ordinance
96 of Revenue of the System to pay and secure the payment of the WIFIA Bond will
97 constitute a lien and charge on Revenue of the System equal in rank with the lien and
98 charge on the Revenue of the System to pay and secure the payment of the outstanding
99 Parity Bonds.

100 F. **Designation as Refunding Candidate.** The WIFIA Bond is hereby
101 designated as a "Refunding Candidate" for purposes of ordinances of the county
102 authorizing the issuance of bonds to refund outstanding obligations of the county payable
103 from Revenue of the System.

104 G. **Disposition of Bond Proceeds.** Proceeds of draws under the WIFIA Loan
105 Agreement may be used to pay capitalized interest and to make deposits to the Parity
106 Bond Reserve Account if and as necessary to satisfy the Reserve Requirement. The
107 balance of any draw will be deposited in the Construction Subaccount for the WIFIA
108 Bond and applied for the purposes permitted under the Ordinance.

109 H. **Further Authority.** The county officials and their agents, attorneys and
110 representatives are hereby authorized and directed to do everything necessary for the sale,
111 issuance, execution and delivery of the WIFIA Bond and for the proper use and

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112 application of the proceeds of the WIFIA Bond, all in accordance with the provisions of
113 the Ordinance, this motion and the WIFIA Loan Agreement.

114 I. **Severability.** If any provision in this motion is declared by any court of
115 competent jurisdiction to be contrary to law, then that provision shall be null and void
116 and shall be deemed separable from the remaining provisions of this motion and

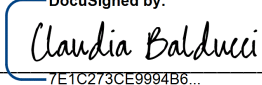
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117 shall in no way affect the validity of the other provisions of this motion or of the WIFIA
118 Loan Agreement or the WIFIA Bond.
119

Motion 15789 was introduced on 12/15/2020 and passed by the Metropolitan King County Council on 12/15/2020, by the following vote:


Yes: 8 - Ms. Balducci, Mr. Dembowski, Ms. Kohl-Welles, Ms. Lambert, Mr. McDermott, Mr. Upthegrove, Mr. von Reichbauer and Mr. Zahilay
Excused: 1 - Mr. Dunn

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

DocuSigned by:

7E1C273CE9994B6...

Claudia Balducci, Chair

ATTEST:

DocuSigned by:

C267B914088E4A0...

Melani Pedroza, Clerk of the Council

Attachments: A. WIFIA Bond Term Sheet, B. WIFIA Bond Loan Agreement

Attachment A. WIFIA Bond Term Sheet

Motion 15789

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

[●], 2020

King County Wastewater Treatment Division
201 S. Jackson St., KSC-NR-0501
Seattle, WA 98104

RE: WIFIA Loan Term Sheet for the Ship Canal Water Quality Project with King County,
Washington (WIFIA Project No. 19128WA)

Ladies and Gentlemen:

This WIFIA Loan Term Sheet (this “**Term Sheet**”) constitutes (a) the approval of the United States Environmental Protection Agency, acting by and through the Administrator of the Environmental Protection Agency (hereinafter, the “**USEPA**”), of the application for credit assistance of the Borrower (as defined below) dated [September 17], 2020 (the “**Application**”) and (b) the agreement of USEPA to provide financing for the above-referenced project (as further described below, the “**Project**”) in the form of a secured loan (the “**WIFIA Loan**”), pursuant to the Water Infrastructure Finance and Innovation Act (“**WIFIA**”), § 5021 *et seq.* of Public Law 113-121 (as amended by Public Law 114-94, Public Law 114-322 and Public Law 115-270) (the “**Act**”), codified as 33 U.S.C. §§ 3901-3914, subject in all respects to (i) the terms and conditions contained herein and (ii) the execution and delivery of the WIFIA loan agreement to be entered into on or after the date hereof (the “**WIFIA Loan Agreement**”) on terms and conditions acceptable to USEPA contained therein. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the WIFIA Loan Agreement.

USEPA’s agreement to provide WIFIA credit assistance to the Project is based upon the Application and the supplemental information and documents, including the base case financial model, provided to USEPA. This Term Sheet is an agreement of USEPA only to the terms specified herein, which may be modified or supplemented by USEPA in its discretion at any time and from time to time during the course of its due diligence and credit approval process.

By executing this Term Sheet, the Borrower confirms its agreement to reimburse USEPA for any and all fees and expenses that USEPA incurs for legal counsel, financial advice, and other consultants in connection with the evaluation of the Project and the negotiation and preparation of the WIFIA Loan Agreement and related documents, whether or not such agreement is ultimately executed.

This Term Sheet shall be governed by the federal laws of the United States of America if and to the extent such federal laws are applicable, and the internal laws of the State of Washington, if and to the extent such federal laws are not applicable.

INDICATIVE TERMS OF THE WIFIA LOAN

WIFIA LENDER	United States Environmental Protection Agency, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency (the “ WIFIA Lender ”).
BORROWER	King County, Washington, a political subdivision of the State of Washington (the “ Borrower ”).
PROJECT	<p>The “Project” means the design and construction of an offline storage tunnel and related facilities to reduce the number and volume of combined sewer overflow events that discharge into the Lake Washington Ship Canal from Ballard, Fremont, Wallingford and North Queen Anne, known as the Ship Canal Water Quality Project, located in Seattle, Washington, and consisting of the following elements:</p> <ul style="list-style-type: none"> (a) Ship Canal WQ Program (C314056); (b) SCWQ King County Coordination (C315500); (c) SCWQ- Instrumentation and Controls (I&C) (C315501); (d) SCWQ Pump Station (C315502, C315514); (e) Shilshole Pipe Project (C315512); (f) Storage Tunnel (C315503, C315504, C315505); (g) SCQW Site Prep (C315509); (h) SCQW Temporary Power (C315516); (i) Advanced Utilities Relocation (C315510); (j) Misc. Small Works Projects (C315517); and (k) SCQW Street Restoration & Landscape (C315513).
WIFIA LOAN AMOUNT	A maximum principal amount (sum of disbursements) not to exceed \$96,844,510; <u>provided</u> that (a) the maximum principal amount of the WIFIA Loan, together with the amount of any other credit assistance provided under the Act, shall not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs and (b) the total federal assistance for the Project, including but not limited to the maximum principal amount of the WIFIA Loan and all federal grants, shall not exceed eighty percent (80%) of Total Project Costs.
INTEREST RATE	The WIFIA Loan shall bear interest at a fixed rate, calculated by adding one basis point (0.01%) to the rate of securities of a similar maturity (based on the weighted-average life of the WIFIA Loan) as published, on the execution date of the WIFIA Loan Agreement, in the United States Treasury Bureau of Public Debt’s

	<p>daily rate table for State and Local Government Series (SLGS) securities, currently located on the Internet at https://www.treasurydirect.gov/GA-SL/SLGS/selectSLGSDate.htm.</p> <p>Interest shall accrue and be computed on the Outstanding WIFIA Loan Balance on the basis of a 360-day year of twelve (12) thirty (30) day months.</p> <p>The WIFIA Loan shall also bear default interest at a rate of two hundred (200) basis points above the otherwise applicable interest rate, at such times and upon such terms as provided in the WIFIA Loan Agreement.</p>
PAYMENT DATES	<p>Principal of the WIFIA Loan shall be repaid in annual installments on January 1 of each year, beginning on January 1, 2027.</p> <p>Interest on the WIFIA Loan shall be paid in arrears on January 1 and July 1 of each year, beginning on the January 1 or July 1 immediately succeeding the date of the initial disbursement of the WIFIA Loan.</p> <p>The debt service payment commencement date shall in no event be later than five (5) years after the Substantial Completion Date of the Project.</p> <p>During the Interest Only Period, the WIFIA Debt Service payable by the Borrower shall consist of one hundred percent (100%) of the amount of interest then due and payable on the Outstanding WIFIA Loan Balance, and no payment of principal will be due and payable.</p>
FINAL MATURITY DATE	The earlier of (a) January 1, 2056 and (b) the Principal Payment Date immediately preceding the date that is thirty-five (35) years following the Substantial Completion Date.
PROJECTED SUBSTANTIAL COMPLETION DATE	March 25, 2027.
DEDICATED SOURCE OF REPAYMENT	<p>The dedicated source of repayment for the WIFIA Loan shall be the Collateral derived from the System in accordance with the Ordinance.</p> <p>“Collateral” means (a) that portion of System Revenues that the Borrower has covenanted pursuant to the Ordinance Documents to pay into the Parity Bond Fund and the accounts therein, and (b) all amounts set forth in the Parity Bond Fund and the accounts therein.</p>
SECURITY AND LIEN PRIORITY	The WIFIA Loan shall be secured by a pledge of the Collateral. The debt obligation of the Borrower under the WIFIA Loan shall

	<p>be evidenced through the issuance by the Borrower of the WIFIA Bond.</p> <p>The Liens on the Collateral for the benefit of the WIFIA Lender shall at all times be (a) pari passu in right of payment and right of security with the Liens on the Collateral for the benefit of the other Parity Bondowners and (b) senior in right of payment and right of security to the Liens on the Collateral for the benefit of the holders of Subordinated Obligations.</p> <p>The Ordinance provides that all System Revenues shall be deposited in the Revenue Fund and applied in accordance with the requirements specified in Section 14 (<i>Sewer Revenue Priorities of Payment</i>) of the Ordinance. As of the Effective Date, such section provides that System Revenues are to be applied in the following order of priority:</p> <ol style="list-style-type: none"> (1) first, to pay all Operating and Maintenance Expenses; (2) second, make all required deposits into the Debt Service Account in the Parity Bond Fund to provide for the payment of principal of and interest on Parity Bonds (including the WIFIA Bond) as the same become due and payable and to make any Payment Agreement Payments (as defined in the Ordinance) with respect to any Parity Payment Agreements (as defined in the Ordinance); (3) third, to make all payments required to be made pursuant to a reimbursement agreement or agreements (or other equivalent documents) in connection with Qualified Insurance or a Qualified Letter of Credit; (4) fourth, to establish and maintain the Parity Bond Reserve Account; and (5) thereafter, to make all required payments due on Subordinated Obligations. <p>Any surplus money that the Borrower may have on hand in the Revenue Fund after making all required payments set forth above may be used by the Borrower: (a) to make necessary improvements, additions and repairs to and extensions and replacements of the System; (b) to purchase or redeem and retire outstanding sewer revenue bonds of the Borrower; (c) to make deposits into the Rate Stabilization Fund; or (d) for any other lawful purposes of the Borrower related to the System.</p>
<p>PREPAYMENT</p>	<p>The Borrower may prepay the WIFIA Loan in whole or in part, without penalty or premium; <u>provided</u> that any such prepayment shall be in a minimum principal amount of \$1,000,000 or any</p>

	<p>integral multiple of \$1.00 in excess thereof, and otherwise in accordance with the WIFIA Loan Agreement.</p> <p>The Borrower shall prepay the WIFIA Loan, without penalty or premium, from Net Loss Proceeds required to be applied to such prepayment pursuant to the WIFIA Loan Agreement.</p>
RATE COVENANT	<p>The Borrower shall comply with the requirements specified in Section 18 (<i>Rate Covenants</i>) of the Ordinance.</p> <p>As of the Effective Date, such section requires, <i>inter alia</i>, that the Borrower all times establish, maintain and collect rates and charges for sewage disposal service that will provide in each calendar year Net Revenues in an amount that, together with the interest earned during that calendar year on investments of money in the Parity Bond Fund, Parity Bond Reserve Account and Construction Account, will equal or exceed 1.15 times the amount required to pay the Annual Parity Debt Service (as defined in the Ordinance) for such calendar year.</p>
ADDITIONAL INDEBTEDNESS	<p>The Borrower shall not create, incur or suffer to exist (a) any Obligations (i) the payments with respect to which are senior or prior in right to the payment by the Borrower of the WIFIA Loan or (ii) secured by a Lien on the Collateral that is senior to the Lien on Collateral in favor of the WIFIA Lender or (b) any Obligations (other than Multi-Modal LTGO/Sewer Revenue Bonds and Parity Lien Obligations), all or a portion of the proceeds of which are or will be applied at any time to fund all or any portion of Total Project Costs, that are secured by a Lien on any assets or property of the Borrower other than the System Revenues.</p> <p>The Borrower shall not issue or incur any Additional Obligations except in accordance with all requirements and conditions set forth in Section 24 (<i>Future Parity Bonds</i>) and Section 25 (<i>Additional Parity Lien Obligations</i>) of the Ordinance, including without limitation Section 25.C., which as of the Effective Date permits the Borrower to issue bonds, notes or other evidences of indebtedness payable from System Revenues and secured by a lien on System Revenues that is junior, subordinate and inferior to the lien of the Parity Lien Obligations.</p> <p>As of the Effective Date, such sections require, <i>inter alia</i>, that at the time of the issuance of any (a) Additional Pari Passu Obligations which are not refunding bonds, the Borrower must have on file a certificate from (i) a Professional Utility Consultant showing that, in the Professional Utility Consultant's professional opinion, the annual income available for debt service on Parity Bonds for each year during the life of such Additional Pari Passu Obligations shall be at least equal to 1.25 times the amount required in each such year to pay the Annual Parity Debt Service</p>

	<p>(as defined in the Ordinance) for such year or (ii) the Finance Director (as defined in the Ordinance) demonstrating that during any twelve (12) consecutive calendar months out of the immediately preceding eighteen (18) calendar months Net Revenues were at least equal to 1.25 times the amount required to pay, in each year that such Additional Pari Passu Obligations would be outstanding, the Annual Parity Debt Service for such year, and (b) additional Parity Lien Obligations which are not refunding bonds, the Borrower must have on file a certificate from (i) a Professional Utility Consultant showing that, in the Professional Utility Consultant's professional opinion, the annual income available for debt service on Parity Bonds and Parity Lien Obligations for each year during the life of such additional Parity Lien Obligations shall be at least equal to 1.25 times the amount required in each such year to pay the Annual Debt Service (as defined in the Ordinance) for such year or (ii) the Finance Director demonstrating that during any twelve (12) consecutive calendar months out of the immediately preceding eighteen (18) calendar months Net Revenues were at least equal to 1.25 times the amount required to pay, in each year that such additional Parity Lien Obligations would be outstanding, the Annual Debt Service for such year.</p>
RESTRICTED PAYMENTS AND TRANSFERS	<p>The Borrower shall not permit System Revenues or other assets of the System, or any funds in any accounts held under the Ordinance or in any other fund or account held by or on behalf of the Borrower in respect of the System, to be paid or transferred or otherwise applied for purposes other than ownership, operation or maintenance of the System, except as may be permitted pursuant to Section 14 (<i>Sewer Revenue Priorities of Payment</i>) of the Ordinance.</p>
WIFIA LOAN DOCUMENTATION	<p>The WIFIA Loan shall be subject to the preparation, execution and delivery of the WIFIA Loan Agreement, the WIFIA Bond and any other loan documentation required by the WIFIA Lender in connection therewith, in each case acceptable to the WIFIA Lender and the Borrower, which will contain certain conditions precedent, representations and warranties, affirmative and negative covenants, events of default, and other provisions as agreed between the WIFIA Lender and the Borrower.</p>
GOVERNING LAW	<p>Federal laws of the United States of America, if and to the extent such federal laws are applicable, and the internal laws of the State of Washington, if and to the extent such federal laws are not applicable.</p>
COUNTERPARTS	<p>This Term Sheet, and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts and by the parties hereto in separate counterparts,</p>

	<p>each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. Electronic delivery of an executed counterpart of a signature page shall be effective as delivery of an original executed counterpart.</p>
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[Signature pages follow]

If the foregoing terms are acceptable, please countersign this letter in the space indicated below.

Sincerely,

**UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY**, acting by and
through the Administrator of the United States
Environmental Protection Agency

By: _____
Name: Andrew R. Wheeler
Title: Administrator

ACKNOWLEDGED AND AGREED:

KING COUNTY, WASHINGTON,
by its authorized representative

By: _____

Name:

Title:

Attachment B. WIFIA Bond Loan Agreement

Motion 15789

**UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY**

WIFIA LOAN AGREEMENT

For Up to \$96,844,510

With

KING COUNTY, WASHINGTON

For the

**SHIP CANAL WATER QUALITY PROJECT
(WIFIA – N19128WA)**

Dated as of [●], 2020

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EXHIBIT A – Form of WIFIA Bond

EXHIBIT B – Anticipated WIFIA Loan Disbursement Schedule

EXHIBIT C – Certification Regarding Debarment, Suspension and other Responsibility Matters

EXHIBIT D – Requisition Procedures

EXHIBIT E – Compliance With Laws

EXHIBIT F – WIFIA Debt Service

EXHIBIT G-1 – Opinions Required from Counsel to Borrower

EXHIBIT G-2 – Opinions Required from Bond Counsel

EXHIBIT H – Form of Borrower’s Officer’s Certificate

EXHIBIT I – Form of Certificate of Substantial Completion

EXHIBIT J – Form of Monthly Report

EXHIBIT K – Form of Financial Plan

EXHIBIT L – Form of Non-Lobbying Certificate

WIFIA LOAN AGREEMENT

THIS WIFIA LOAN AGREEMENT (this “**Agreement**”), dated as of [●], 2020, is by and between **KING COUNTY, WASHINGTON**, a political subdivision of the State of Washington (the “**State**”) (the “**Borrower**”), and the **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency (the “**Administrator**”), with an address at 1200 Pennsylvania Avenue NW, Washington DC 20460 (the “**WIFIA Lender**”).

RECITALS:

WHEREAS, the Congress of the United States of America enacted the Water Infrastructure Finance and Innovation Act, as amended by Section 1445 of the Fixing America’s Surface Transportation Act of 2015, as further amended by Section 5008 of the Water Infrastructure Improvements For the Nation Act of 2016 and by Section 4201 of America’s Water Infrastructure Act of 2018 (collectively, as the same may be amended from time to time, the “**Act**” or “**WIFIA**”), which is codified as 33 U.S.C. §§ 3901-3914; and

WHEREAS, the Act authorizes the WIFIA Lender to enter into agreements to provide financial assistance with one or more eligible entities to make secured loans with appropriate security features to finance a portion of the eligible costs of projects eligible for assistance; and

WHEREAS, the Borrower has requested that the WIFIA Lender make the WIFIA Loan (as defined herein) in a principal amount not to exceed \$96,844,510 to be used to pay a portion of the Eligible Project Costs (as defined herein) related to the Project (as defined herein) pursuant to the application for WIFIA financial assistance dated [September 17, 2020]¹ (the “**Application**”); and

WHEREAS, on the date hereof, the Administrator approved WIFIA financial assistance for the Project in the form of the WIFIA Loan; and

WHEREAS, based on the Application and the representations, warranties and covenants set forth herein, the WIFIA Lender proposes to make funding available to the Borrower through the purchase of the WIFIA Bond (as defined herein), upon the terms and conditions set forth herein; and

WHEREAS, the Borrower agrees to repay any amount due, from the sources pledged, pursuant to this Agreement and the WIFIA Bond in accordance with the terms and provisions hereof and of the WIFIA Bond; and

WHEREAS, the WIFIA Lender has entered into this Agreement in reliance upon, among other things, the information and representations of the Borrower set forth in the Application and the supporting information provided by the Borrower.

NOW, THEREFORE, the premises being as stated above, and for good and valuable consideration, the receipt and sufficiency of which are acknowledged to be adequate, and intending

¹ **NTD:** EPA to confirm.

to be legally bound hereby, it is hereby mutually agreed by and between the Borrower and the WIFIA Lender as follows:

Section 1. Definitions.

Unless the context otherwise requires, capitalized terms used in this Agreement shall have the meanings set forth below in this Section 1 or as otherwise defined in this Agreement. Any term used in this Agreement that is defined by reference to any other agreement shall continue to have the meaning specified in such agreement, whether or not such agreement remains in effect.

“**Act**” means the Act as defined in the recitals hereto.

“**Additional Obligations**” means Additional Pari Passu Obligations and Additional Subordinated Obligations.

“**Additional Pari Passu Obligations**” means any Pari Passu Obligations permitted under Section 16(a) (*Negative Covenants – Indebtedness*) and under the Ordinance, which Pari Passu Obligations are issued or incurred on or after the Effective Date.

“**Additional Construction Contract**” means each Construction Contract set forth in Part B of **Schedule 13(n)** (*Construction Contracts*) and any other Construction Contract entered into after the Effective Date.

“**Additional Subordinated Obligations**” means any Subordinated Obligations permitted under Section 16(a) (*Negative Covenants – Indebtedness*) and under the Ordinance, which Subordinated Obligations are issued or incurred on or after the Effective Date.

“**Administrator**” has the meaning provided in the preamble hereto.

“**Agreement**” has the meaning provided in the preamble hereto.

“**Anticipated WIFIA Loan Disbursement Schedule**” means the schedule set forth in **Exhibit B** (*Anticipated WIFIA Loan Disbursement Schedule*), reflecting the anticipated disbursement of proceeds of the WIFIA Loan, as such schedule may be amended from time to time pursuant to Section 4(b) (*Disbursement Conditions*).

“**Application**” has the meaning provided in the recitals hereto.

“**Bank Secrecy Act**” means the Bank Secrecy Act of 1970, as amended, and the regulations promulgated thereunder.

“**Bankruptcy Related Event**” means (a) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any of its debts, or of a substantial part of the assets thereof, under any Insolvency Laws, or (ii) the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official for the Borrower or for a substantial part of the assets thereof and, in any case referred to in the foregoing subclauses (i) and (ii), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the

foregoing shall be entered; (b) the Borrower shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official therefor or for a substantial part of the assets thereof, (ii) generally not be paying its debts as they become due unless such debts are the subject of a bona fide dispute, or become unable to pay its debts generally as they become due, (iii) fail to make a payment of WIFIA Debt Service in accordance with the provisions of Section 9 (*Payment of Principal and Interest*) and such failure is not cured within thirty (30) days following notification by the WIFIA Lender of failure to make such payment, (iv) make a general assignment for the benefit of creditors, (v) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition with respect to it described in clause (a) of this definition, (vi) commence a voluntary proceeding under any Insolvency Law, or file a voluntary petition seeking liquidation, reorganization, an arrangement with creditors or an order for relief, in each case under any Insolvency Law, (vii) file an answer admitting the material allegations of a petition filed against it in any proceeding referred to in the foregoing subclauses (i) through (v), inclusive, of this clause (b), or (viii) take any action for the purpose of effecting any of the foregoing, including seeking approval or legislative enactment by any Governmental Authority to authorize commencement of a voluntary proceeding under any Insolvency Law; (c) (i) any Person shall commence a process pursuant to which all or a substantial part of the assets of the System may be sold or otherwise disposed of in a public or private sale or disposition pursuant to a foreclosure, or (ii) any Person shall commence a process pursuant to which all or a substantial part of the assets of the System may be sold or otherwise disposed of pursuant to a sale or disposition of such assets in lieu of foreclosure; or (d) any receiver, trustee, liquidator, custodian, sequestrator, conservator or similar official shall transfer, pursuant to directions issued by the Owners, funds on deposit in the System Accounts upon the occurrence and during the continuation of an Event of Default under this Agreement or an event of default under the Ordinance Documents for application to the prepayment or repayment of any principal amount of the Parity Bonds other than in accordance with the provisions of the Ordinance.

“**Base Case Financial Model**” means a financial model prepared by the Borrower forecasting the capital costs of the System (including the Project) and the rates, revenues and Operating and Maintenance Expenses of the System for time periods through the Final Maturity Date and based upon assumptions and methodology provided by the Borrower and acceptable to the WIFIA Lender as of the Effective Date, which model shall be provided to the WIFIA Lender as a fully functional Microsoft Excel – based financial model.

“**Beneficial Owner**” means, with respect to a Parity Bond, the owner of the beneficial interest in that Parity Bond.

“**Borrower**” has the meaning provided in the preamble hereto.

“**Borrower Fiscal Year**” means (a) as of the Effective Date, a fiscal year of the Borrower commencing on January 1 of any calendar year and ending on December 31 of such year or (b) such other fiscal year as the Borrower may hereafter adopt after giving thirty (30) days’ prior written notice to the WIFIA Lender in accordance with Section 16(f) (*Negative Covenants – Fiscal Year*).

“**Borrower’s Authorized Representative**” means any Person or Persons who shall be designated as such pursuant to Section 27 (*Borrower’s Authorized Representative*).

“**Borrower’s Officer’s Certificate**” has the meaning provided in Section 12(a)(vi) (*Conditions Precedent – Conditions Precedent to Effectiveness*).

“**Business Day**” means any day other than a Saturday, a Sunday or a day on which offices of the Government or the State are authorized to be closed or on which commercial banks are authorized or required by law, regulation or executive order to be closed in New York, New York or Seattle, Washington.

“**Business Interruption Insurance**” means any policy of insurance insuring against loss of revenues upon the occurrence of certain casualties or events covered by such policy of insurance.

“**Business Interruption Insurance Loss Proceeds**” means any proceeds of Business Interruption Insurance resulting from any Event of Loss.

“**Collateral**” means (a) that portion of System Revenues that the Borrower has covenanted pursuant to the Ordinance Documents to pay into the Parity Bond Fund and the accounts therein, and (b) all amounts set forth in the Parity Bond Fund and the accounts therein.

“**Comprehensive Plan**” means the Borrower’s comprehensive water pollution abatement plan authorized by RCW 35.58.200 and defined in Section 28.82.150 of the King County Code as the Comprehensive Sewage Disposal Plan adopted by Resolution No. 23 of the Metro Council on April 22, 1959, and all amendments thereto, together with any amendments hereafter approved by ordinance of the Borrower.

“**Construction Account**” has the meaning provided in the Ordinance.

“**Construction Contract**” means any prime contract with respect to the Project that involves any construction activity (such as demolition, site preparation, civil works construction, installation, remediation, refurbishment, rehabilitation, or removal and replacement services). For the avoidance of doubt, “Construction Contract” shall include each Existing Construction Contract and, upon the effectiveness thereof, each Additional Construction Contract.

“**Construction Contractor**” means any Person (other than the Borrower and the Project Manager) party to a Construction Contract.

“**Construction Period**” means the period from the Effective Date through the Substantial Completion Date.

“**Construction Period Servicing Fee**” has the meaning set forth in Section 30(b) (*Fees and Expenses – Construction Period Servicing Fee*).

“**Construction Schedule**” means (a) the initial schedule or schedules on which the construction timetables for the Project are set forth, attached as **Schedule II** (*Construction Schedule*), and (b) any updates thereto included in the periodic reports submitted to the WIFIA Lender by the Borrower (or the Project Manager on behalf of the Borrower) pursuant to Section 23(b) (*Project Oversight and Monitoring – Reporting*).

“**Construction Subaccount**” has the meaning provided in the Ordinance.

“**Control**” means, when used with respect to any particular Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or partnership or other ownership interests, by contract or otherwise, and the term “**Controlled by**” has the meaning correlative to the foregoing.

“**CPI**” means the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84=100 (not seasonally adjusted) or its successor, published by the Bureau of Labor Statistics, currently available at <https://www.bls.gov/news.release/cpi.t01.htm>.

“**Credit Facility**” means any letter of credit, standby bond purchase agreement, line of credit, surety bond, insurance policy or other insurance commitment or similar agreement (but not including a Payment Agreement (as defined in the Ordinance)), satisfactory to the Borrower, that is provided by a commercial bank, insurance company or other financial institution to provide support for a series of Parity Bonds or other Obligations, and shall include any substitute therefor in accordance with the provisions of the ordinance providing for the issuance of such series of Parity Bonds or other Obligations; provided that any provider of a Credit Facility that provides support for a series of Parity Bonds shall have a current long term rating (or shall have obligations thereunder that are guaranteed by a financial institution with a long term rating) from Moody’s and S&P not lower, when issued, than the credit rating of any series of Parity Bonds.

“**Credit Facility Provider**” means, with respect to any Credit Facility, the issuer or provider of such Credit Facility.

“**Debt Service Account**” has the meaning provided in the Ordinance.

“**Default**” means any event or condition that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“**Default Rate**” means an interest rate equal to the sum of (a) the WIFIA Interest Rate plus (b) two hundred (200) basis points.

“**Development Default**” means the Borrower fails to diligently prosecute the work related to the Project.

“**DUNS Number**” has the meaning provided in Section 15(o) (*Affirmative Covenants – DUNS Number*).

“**Effective Date**” means the date of this Agreement.

“**Eligible Project Costs**” means amounts in the Project Budget approved by the WIFIA Lender, which are paid by or for the account of the Borrower in connection with the Project (including, as applicable, Project expenditures incurred prior to the receipt of WIFIA credit assistance), which shall arise from the following:

(a) development-phase activities, including planning, feasibility analysis (including any related analysis necessary to carry out an eligible project), revenue forecasting, environmental review, permitting, preliminary engineering and design work and other preconstruction activities;

(b) construction, reconstruction, rehabilitation, and replacement activities;

(c) the acquisition of real property or an interest in real property (including water rights, land relating to the Project and improvements to land), environmental mitigation (including acquisitions pursuant to Section 3905(8) of Title 33 of the United States Code), construction contingencies, and acquisition of equipment; or

(d) capitalized interest (with respect to Obligations other than the WIFIA Loan) necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction;

provided that Eligible Project Costs must be consistent with all other applicable federal law, including the Act.

“**Eligible Project Costs Documentation**” has the meaning provided in Section 1 of **D** (*Requisition Procedures and Form of Requisition*).

“**EMMA**” means the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)1 of the Securities Exchange Act of 1934, as amended, and its successors.

“**Environmental Laws**” has the meaning provided in Section 13(r) (*Representations and Warranties of Borrower – Environmental Matters*).

“**EPA**” means the United States Environmental Protection Agency.

“**Event of Default**” means a System Event of Default or a Project Event of Default.

“**Event of Loss**” means any event or series of events that causes any portion of the Project to be damaged, destroyed or rendered unfit for normal use for any reason whatsoever, including through a casualty, a failure of title, or any loss of such property through eminent domain.

“**Existing Construction Contracts**” means each Construction Contract existing as of the Effective Date, as set forth in Part A of **Schedule 13(n)** (*Construction Contracts*).

“**Existing Indebtedness**” means the indebtedness of the Borrower that has been issued or incurred prior to the Effective Date, as listed and described in **Schedule III** (*Existing Indebtedness*).

“**Federal Fiscal Year**” means the fiscal year of the Government, which is the twelve (12) month period that ends on September 30 of the specified calendar year and begins on October 1 of the preceding calendar year.

“**Final Disbursement Date**” means the earliest of (a) the date on which the WIFIA Loan has been disbursed in full, (b) the last anticipated date of disbursement set forth in the then-current Anticipated WIFIA Loan Disbursement Schedule, (c) the date on which the Borrower has certified to the WIFIA Lender that it will not request any further disbursements under the WIFIA Loan, (d) the date on which the WIFIA Lender terminates its obligations relating to disbursements of any undisbursed amounts of the WIFIA Loan in accordance with Section 19 (*System Events of Default and Remedies*) or Section 20 (*Project Events of Default and Remedies*) and (e) the date that is one (1) year after the Substantial Completion Date.

“**Final Maturity Date**” means the earlier of (a) January 1, 2056 (or such earlier date as is set forth in an updated **Exhibit F** (*WIFIA Debt Service*) pursuant to Section 7(b) (*Outstanding WIFIA Loan Balance; Revisions to Exhibit F and Loan Amortization Schedule*) and (b) the Principal Payment Date immediately preceding the date that is thirty-five (35) years following the Substantial Completion Date.

“**Financial Statements**” has the meaning provided in Section 13(x) (*Representations and Warranties of Borrower – Financial Statements*).

“**Fixed Level Payment**” has the meaning provided in Section 9(d) (*Payment of Principal and Interest – Fixed Level Payments*).

“**GAAP**” means generally accepted accounting principles for governmental entities, as established by GASB, in effect from time to time in the United States of America.

“**GASB**” means the Government Accounting Standards Board, or any successor entity with responsibility for establishing accounting rules for governmental entities, in effect from time to time in the United States of America, as made applicable to the Borrower and its enterprise systems by the Washington State Auditor’s Office in accordance with State law.

“**Government**” means the United States of America and its departments and agencies.

“**Governmental Approvals**” means all authorizations, consents, approvals, waivers, exceptions, variances, filings, permits, orders, licenses, exemptions and declarations of or with any Governmental Authority.

“**Governmental Authority**” means any federal, state, provincial, county, city, town, village, municipal or other government or governmental department, commission, council, court, board, bureau, agency, authority or instrumentality (whether executive, legislative, judicial, administrative or regulatory), of or within the United States of America or its territories or possessions, including the State and its counties and municipalities, and their respective courts, agencies, instrumentalities and regulatory bodies, or any entity that acts “on behalf of” any of the foregoing, whether as an agency or authority of such body.

“**Indemnitee**” has the meaning provided in Section 17 (*Indemnification*).

“**Insolvency Laws**” means the United States Bankruptcy Code, 11 U.S.C. § 101 *et seq.*, as from time to time amended and in effect, and any state bankruptcy, insolvency, receivership, conservatorship or similar law now or hereafter in effect.

“**Interest Only Period**” means the period from the Effective Date to but excluding the Level Payment Commencement Date (or on such earlier date as all amounts due or to become due to the WIFIA Lender hereunder have been irrevocably paid in full in immediately available funds).

“**Interest Payment Date**” means each January 1 and July 1.

“**Investment Grade Rating**” means a public rating no lower than ‘BBB-’, ‘Baa3’, ‘bbb-’, ‘BBB (low)’, or higher, from a Nationally Recognized Rating Agency.

“**JPA**” means that certain City of Seattle and King County Ship Canal Water Quality Project Joint Project Agreement, dated as of July 27, 2016, by and between the Borrower and the Project Manager, as it may be amended from time to time in accordance with the terms thereof and hereof.

“**Junior Lien Obligations**” means (a) the junior lien Obligations of the Borrower listed under the heading “Junior Lien Obligations” in **Schedule III** (*Existing Indebtedness*) and (b) any other revenue bonds or revenue obligations having a Lien on System Revenues that is pari passu to the Lien thereon of the foregoing junior lien Obligations.

“**Level Payment Commencement Date**” means January 1, 2027.

“**Level Payment Period**” means the period commencing on the Level Payment Commencement Date and ending on the Final Maturity Date (or on such earlier date as all amounts due or to become due to the WIFIA Lender hereunder have been irrevocably paid in full in immediately available funds).

“**Lien**” means any mortgage, pledge, hypothecation, assignment, mandatory deposit arrangement, encumbrance, attachment, lien (statutory or other), charge or other security interest, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever, including any sale-leaseback arrangement, any conditional sale or other title retention agreement, any financing lease having substantially the same effect as any of the foregoing, and the filing of any financing statement or similar instrument under the UCC or any other applicable law.

“**Loan Amortization Schedule**” means the loan amortization schedule reflected in the applicable column of **Exhibit F** (*WIFIA Debt Service*), as amended from time to time in accordance with Section 7 (*Outstanding WIFIA Loan Balance; Revisions to Exhibit F and Loan Amortization Schedule*).

“**Loss Proceeds**” means any proceeds of builders’ risk or casualty insurance (other than Business Interruption Insurance Loss Proceeds) or proceeds of eminent domain proceedings resulting from any Event of Loss.

“**Material Adverse Effect**” means a material adverse effect on (a) the System, the Project or the System Revenues, (b) the business, operations, properties, condition (financial or otherwise) or prospects of the System, (c) the ability of the Project Manager to meet any of its obligations under the JPA, (d) the legality, validity or enforceability of any material provision of any Ordinance Document or WIFIA Loan Document, (e) the ability of the Borrower to enter into,

perform or comply with any of its material obligations under any Ordinance Document or WIFIA Loan Document, (f) the validity, enforceability or priority of the Liens provided under the Ordinance Documents on the Collateral in favor of the Parity Bondowners or (g) the WIFIA Lender's rights or remedies available under any WIFIA Loan Document.

“Multi-Modal LTGO/Sewer Revenue Bonds” means (a) the Borrower's limited tax general obligations, additionally secured by System Revenues, which are listed under the heading “Multi-Modal LTGO/Sewer Revenue Bonds” in **Schedule III** (*Existing Indebtedness*) and (b) any additional limited tax general obligations of the Borrower payable from System Revenues and having a Lien on System Revenues that is pari passu to the Lien thereon of the foregoing bonds.

“Nationally Recognized Rating Agency” means any nationally recognized statistical rating organization identified as such by the Securities and Exchange Commission.

“NEPA” means the National Environmental Policy Act of 1969, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time.

“NEPA Determination” means the Finding of No Significant Impact for the Project issued by EPA on November 6, 2020 in accordance with NEPA.

“Net Loss Proceeds” means Loss Proceeds after excluding any proceeds of delay-in-start-up insurance and proceeds covering liability of the Borrower to third parties.

“Net System Revenues” means System Revenues less Operating and Maintenance Expenses.

“Non-Lobbying Certificate” means a certificate, signed by the Borrower's Authorized Representative, with respect to the prohibition on the use of appropriated funds for lobbying pursuant to 49 C.F.R. § 20.100(b), substantially in the form attached hereto as **Exhibit L** (*Form of Non-Lobbying Certificate*).

“Obligations” means debt of the Borrower that is secured by a pledge of and lien on System Revenues pledged as security for indebtedness issued pursuant to the applicable ordinance.

“OFAC” means the Office of Foreign Assets Control of the United States Department of the Treasury.

“Operating and Maintenance Expenses” means all normal expenses incurred by the Borrower in causing the System to be maintained in good repair, working order and condition and includes payments to any private or governmental agency for the operation or maintenance of facilities or for the disposal of sewage but excludes any allowance for depreciation.

“Operating Period Servicing Fee” has the meaning set forth in Section 30(c) (*Fees and Expenses – Operating Period Servicing Fee*).

“Ordinance” means that certain King County Ordinance 19112, dated June 23, 2020, passed by the Metropolitan King County Council.

“**Ordinance Documents**” means the Ordinance and each Supplemental Ordinance and each Sale Motion pertaining to Parity Bonds, including the WIFIA Bond.

“**Organizational Documents**” means (a) the constitutional and statutory provisions that are the basis for the existence and authority of the Borrower, including any enabling statutes, ordinances or public charters and any other organic laws establishing the Borrower and (b) the bylaws or other organizational documents of or adopted by the Borrower by which the Borrower is governed or from which its powers are derived.

“**Outstanding**” means, with respect to Obligations, Obligations that have not been cancelled or legally defeased or discharged within the meaning of the applicable ordinance.

“**Outstanding WIFIA Loan Balance**” means (a) the aggregate principal amount of the WIFIA Loan drawn by the Borrower minus (b) the aggregate principal amount of the WIFIA Loan repaid by the Borrower, as determined in accordance with Section 7 (*Outstanding WIFIA Loan Balance; Revisions to Exhibit F and Loan Amortization Schedule*).

“**Owner**” means, with respect to any Parity Bond, without distinction, the Beneficial Owner or the Registered Owner.

“**Pari Passu Obligations**” means any borrowing or indebtedness of the Borrower permitted under Section 16(a) (*Negative Covenants – Indebtedness*) and under the Ordinance that ranks *pari passu* in right of payment and right of security with the WIFIA Loan. “Pari Passu Obligations” shall include any Credit Facilities supporting any Pari Passu Obligations.

“**Parity Bond**” has the meaning provided in the Ordinance.

“**Parity Bond Fund**” has the meaning provided in the Ordinance.

“**Parity Bond Reserve Account**” has the meaning provided in the Ordinance.

“**Parity Bondowner**” means, when used with respect to the WIFIA Bond, the WIFIA Lender (and any subsequent Registered Owner of the WIFIA Bond) and, when used with respect to any other Parity Bond, the Registered Owner of such Parity Bond.

“**Parity Lien Obligations**” means (a) the limited tax general obligation bonds, additionally secured by a Lien on the System Revenues junior and subordinate to the Lien thereon of the Parity Bonds, which are listed under the heading “Parity Lien Obligations” in **Schedule III** (*Existing Indebtedness*), and (b) any other bonds issued with a Lien on System Revenues that is *pari passu* with the Lien thereon of the foregoing bonds. Parity Lien Obligations include any Parity Lien Obligation Payment Agreements (as defined in the Ordinance) and parity reimbursement agreements entered into with the provider of a Credit Facility securing any Parity Lien Obligations.

“**Patriot Act**” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended, and all regulations promulgated thereunder.

“**Payment Date**” means each Interest Payment Date and each Principal Payment Date.

“**Payment Default**” has the meaning provided in Section 19(a)(i) (*System Events of Default and Remedies – Payment Default*).

“**Permitted Investments**” has the meaning provided in the Ordinance.

“**Permitted Liens**” means:

(a) Liens permitted under the WIFIA Loan Documents and the Ordinance Documents;

(b) Liens imposed by law for taxes that are not yet due or are being contested in compliance with Section 15(m) (*Affirmative Covenants – Material Obligations; Liens*);

(c) carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than thirty (30) days or are being contested in compliance with Section 15(m) (*Affirmative Covenants – Material Obligations; Liens*);

(d) pledges and deposits made in the ordinary course of business in compliance with workers’ compensation, unemployment insurance, and other social security laws or regulations;

(e) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(f) judgment Liens in respect of judgments that do not constitute a System Event of Default under Section 19(a)(vi) (*System Events of Default and Remedies – Judgments*); and

(g) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that, in any case, do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of the Borrower.

“**Person**” means and includes an individual, a general or limited partnership, a joint venture, a corporation, a limited liability company, a trust, an unincorporated organization and any Governmental Authority.

“**Principal Payment Date**” means each January 1.

“**Professional Utility Consultant**” means a licensed professional engineer, a certified public accountant, or other independent person or firm, selected by the Borrower, having a favorable reputation for skill and experience with sewer systems of comparable size and character to the System in such areas as are relevant to the purposes for which such entity is retained.

“**Project**” means the design and construction of an offline storage tunnel and related facilities to reduce the number and volume of combined sewer overflow events that discharge into

the Lake Washington Ship Canal from Ballard, Fremont, Wallingford and North Queen Anne, known as the Ship Canal Water Quality Project, located in Seattle, Washington, and consisting of the following elements:

- (a) Ship Canal WQ Program (C314056);
- (b) SCWQ King County Coordination (C315500);
- (c) SCWQ- Instrumentation and Controls (I&C) (C315501);
- (d) SCWQ Pump Station (C315502, C315514);
- (e) Shilshole Pipe Project (C315512);
- (f) Storage Tunnel (C315503, C315504, C315505);
- (g) SCQW Site Prep (C315509);
- (h) SCQW Temporary Power (C315516);
- (i) Advanced Utilities Relocation (C315510);
- (j) Misc. Small Works Projects (C315517); and
- (k) SCQW Street Restoration & Landscape (C315513).

“**Project Budget**” means the budget for the Project attached to this Agreement as **Schedule I** (*Project Budget*) showing a summary of Total Project Costs with a breakdown of all Eligible Project Costs and the estimated sources and uses of funds for the Project.

“**Project Event of Default**” means a Project Event of Default as set forth in Section 20 (*Project Events of Default and Remedies*).

“**Project Manager**” means the City of Seattle, Washington.

“**Project Manager’s Authorized Representative**” means any Person designated as the Borrower’s Authorized Representative (as defined in the Seattle WIFIA Loan Agreement) pursuant to Section 21 (*Borrower’s Authorized Representative*) thereof.

“**Projected Substantial Completion Date**” means March 25, 2027, as such date may be adjusted in accordance with Section 23(b) (*Project Oversight and Monitoring – Reporting*).

“**Public Works Trust Fund Loans**” means (a) the loans to the Borrower by the State Department of Commerce under the Public Works Trust Fund loan program listed under the heading “PWTF Loans” in **Schedule III** (*Existing Indebtedness*) and (b) any loan agreements hereafter entered into by the Borrower under the Public Works Trust Fund loan program, the repayment obligations of which are secured by a Lien on System Revenues that is *pari passu* to the Lien thereon of the foregoing loans.

“**Qualified Insurance**” means any unconditional municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States or by a service corporation acting on behalf of one or more such insurance companies, which insurance company or service corporation, as of the time of issuance of such policy or surety bond, is then rated in one of the two highest rating categories by Moody’s, S&P, and any other rating agency then maintaining a rating on the Parity Bonds and maintains a policy owner’s surplus in excess of \$500,000,000.

“**Qualified Letter of Credit**” means any irrevocable letter of credit issued by a bank for the account of the Borrower and for the benefit of the Registered Owners of Parity Bonds; provided that such bank maintains an office, agency or branch in the United States; provided, further, that as of the time of issuance of such letter of credit, such bank is currently rated in one of the two highest rating categories by Moody’s, S&P, and any other rating agency then maintaining a rating on the Parity Bonds.

“**Rate Covenant**” has the meaning set forth in Section 15(k) (*Affirmative Covenants – Rate Covenant*).

“**Registered Owner**” means, with respect to a Parity Bond, the person in whose name that Parity Bond is registered on the Bond Register (as defined in the Ordinance).

“**Reimbursement Agreement**” means, with respect to any Credit Facility, the agreement between the Borrower and the Credit Facility Provider that governs the terms and conditions of the Credit Facility and the obligations of the Borrower with respect to, among other things, the terms of payment of principal of and interest on amounts drawn under the Credit Facility.

“**Related Documents**” means (a) the Ordinance Documents and the WIFIA Loan Documents and (b) the Reimbursement Agreements, to the extent the provisions of such Reimbursement Agreement pertain to Parity Bonds, including the WIFIA Bond.

“**Requisition**” has the meaning provided in Section 4(a) (*Disbursement Conditions*).

“**Reserve Requirement**” has the meaning provided in the Ordinance.

“**Revenue Fund**” has the meaning provided in the Ordinance.

“**Sale Motion**” means the WIFIA Sale Motion and each other Sale Motion passed by the Metropolitan King County Council in connection with the issuance of any Parity Bond.

“**Seattle WIFIA Loan Agreement**” means that certain WIFIA Loan Agreement, dated as of April 24, 2020, by and between the Project Manager and the WIFIA Lender with respect to the Project.

“**Secured Parties**” means (a) the WIFIA Lender, each other Parity Bondowner, the Trustee and the holders of Subordinated Obligations and (b) the Credit Facility Providers, if any, in respect of Pari Passu Obligations and Subordinated Obligations.

“**Service Agreements**” means the sewage disposal agreements entered into between the Borrower and municipal corporations, persons, firms, private corporations, or governmental agencies providing for the disposal by the Borrower of sewage collected from such contracting parties.

“**Servicer**” means such entity or entities as the WIFIA Lender shall designate from time to time to perform, or assist the WIFIA Lender in performing, certain duties hereunder.

“**Servicing Fee**” means any Construction Period Servicing Fee or Operating Period Servicing Fee.

“**Servicing Set-Up Fee**” has the meaning set forth in Section 30(a) (*Fees and Expenses – Servicing Set-Up Fee*).

“**SRF Loans**” means (a) the loans to the Borrower by the State Department of Ecology under the State water pollution control revolving fund loan program listed under the heading “SRF Loans” in **Schedule III** (*Existing Indebtedness*) and (b) any loan agreements hereafter entered into by the Borrower under the State water pollution control revolving fund loan program, the repayment obligations of which are secured by a Lien on System Revenues that is pari passu to the Lien thereon of the foregoing loans.

“**State**” has the meaning provided in the preamble hereto.

“**Subordinate Lien Obligations**” means those revenue bonds or other revenue obligations that may be issued by the Borrower in the future with a Lien on System Revenues junior and inferior to the Lien thereon of the Multi-Modal LTGO/Sewer Revenue Bonds, and payable from System Revenues that are available after first making the payments required to be made under paragraphs “First” through “Seventh” but before making the payments required to be made under paragraph “Ninth” of the cash flow waterfall set forth in Section 14 (*Sewer Revenue Priorities of Payment*) of the Ordinance and described in **Schedule IV** (*Flow of Funds*) to this Agreement.

“**Subordinated Obligations**” means (a) the Existing Indebtedness listed under the headings “Parity Lien Obligations,” “Junior Lien Obligations,” “Multi-Modal LTGO/Sewer Revenue Bonds,” “SRF Loans” and “Public Works Trust Fund Loans” in **Schedule III** (*Existing Indebtedness*), (b) additional Obligations that are fully subordinated in priority of payment (as to both principal and interest) and priority of security interest in the System Revenues to the WIFIA Bond, including with respect to payment from revenues and reserves and payment upon default of any Obligations, including each of the following: any additional Parity Lien Obligations, Junior Lien Obligations, Multi-Modal LTGO/Sewer Revenue Bonds, Subordinate Lien Obligations, SRF Loans, Public Works Trust Fund Loans, (c) any Credit Facility in respect of any Obligations described in clause (a) or (b) above, and (d) any Qualified Insurance and any Qualified Letter of Credit.

“**Substantial Completion**” means the Project is able to perform the functions for which the Project is designed.

“**Substantial Completion Date**” means the date on which Substantial Completion occurs.

“**Supplemental Ordinance**” means an ordinance of the Borrower authorizing the issuance of Additional Pari Passu Obligations or amending the terms of the Ordinance or a Supplemental Ordinance.

“**System**” means the sewers and sewage disposal facilities now or hereafter acquired, constructed, used or operated by the Borrower for the purpose of carrying out the Comprehensive Plan. For the avoidance of doubt, the “System” includes the Project.

“**System Accounts**” means the Revenue Fund, the Parity Bond Fund, the Debt Service Account, the Parity Bond Reserve Account, the WIFIA Debt Service Subaccount, the Construction Account and each Construction Subaccount.

“**System Event of Default**” has the meaning provided in Section 19 (*System Events of Default and Remedies*).

“**System Revenues**” means all earnings, revenues and money received by the Borrower from or on account of the operations of the System and the income from the investment of money in the Revenue Fund or any account within such fund; provided that “System Revenues” shall not include any money collected pursuant to the Service Agreements applicable to administrative costs of the Borrower other than costs of administration of the System; provided further that for certain purposes described in Section 13.B. (*Revenue Fund; Rate Stabilization Fund – Rate Stabilization Fund*) of the Ordinance, deposits from the Rate Stabilization Fund (as defined in the Ordinance) into the Revenue Fund may be included in calculations of System Revenues.

“**Total Project Costs**” means (a) the costs paid or incurred or to be paid or incurred by the Borrower in connection with or incidental to the acquisition, design, construction and equipping of the Project, including legal, administrative, engineering, planning, design, insurance and financing (including costs of issuance); (b) amounts, if any, required by the Ordinance Documents or the WIFIA Loan Documents to be paid into any fund or account upon the incurrence of the WIFIA Loan, any Pari Passu Obligations or any Subordinated Obligations, in each case in respect of the Project; (c) payments when due (whether at the maturity of principal, the due date of interest, or upon optional or mandatory prepayment) in respect of any indebtedness of the Borrower, in each case in connection with the Project (other than the WIFIA Loan); and (d) costs of equipment and supplies and initial working capital and reserves required by the Borrower for the commencement of operation of the Project, including general administrative expenses and overhead of the Borrower.

“**Trustee**” means any trustee appointed by the Parity Bondowners in accordance with the terms of Section 22.A. (*Trustee for Registered Owners of Parity Bonds – Appointment of Trustee*) of the Ordinance and having the rights and responsibilities set forth in the Ordinance.

“**UCC**” means the Uniform Commercial Code, as in effect from time to time in the State.

“**Uncontrollable Force**” means any cause beyond the control of the Borrower, including: (a) a hurricane, tornado, flood or similar occurrence, landslide, earthquake, fire or other casualty, strike or labor disturbance, freight embargo, act of a public enemy, explosion, war, blockade, terrorist act, insurrection, riot, general arrest or restraint of government and people, civil disturbance or similar occurrence, sabotage, pandemic or act of God (provided that the Borrower

shall not be required to settle any strike or labor disturbance in which it may be involved) or (b) the order or judgment of any federal, state or local court, administrative agency or governmental officer or body, if it is not also the result of willful or negligent action or a lack of reasonable diligence of the Borrower and the Borrower does not Control the administrative agency or governmental officer or body; provided that the diligent contest in good faith of any such order or judgment shall not constitute or be construed as a willful or negligent action or a lack of reasonable diligence of the Borrower.

“**WIFIA**” has the meaning provided in the recitals hereto.

“**WIFIA Bond**” means the Parity Bond delivered by the Borrower in substantially the form of **Exhibit A** (*Form of WIFIA Bond*).

“**WIFIA CUSIP Number**” means a CUSIP number for the WIFIA Loan obtained for purposes of monitoring through EMMA.

“**WIFIA Debt Service**” means with respect to any Payment Date, as applicable, the principal portion of the Outstanding WIFIA Loan Balance and any interest payable thereon (including interest accruing after the date of any filing by the Borrower of any petition in bankruptcy or the commencement of any bankruptcy, insolvency or similar proceeding with respect to the Borrower and interest accruing at the Default Rate during the continuance of an Event of Default), in each case, (a) as set forth in **Exhibit F** (*WIFIA Debt Service*) (other than interest accruing at the Default Rate during the continuance of an Event of Default) and (b) due and payable on such Payment Date in accordance with the provisions of Section 9(c) (*Payment of Principal and Interest – Payment of WIFIA Debt Service*) and 9(d) (*Payment of Principal and Interest – Fixed Level Payments*).

“**WIFIA Debt Service Subaccount**” means the subaccount within the Debt Service Account established for the benefit of the WIFIA Lender in accordance with the terms of the Ordinance.

“**WIFIA Interest Rate**” has the meaning provided in Section 6 (*Interest Rate*).

“**WIFIA Lender**” has the meaning provided in the preamble hereto.

“**WIFIA Lender’s Authorized Representative**” means the Administrator and any other Person who shall be designated as such pursuant to Section 28 (*WIFIA Lender’s Authorized Representative*).

“**WIFIA Loan**” means the secured loan made by the WIFIA Lender to the Borrower on the terms and conditions set forth herein, pursuant to the Act, in a principal amount not to exceed \$96,844,510, the proceeds of which shall be applied to pay Eligible Project Costs.

“**WIFIA Loan Documents**” means this Agreement, the WIFIA Bond, the Ordinance and the WIFIA Sale Motion.

“**WIFIA Sale Motion**” means the Sale Motion, dated [●], 2020, passed by the Metropolitan King County Council in connection with the issuance of the WIFIA Bond.

Section 2. Interpretation.

(a) Unless the context shall otherwise require, the words “hereto,” “herein,” “hereof” and other words of similar import refer to this Agreement as a whole.

(b) Words of any gender shall be deemed and construed to include correlative words of any and all genders.

(c) Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise require.

(d) The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.”

(e) Whenever the Borrower’s knowledge is implicated in this Agreement or the phrase “to the Borrower’s knowledge” or a similar phrase is used in this Agreement, the Borrower’s knowledge or such phrase(s) shall be interpreted to mean the actual knowledge of the Borrower’s officers, directors, or executive staff executing such certificate or making such representation, after reasonable inquiry. As to knowledge of matters outside of the Borrower’s organization, any such representations by the Borrower may be based on reasonable reliance on representations provided to the Borrower, where appropriate, and shall not imply independent investigation of such matters. Unless the context shall otherwise require, references to any Person shall be deemed to include such Person’s successors and permitted assigns.

(f) Unless the context shall otherwise require, references to preambles, recitals, Sections, subsections, clauses, schedules, exhibits, appendices and provisions are to the applicable preambles, recitals, Sections, subsections, clauses, schedules, exhibits, appendices and provisions of this Agreement.

(g) The schedules and exhibits to this Agreement, and the appendices and schedules to such exhibits, are hereby incorporated by reference and made an integral part of this Agreement.

(h) The headings or titles of this Agreement and its Sections, schedules or exhibits, as well as any table of contents, are for convenience of reference only and shall not define or limit its provisions.

(i) Unless the context shall otherwise require, all references to any resolution, contract, agreement, lease or other document shall be deemed to include any amendments or supplements to, or modifications or restatements or replacements of, such documents that are approved from time to time in accordance with the terms thereof and hereof.

(j) Every request, order, demand, application, appointment, notice, statement, certificate, consent or similar communication or action hereunder by any party shall, unless otherwise specifically provided, be delivered in writing in accordance with Section 38 (*Notices*) and signed by a duly authorized representative of such party.

(k) References to “disbursements of WIFIA Loan proceeds” or similar phrasing shall be construed as meaning the same thing as “paying the purchase price of the WIFIA Bond”.

(l) Whenever this Agreement requires a change in principal amount, interest rate or amortization schedule of the WIFIA Loan, it is intended that such change be reflected in the WIFIA Bond. Whenever there is a prepayment of the WIFIA Loan, it is intended that such prepayment be implemented through a prepayment of the WIFIA Bond.

Section 3. WIFIA Loan Amount. The principal amount of the WIFIA Loan shall not exceed \$96,844,510. WIFIA Loan proceeds available to be drawn shall be disbursed from time to time in accordance with Section 4 (*Disbursement Conditions*) and Section 12(b) (*Conditions Precedent – Conditions Precedent to All Disbursements*).

Section 4. Disbursement Conditions.

(a) WIFIA Loan proceeds shall be disbursed solely in respect of Eligible Project Costs paid or incurred and approved for payment by or on behalf of the Borrower in connection with the Project. If the Borrower intends to utilize the WIFIA Loan proceeds to make progress payments for Project construction work performed under the Construction Contracts, the Borrower (or the Project Manager on behalf of the Borrower) shall demonstrate to the satisfaction of the WIFIA Lender that such progress payments are commensurate with the cost of the work that has been completed. Each disbursement of the WIFIA Loan shall be made pursuant to a requisition and certification (a “**Requisition**”) in the form set forth in **Appendix One** (*Form of Requisition*) to **Exhibit D** (*Requisition Procedures*), along with all documentation and other information required thereby, submitted by the Borrower (or the Project Manager on behalf of the Borrower) to, and approved by, the WIFIA Lender, all in accordance with the procedures of **Exhibit D** (*Requisition Procedures*) and subject to the requirements of this Section 4 and the conditions set forth in Section 12(b) (*Conditions Precedent – Conditions Precedent to All Disbursements*); provided that no disbursement of WIFIA Loan proceeds shall be made after the Final Disbursement Date.

(b) The Borrower (or the Project Manager on behalf of the Borrower) shall deliver copies of each Requisition to the WIFIA Lender and the Servicer (if any) on or before the first (1st) Business Day of each month for which a disbursement is requested. If the WIFIA Lender shall expressly approve a Requisition or shall not expressly deny a Requisition, disbursements of funds shall be made on the fifteenth (15th) day of the month for which a disbursement has been requested, or on the next succeeding Business Day if such fifteenth (15th) day is not a Business Day. Express WIFIA Lender approval or denial shall be substantially in the form annexed hereto as **Appendix Two** (*[Approval/Disapproval] of the WIFIA Lender*) to **Exhibit D** (*Requisition Procedures*). In no event shall disbursements be made more than once each month. At the time of any disbursement, the sum of all prior disbursements of WIFIA Loan proceeds and the disbursement then to be made shall not exceed the cumulative disbursements through the end of the then-current Federal Fiscal Year set forth in the Anticipated WIFIA Loan Disbursement Schedule, as the same may be amended from time to time in accordance with the terms of this Agreement. Subject to this Section 4, any scheduled disbursement (as reflected in the Anticipated WIFIA Loan Disbursement Schedule) that remains undrawn at the end of any Federal Fiscal Year shall automatically roll forward to be available in the next succeeding Federal Fiscal Year up to

the last anticipated date of disbursement set forth in the Anticipated WIFIA Loan Disbursement Schedule, having the effect of automatically updating the Anticipated WIFIA Loan Disbursement Schedule without need for the WIFIA Lender's approval.

(c) The Borrower may also amend the Anticipated WIFIA Loan Disbursement Schedule by submitting a revised version thereof to the WIFIA Lender no later than thirty (30) days prior to the proposed effective date of such amendment, together with a detailed explanation of the reasons for such revisions. Such revised Anticipated WIFIA Loan Disbursement Schedule shall become effective upon the WIFIA Lender's approval thereof, which approval shall be granted or withheld in the WIFIA Lender's sole discretion.

Section 5. Term. The term of the WIFIA Loan shall extend from the Effective Date to the Final Maturity Date or to such earlier date as all amounts due or to become due to the WIFIA Lender hereunder have been irrevocably paid in full in immediately available funds.

Section 6. Interest Rate. The interest rate with respect to the Outstanding WIFIA Loan Balance (the "**WIFIA Interest Rate**") shall be [●] and [●] hundredths percent ([●]%) per annum. Interest will accrue and be computed on the Outstanding WIFIA Loan Balance (as well as on any past due interest) from time to time on the basis of a three hundred sixty (360)-day year of twelve (12) thirty (30) day months; provided that, in the event of any Payment Default or any Project Event of Default arising from abandonment of the Project, the Borrower shall pay interest on the Outstanding WIFIA Loan Balance at the Default Rate, in the case of any Payment Default, from (and including) its due date to (but excluding) the date of actual payment and, in the case of any Project Event of Default arising from abandonment of the Project, from (and including) the date of such occurrence until (and excluding) the date on which the Outstanding WIFIA Loan Balance has been paid in full in immediately available funds.

Section 7. Outstanding WIFIA Loan Balance; Revisions to **Exhibit F** and Loan Amortization Schedule.

(a) The Outstanding WIFIA Loan Balance will be (i) increased on each occasion on which the WIFIA Lender disburses loan proceeds hereunder, by the amount of such disbursement of loan proceeds and (ii) decreased upon each payment or prepayment of the Outstanding WIFIA Loan Balance, by the amount of principal so paid. The WIFIA Lender may in its discretion at any time and from time to time, or when so requested by the Borrower, advise the Borrower by written notice of the amount of the Outstanding WIFIA Loan Balance as of the date of such notice, and its determination of such amount (including only such adjustments as are permitted under the immediately preceding sentence) in any such notice shall be deemed conclusive absent manifest error.

(b) The WIFIA Lender is hereby authorized to modify the Loan Amortization Schedule included in **Exhibit F** (*WIFIA Debt Service*) from time to time, to reflect (i) any change to the Outstanding WIFIA Loan Balance, (ii) any change to the date and amount of any principal or interest due and payable or to become due and payable by the Borrower under this Agreement, and (iii) such other information as the WIFIA Lender may determine is necessary for administering the WIFIA Loan and this Agreement. The WIFIA Lender shall modify the Loan Amortization Schedule promptly following the Final Disbursement Date. Any calculations described above

shall be rounded up to the nearest whole cent. Any partial prepayments of the Outstanding WIFIA Loan Balance pursuant to Section 10 (*Prepayment*) shall be applied in accordance with Section 10(d) (*Prepayment – General Prepayment Instructions*). Absent manifest error, the WIFIA Lender's determination of such matters as set forth on **Exhibit F** (*WIFIA Debt Service*) shall be conclusive evidence thereof; provided that neither the failure to modify the Loan Amortization Schedule nor the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower's obligations hereunder or under any other WIFIA Loan Document. The WIFIA Lender shall provide the Borrower with a copy of **Exhibit F** (*WIFIA Debt Service*) as revised, but no failure to provide or delay in providing the Borrower with such copy shall affect any of the obligations of the Borrower under this Agreement or the other WIFIA Loan Documents. The Borrower may request written confirmation from the WIFIA Lender as to updated information to be included in **Exhibit F** (*WIFIA Debt Service*), pending actual revision and delivery by the WIFIA Lender, including for purposes of calculating compliance with the Rate Covenant and other requirements.

Section 8. Security and Priority; Flow of Funds.

(a) As security for the WIFIA Loan, the Borrower shall pledge, assign and grant, or shall cause to be pledged, assigned and granted, for the benefit of the WIFIA Lender, Liens on the Collateral in accordance with the provisions of the Ordinance Documents. The Liens on the Collateral for the benefit of the WIFIA Lender shall at all times be (i) *pari passu* in right of payment and right of security with the Liens on the Collateral for the benefit of the other Parity Bondowners and (ii) senior in right of payment and right of security to the Liens on System Revenues for the benefit of the holders of Subordinated Obligations.

(b) The Collateral will be free and clear of any pledge, Lien, charge or encumbrance thereon or with respect thereto that is (i) of equal rank with the pledge of the Borrower created under the Ordinance Documents for the benefit of the WIFIA Lender (other than Permitted Liens for the benefit of Parity Bondowners) or (ii) senior to the pledge of the Borrower created under the Ordinance Documents for the benefit of the WIFIA Lender (other than Permitted Liens required by operation of law). All organizational, regulatory or other necessary action on the part of the Borrower with respect to the foregoing has been duly and validly taken.

(c) The Borrower shall not use System Revenues to make any payments or satisfy any obligations other than in accordance with the provisions of this Section 8 and the Ordinance Documents and shall not apply any portion of the System Revenues in contravention of this Agreement or the Ordinance Documents.

(d) All System Revenues shall be deposited in the Revenue Fund and applied in accordance with the requirements specified in Section 14 (*Sewer Revenue Priorities of Payment*) of the Ordinance, a copy of which, as of the Effective Date, is attached hereto as **Schedule IV** (*Flow of Funds*) (all capitalized terms used in **Schedule IV** shall have the meanings provided in the Ordinance).

(e) Notwithstanding anything to the contrary set forth herein or in any other WIFIA Loan Document, the obligations of the Borrower under this Agreement and the WIFIA Bond are special limited obligations of the Borrower, payable solely from Net System Revenues

and from amounts in the Parity Bond Fund, and are not obligations of the State or any political subdivision thereof other than the Borrower, and neither the full faith and credit nor the taxing power of the Borrower or the State or any political subdivision thereof is pledged to the payment of the obligations of the Borrower under this Agreement or the WIFIA Bond.

Section 9. Payment of Principal and Interest.

(a) Payment Dates. The Borrower agrees to pay the principal of and interest on the WIFIA Loan by making payments in accordance with the provisions of this Agreement and the Ordinance Documents, in the case of interest, on each Interest Payment Date and, in the case of principal, on each Principal Payment Date and, in each case, on each other date on which payment thereof is required to be made hereunder (including the Final Maturity Date and any date on which payment is otherwise due); provided that if any such date is not a Business Day, payment shall be made on the next Business Day following such date. Any payment of the WIFIA Bond shall be treated as a payment of the WIFIA Loan and any prepayment of principal of the WIFIA Loan shall be treated as a redemption of the WIFIA Bond.

(b) Interest Commencement Date. With respect to the WIFIA Loan (and the corresponding WIFIA Bond), interest shall accrue and be payable only on those amounts for which a Requisition has been submitted and funds (or such portion of funds as have been approved by WIFIA Lender) have been made available to the Borrower for use on the Project in accordance with Section 4 (*Disbursement Conditions*).

(c) Payment of WIFIA Debt Service.

(i) During the Interest Only Period, the WIFIA Debt Service payable by the Borrower shall consist of one hundred percent (100%) of the amount of interest then due and payable on the Outstanding WIFIA Loan Balance, and no payment of principal will be due and payable. Such payments shall be made in accordance with Section 9(e) (*Payment of Principal and Interest – Manner of Payment*).

(ii) On each Payment Date following the Interest Only Period, the Borrower shall pay WIFIA Debt Service in the amounts set forth in respect of such Payment Date on **Exhibit F** (*WIFIA Debt Service*), as the same may be revised as provided in Section 7 (*Outstanding WIFIA Loan Balance; Revisions to Exhibit F and Loan Amortization Schedule*). All such payments shall be made in accordance with Section 9(e) (*Payment of Principal and Interest – Manner of Payment*).

(d) Fixed Level Payments. During the Level Payment Period, the Borrower shall make payments of principal on each Principal Payment Date and payments of interest on each Interest Payment Date. The amount consisting of (i) the interest payment due on July 1 of any year *plus* (ii) the sum of the principal and interest payments due on January 1 of the immediately following year, will be approximately equal in amount for each such period during the Level Payment Period (each such amount, a “**Fixed Level Payment**”). The amount of the Fixed Level Payment shall be calculated in such manner that the Outstanding WIFIA Loan Balance as of the Level Payment Commencement Date shall be reduced to \$0 on the Final Maturity Date (assuming that interest accrues during such period on the Outstanding WIFIA Loan Balance at the

rate per annum set forth in Section 6 (*Interest Rate*) in the absence of an Event of Default, that all Fixed Level Payments are made in a timely manner during such period, and that no additional payments of principal of or interest on the WIFIA Loan are made during such period). Within thirty (30) days prior to the beginning of the Level Payment Period, the WIFIA Lender may (or, at the written request of the Borrower, shall) give written notice to the Borrower of the amount of the related Fixed Level Payment, which amount shall be deemed conclusive absent manifest error, but no failure to provide or delay in providing the Borrower with such notice shall affect any of the obligations of the Borrower under this Agreement or the other WIFIA Loan Documents. To the extent that any prepayments of the WIFIA Loan shall be made during the Level Payment Period in addition to the Fixed Level Payments, such prepayments shall be applied to the remaining Outstanding WIFIA Loan Balance and the resulting Fixed Level Payments shall be recalculated as provided in Section 10(d) (*Prepayment – General Prepayment Instructions*) and reflected in a revised **Exhibit F** (*WIFIA Debt Service*).

(e) Manner of Payment. Payments under this Agreement (and the WIFIA Bond which payments shall not be duplicative) shall be made by wire transfer on or before each Payment Date in immediately available funds in accordance with payment instructions set forth in **Schedule V** (*WIFIA Payment Instructions*), as modified in writing from time to time by the WIFIA Lender. The Borrower may make any such payment or portion thereof with funds then on deposit in the WIFIA Debt Service Subaccount.

(f) Final Maturity Date. Notwithstanding anything herein to the contrary, the Outstanding WIFIA Loan Balance and any accrued interest thereon shall be due and payable in full on the Final Maturity Date.

(g) WIFIA Bond. As evidence of the Borrower's obligation to repay the WIFIA Loan, the Borrower shall issue and deliver to the WIFIA Lender, on or prior to the Effective Date, the WIFIA Bond substantially in the form of **Exhibit A** (*Form of WIFIA Bond*), having a maximum principal amount of \$96,844,510 (subject to increase or decrease as herein provided), bearing interest at the rate set forth in Section 6 (*Interest Rate*) and having principal and interest payable on the same dates set forth herein.

Section 10. Prepayment.

(a) Optional Prepayments. The Borrower may prepay the WIFIA Loan in whole or in part (and, if in part, the amounts thereof to be prepaid shall be determined by the Borrower; provided that such prepayments shall be in principal amounts of \$1,000,000 or any integral multiple of \$1.00 in excess thereof), from time to time but not more than once annually, without penalty or premium, by paying to the WIFIA Lender such principal amount of the WIFIA Loan to be prepaid, together with the unpaid interest accrued on the amount of principal so prepaid to the date of such prepayment, which shall be a Payment Date unless otherwise agreed by the WIFIA Lender. Each prepayment of the WIFIA Loan shall be made on such date and in such principal amount as shall be specified by the Borrower in a written notice delivered to the WIFIA Lender. In the case of any optional prepayment, such written notice shall be delivered to the WIFIA Lender not less than twenty (20) days or more than sixty (60) days prior to the date set for prepayment, unless otherwise agreed by the WIFIA Lender. At any time between delivery of such written notice and the applicable optional prepayment, the Borrower may, without penalty or

premium, rescind its announced optional prepayment by further written notice to the WIFIA Lender. Anything in this Section 10(a) to the contrary notwithstanding, the failure by the Borrower to make any optional prepayment shall not constitute a breach or default under this Agreement.

(b) Prepayment with Net Loss Proceeds. The Borrower shall prepay the WIFIA Loan, without penalty or premium, from Net Loss Proceeds required to be applied to such prepayment pursuant to Section 15(p) (*Affirmative Covenants – Events of Loss; Loss Proceeds*). The Borrower shall provide written notice to the WIFIA Lender at least two (2) Business Days prior to the date on which it makes any such prepayment; provided that the Borrower's failure to deliver such notice shall not diminish, impair or otherwise affect the Borrower's obligation to make any such prepayment as and when the circumstances requiring such prepayment have occurred. The failure of the Borrower to make any prepayment pursuant to this Section 10(b) shall constitute an Event of Default pursuant to Section 19(a)(ii) (*System Events of Default and Remedies – Covenant Default*), subject to the Borrower's cure rights set forth in such section, and shall not constitute a Payment Default.

(c) Borrower's Certificate. Each prepayment pursuant to this Section 10 shall be effected pursuant to Section 5 (*Redemption Provisions; Purchase of Bonds*) of the Ordinance and Section 6 (*Notice and Effect of Redemption*) of the Ordinance (as applicable) and accompanied by a certificate signed by the Borrower's Authorized Representative identifying the provision of this Agreement pursuant to which such prepayment is being made and containing a calculation in reasonable detail of the amount of such prepayment.

(d) General Prepayment Instructions. Upon the WIFIA Lender's receipt of confirmation that payment in full in immediately available funds of the entire Outstanding WIFIA Loan Balance and any unpaid interest, fees and expenses with respect thereto has occurred as a result of a prepayment, the WIFIA Lender shall surrender the WIFIA Bond to the Borrower or its representative at the principal office of the WIFIA Lender. If the Borrower prepays only part of the unpaid balance of principal of the WIFIA Loan, the WIFIA Lender may make a notation on **Exhibit F** (*WIFIA Debt Service*) indicating the amount of principal of and interest on the WIFIA Loan then being prepaid. Absent manifest error, the WIFIA Lender's determination of such matters as set forth on **Exhibit F** (*WIFIA Debt Service*) shall be conclusive evidence thereof; provided that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower's obligations hereunder or under any other WIFIA Loan Document. All partial prepayments of principal shall be applied to reduce future payments due on the WIFIA Loan on a pro rata basis across all principal payments remaining. If such funds have not been so paid on the prepayment date, such principal amount of the WIFIA Loan shall continue to bear interest until payment thereof at the rate provided for in Section 6 (*Interest Rate*).

Section 11. [Reserved].

Section 12. Conditions Precedent.

(a) Conditions Precedent to Effectiveness. Notwithstanding anything in this Agreement to the contrary, this Agreement shall not become effective until each of the following conditions precedent has been satisfied or waived in writing by the WIFIA Lender:

(i) The Borrower shall have duly executed and delivered to the WIFIA Lender this Agreement and the WIFIA Bond, each in form and substance satisfactory to the WIFIA Lender.

(ii) The Borrower shall have delivered to the WIFIA Lender certified, complete, and fully executed copies of the Ordinance and the WIFIA Sale Motion, together with any amendments, supplements, waivers or modifications thereto, in each case that has been entered into on or prior to the Effective Date, and each such agreement shall be in full force and effect and in form and substance satisfactory to the WIFIA Lender, and all conditions contained in such documents to the closing of the transactions contemplated thereby shall have been fulfilled or effectively waived (provided that for purposes of this Section 12(a)(ii), any such waiver shall be subject to the WIFIA Lender's consent in its sole discretion).

(iii) Counsel to the Borrower shall have rendered to the WIFIA Lender legal opinions satisfactory to the WIFIA Lender in its sole discretion (including those opinions set forth on **Exhibit G-1** (*Opinions Required of Counsel to Borrower*)) and bond counsel to the Borrower shall have rendered to the WIFIA Lender legal opinions satisfactory to the WIFIA Lender in its sole discretion (including those opinions set forth on **Exhibit G-2** (*Opinions Required from Bond Counsel*)).

(iv) The Borrower shall have provided a certificate from the Borrower's Authorized Representative as to the absence of debarment, suspension or voluntary exclusion from participation in Government contracts, procurement and non-procurement matters substantially in the form attached hereto as **Exhibit C** (*Certification Regarding Debarment, Suspension and other Responsibility Matters*) with respect to the Borrower and its principals (as defined in 2 C.F.R. § 180.995).

(v) The Borrower shall have provided evidence to the WIFIA Lender's satisfaction of the assignment by at least two (2) Nationally Recognized Rating Agencies of an Investment Grade Rating to the Pari Passu Obligations the proceeds of which are or will be applied to fund all or any portion of Total Project Costs (including at least one (1) public Investment Grade Rating with respect to the WIFIA Loan) and no such rating has been reduced, revoked, withdrawn or suspended as of the Effective Date.

(vi) The Borrower shall have delivered to the WIFIA Lender a certificate, signed by the Borrower's Authorized Representative, in the form attached hereto as **Exhibit H** (*Form of Borrower's Officer's Certificate*) (the "**Borrower's Officer's Certificate**"), designating the Borrower's Authorized Representative, confirming such person's position and incumbency and certifying as to the satisfaction of the following conditions precedent (and, if requested by the WIFIA Lender, the Borrower shall have provided evidence satisfactory to the WIFIA Lender of such satisfaction):

(A) the aggregate of all committed sources of funds shown in the Base Case Financial Model and in the Project Budget to pay Total Project Costs have been fully and completely committed and allocated to the Borrower by the providers thereof and such

funds are sufficient to pay all Total Project Costs necessary to achieve Substantial Completion;

(B) the Borrower (or the Project Manager on behalf of the Borrower) has obtained all Governmental Approvals necessary to commence construction of the Project and all such Governmental Approvals are final, non-appealable, and in full force and effect (and are not subject to any notice of violation, breach, or revocation);

(C) the Borrower is in compliance with NEPA and any applicable federal, state or local environmental review and approval requirements with respect to the Project and, if requested by the WIFIA Lender, the Borrower (or the Project Manager on behalf of the Borrower) has provided evidence satisfactory to the WIFIA Lender of such compliance;

(D) as of the Effective Date (x) the maximum principal amount of the WIFIA Loan, together with the amount of any other credit assistance provided under the Act to the Borrower, does not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs and (y) the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan, does not exceed eighty percent (80%) of Total Project Costs;

(E) the Borrower has (x) obtained a Federal Employer Identification Number, (y) obtained a Data Universal Numbering System Number, and (z) registered with, and obtained confirmation of active registration status from, the federal System for Award Management (www.SAM.gov);

(F) the Borrower has obtained the WIFIA CUSIP Number; and

(G) the representations and warranties of the Borrower set forth in this Agreement (including Section 13 (*Representations and Warranties of Borrower*)) and in each other Related Document are true and correct, as of the Effective Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties were true and correct as of such earlier date).

(vii) The Borrower (or the Project Manager on behalf of the Borrower) shall have provided to the WIFIA Lender complete and fully executed copies of the JPA and each Existing Construction Contract, together with any amendments, waivers or modifications thereto, along with a certification in the Borrower's Officer's Certificate that the JPA is in full force and effect and, to the Borrower's knowledge, each Existing Construction Contract is in full force and effect.

(viii) The Borrower shall have delivered to the WIFIA Lender a certified Base Case Financial Model on or prior to the Effective Date, which Base Case Financial Model shall (A) demonstrate that projected System Revenues are sufficient to meet the Loan Amortization Schedule, (B) demonstrate compliance with the Rate Covenant for each Borrower Fiscal Year through the Final Maturity Date, (C) reflect principal amortization and interest payment schedules acceptable to the WIFIA Lender, (D) demonstrate that the Borrower (or the Project Manager on behalf of the Borrower) has developed, and identified

adequate revenues to implement, a plan for operating, maintaining and repairing the Project over the useful life of the Project and (E) otherwise be in form and substance acceptable to the WIFIA Lender.

(ix) The Borrower shall have paid in full (A) the Servicing Set-Up Fee and the initial Construction Period Servicing Fee and (B) all invoices delivered by the WIFIA Lender to the Borrower as of the Effective Date for the fees and expenses of the WIFIA Lender's counsel and financial advisors and any auditors or other consultants retained by the WIFIA Lender for the purposes hereof.

(x) The Borrower (or the Project Manager on behalf of the Borrower) shall have delivered a report containing the information required pursuant to Section 23(c) (*Project Oversight and Monitoring – Additional Reporting*).

(xi) The Borrower shall have delivered to the WIFIA Lender (A) certificates of insurance or documents pertaining to the Borrower's self-insurance program, along with a certification in the Borrower's Officer's Certificate that (1) the Borrower and the Project Manager have obtained insurance with respect to the Borrower, the Project and the System, as applicable, that meets the requirements of Section 15(f) (*Affirmative Covenants – Insurance*) and (2) each liability policy (other than workers' compensation insurance or the Borrower's self-insurance program) reflects the WIFIA Lender as an additional insured and (B) at the WIFIA Lender's request, copies of such insurance policies or documents pertaining to the Borrower's self-insurance program.

(xii) The Borrower shall have delivered to the WIFIA Lender (A) a copy of the Borrower's Organizational Documents as in effect on the Effective Date, along with a certification in the Borrower's Officer's Certificate that such Organizational Documents are in full force and effect; and (B) copies of all such further instruments and documents other than the Ordinance Documents (if any) as are necessary, appropriate or advisable to consummate and implement the transactions contemplated by the WIFIA Loan Documents.

(xiii) The Borrower shall have duly passed the WIFIA Sale Motion, which (A) confirms the terms and conditions of the WIFIA Bond and authorizes the execution of this Agreement, (B) is in form and substance satisfactory to the WIFIA Lender and (C) is and shall remain in full force and effect.

(xiv) The Borrower (or the Project Manager on behalf of the Borrower) shall have provided the WIFIA Lender records of the Eligible Project Costs incurred prior to the Effective Date, in form and substance satisfactory to the WIFIA Lender to review such costs.

(xv) The Borrower shall have provided to the WIFIA Lender evidence that the Borrower has opened the WIFIA Debt Service Subaccount with respect to the WIFIA Loan.

(xvi) The Borrower shall have delivered to the WIFIA Lender the Non-Lobbying Certificate.

(xvii) The Borrower shall have delivered to the WIFIA Lender the Civil Rights Pre-Award Compliance Review Report: EPA Form 4700-4.

(xviii) The Borrower (or the Project Manager on behalf of the Borrower) shall have delivered such other agreements, documents, instruments, opinions and other items required by the WIFIA Lender, all in form and substance satisfactory to the WIFIA Lender, including evidence that all other Project funding requirements have been met.

(b) Conditions Precedent to All Disbursements. Notwithstanding anything in this Agreement to the contrary, the WIFIA Lender shall have no obligation to make any disbursement of loan proceeds to the Borrower (including the initial disbursement hereunder) until each of the following conditions precedent has been satisfied or waived in writing by the WIFIA Lender:

(i) The Borrower shall have provided to the WIFIA Lender evidence satisfactory to the WIFIA Lender that (A) the aggregate amount of all disbursements of the WIFIA Loan (including the requested disbursement) shall not exceed the amount of Eligible Project Costs paid or incurred by the Borrower (or the Project Manager on behalf of the Borrower), (B) the Borrower has sufficient available funds committed to the Project, which together with funds that remain available and not yet drawn under the WIFIA Loan, will be sufficient to pay the reasonably anticipated remaining Total Project Costs and (C) the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan, does not exceed eighty percent (80%) of Total Project Costs.

(ii) The Borrower shall have provided financial plans reasonably satisfactory to the WIFIA Lender in accordance with Section 22(a) (*System Financial Planning and Reporting – Financial Plan*).

(iii) To the extent not previously delivered to the WIFIA Lender, the Borrower shall have delivered to the WIFIA Lender certified, complete and fully executed copies of any Ordinance Documents then in effect and entered into after the Effective Date.

(iv) To the extent not previously delivered to the WIFIA Lender, the Borrower (or the Project Manager on behalf of the Borrower) shall have provided certified copies of all Additional Construction Contracts then in effect and required pursuant to Section 15(b)(ii) (*Affirmative Covenants – Copies of Documents*), including, in each case, any amendment, modification or supplement thereto, and any material amendment, modification or supplement to the JPA, entered into after the Effective Date.

(v) The Borrower (or the Project Manager on behalf of the Borrower) shall have demonstrated to the WIFIA Lender's satisfaction that all Governmental Approvals necessary as of the time of the applicable disbursement for the development, construction, operation and maintenance of the Project have been issued and are in full force and effect.

(vi) At the time of, and immediately after giving effect to, any disbursement of WIFIA Loan proceeds then currently requested, (A) no Default or Event of Default hereunder and no event of default under any other Related Document shall have

occurred and be continuing and (B) no event that with the giving of notice or the passage of time or both would constitute an event of default under any other Related Document shall have occurred and be continuing.

(vii) Each of the insurance policies obtained by the Borrower or the Project Manager in satisfaction of the conditions in Section 15(f) (*Affirmative Covenants – Insurance*) is in full force and effect, and no notice of termination thereof has been issued by the applicable insurance provider.

(viii) The representations and warranties of the Borrower set forth in this Agreement (including Section 13 (*Representations and Warranties of Borrower*)) and in each other Related Document shall be true and correct as of each date on which any disbursement of the WIFIA Loan is made, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true and correct as of such earlier date).

(ix) No Material Adverse Effect, or any event or condition that could reasonably be expected to result in a Material Adverse Effect, shall have occurred and be continuing since the Effective Date.

(x) The Borrower (or the Project Manager on behalf of the Borrower) shall have delivered to the WIFIA Lender a Requisition that complies with the provisions of Section 4 (*Disbursement Conditions*), and the WIFIA Lender shall have approved (or be deemed to have approved in accordance with Section 4(b) (*Disbursement Conditions*)) such Requisition.

(xi) The Borrower shall have paid in full (A) any outstanding Servicing Fee and (B) all invoices received from the WIFIA Lender as of the date of disbursement of the WIFIA Loan, for the fees and expenses of the WIFIA Lender's counsel and financial advisors and any auditors or other consultants retained by the WIFIA Lender for the purposes hereof.

(xii) The Borrower (or the Project Manager on behalf of the Borrower) shall have provided the WIFIA Lender records of the Eligible Project Costs requested to be disbursed in form and substance satisfactory to the WIFIA Lender to review such costs.

Section 13. Representations and Warranties of Borrower. The Borrower hereby represents and warrants that, as of the Effective Date and, as to each of the representations and warranties below (other than those contained in Section 13(b) (*Representations and Warranties of Borrower – Officer's Authorization*), the first sentence of Section 13(f) (*Representations and Warranties of Borrower – Litigation*), Section 13(k) (*Representations and Warranties of Borrower – Credit Ratings*) and the first sentence of Section 13(n) (*Representations and Warranties of Borrower – Construction Contracts and JPA*), each of which is made only as of the Effective Date and need not be repeated as of the date of any disbursement), as of each date on which any disbursement of the WIFIA Loan is requested or made:

(a) Organization; Power and Authority. The Borrower is a political subdivision of the State, duly organized and validly existing under the laws of the State, has full legal right,

power and authority to do business in the State and to enter into the Related Documents to which it is a party, to execute and deliver this Agreement and the WIFIA Bond, and to carry out and consummate all transactions contemplated hereby and thereby, and has duly authorized the execution, delivery and performance of this Agreement, the WIFIA Bond and the other Related Documents to which it is a party.

(b) Officers' Authorization. As of the Effective Date, the officers of the Borrower executing (or that previously executed) the Related Documents, and any certifications or instruments related thereto, to which the Borrower is a party are (or were at the time of such execution) duly and properly in office and fully authorized to execute the same.

(c) Due Execution; Enforceability. Each of the Related Documents in effect as of any date on which this representation and warranty is made, and to which the Borrower is a party, has been duly authorized, executed and delivered by the Borrower and constitutes the legal, valid and binding agreement of the Borrower enforceable against the Borrower in accordance with its terms, except as such enforceability (i) may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and (ii) is subject to general principles of equity (regardless of whether enforceability is considered in equity or at law).

(d) Non-Contravention. The execution and delivery of the Related Documents to which the Borrower is a party, the consummation of the transactions by the Borrower contemplated by the JPA and the Related Documents, and the fulfillment of or compliance by the Borrower with the terms and conditions of the JPA and the Related Documents, will not (i) conflict with the Borrower's Organizational Documents, (ii) conflict in any material respect with, or constitute a violation, breach or default (whether immediately or after notice or the passage of time or both) by the Borrower of or under, any applicable law, administrative rule or regulation, any applicable court or administrative decree or order, or any ordinance, mortgage, deed of trust, loan agreement, lease, contract or other material agreement or instrument to which the Borrower is a party or by which it or the properties or assets of the System are otherwise subject or bound, in each case that could reasonably be expected to result in a Material Adverse Effect, or (iii) result in the creation or imposition of any Lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower with respect to the System, other than Permitted Liens.

(e) Consents and Approvals. No consent or approval of any trustee, holder of any indebtedness of the Borrower or any other Person, and no consent, permission, authorization, order or license of, or filing or registration with, any Governmental Authority is necessary in connection with (i) the execution and delivery by the Borrower of the Related Documents to which it is a party, except as have been obtained or made and as are in full force and effect, or (ii) (A) the consummation of any transaction contemplated by the Related Documents or (B) the fulfillment of or compliance by the Borrower with the terms and conditions of the Related Documents, except (as to both (i) and (ii)) as have been obtained or made and as are in full force and effect or as are ministerial in nature and can reasonably be expected to be obtained or made in the ordinary course on commercially reasonable terms and conditions when needed.

(f) Litigation. Except as set forth in **Schedule 13(f)** (*Litigation*), there is no action, suit, proceeding or, to the knowledge of the Borrower, any inquiry or investigation, in any

case before or by any court or other Governmental Authority pending or, to the knowledge of the Borrower, threatened against or otherwise affecting the Borrower with respect to the System (including the Project) that could reasonably be expected to result in a judgment of \$25,000,000 or more or affecting the ability of the Borrower to execute, deliver and perform its obligations under the JPA or the Related Documents. As of the Effective Date and as of each other date on which the representations and warranties herein are made or confirmed, there is no action, suit, proceeding or, to the knowledge of the Borrower, any inquiry or investigation before or by any court or other Governmental Authority pending, or to the knowledge of the Borrower, threatened against or otherwise affecting the Borrower with respect to the System (including the Project), that in any case could reasonably be expected to result in a Material Adverse Effect. To the Borrower's knowledge, there are no actions of the type described above pending or threatened against or affecting the Project Manager, except for matters arising after the Effective Date that could not reasonably be expected to (i) result in a Material Adverse Effect or (ii) adversely affect the Borrower's ability to receive System Revenues in amounts sufficient to meet the financial projections contained in the Base Case Financial Model (or any budget or financial plan delivered pursuant to Section 22(a) (*System Financial Planning and Reporting – Financial Plan*)).

(g) Security Interests. The Ordinance and Revised Code of Washington, Section 39.46.150 establish, for the benefit of the WIFIA Lender, the valid and binding Liens on the Collateral that they purport to create, irrespective of whether any Person has notice of the pledge and without the need for any physical delivery, recordation, filing, or further act. Such Liens are in full force and effect and are not subordinate or junior to any other Liens in respect of the Collateral except for Permitted Liens required by operation of law, and not *pari passu* with any obligations other than the Pari Passu Obligations. The Borrower has duly and lawfully taken all actions required under this Agreement, the Ordinance Documents, and applicable law for the pledge of the Collateral pursuant to and in accordance with the Ordinance Documents. The Borrower is not in breach of any covenants set forth in Section 15(a) (*Affirmative Covenants – Securing Liens*) or in the Ordinance Documents with respect to the matters described in such Section or documents. As of the Effective Date and as of each other date this representation and warranty is made, (i) all documents and instruments have been recorded or filed for record in such manner and in such places as are required and all other action as is necessary or desirable has been taken to establish a legal, valid, binding, and enforceable Lien on the Collateral in favor of the WIFIA Lender and the other Parity Bondowners to the extent contemplated by the Ordinance Documents or applicable law, and (ii) all taxes and filing fees that are due and payable in connection with the execution, delivery or recordation of any Ordinance Documents or any instruments, certificates or financing statements in connection with the foregoing have been paid. Neither the attachment, perfection, validity, enforceability or priority of the security interest in the Collateral granted pursuant to the Ordinance Documents is governed by Article 9 of the UCC.

(h) No Debarment. The Borrower has fully complied with its verification obligations under 2 C.F.R. § 180.320 and confirms, based on such verification, that, to its knowledge, neither the Borrower nor any of its principals (as defined in 2 C.F.R. § 180.995 and supplemented by 2 C.F.R. § 1532.995) is debarred, suspended or voluntarily excluded from participation in Government contracts, procurement or non-procurement matters or delinquent on a Government debt as more fully set forth in the certificate delivered pursuant to Section 12(a)(iv) (*Conditions Precedent – Conditions Precedent to Effectiveness*).

(i) Accuracy of Representations and Warranties. The representations, warranties and certifications of the Borrower set forth in this Agreement and the other Related Documents are true and correct, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties shall be true and correct as of such earlier date).

(j) Compliance with Federal Requirements. With respect to the Project (and, in respect of compliance with 33 U.S.C. §3914, anything related to the Project in purpose, place, and time), the Borrower has, and, to the Borrower's knowledge, each of its contractors and subcontractors at all tiers with respect to the Project has, complied in all material respects with all applicable federal laws, rules, regulations and requirements, including (i) 40 U.S.C. §§ 3141-3144, 3146, and 3147 and regulations relating thereto (Davis-Bacon Act Requirements), (ii) 33 U.S.C. § 3914 (relating to American iron and steel products), and (iii) those set forth in **Exhibit E** (*Compliance With Laws*). As of the Effective Date, the Borrower is not a party to any of the Construction Contracts. To ensure such compliance, the Borrower will include in any Additional Construction Contract to which the Borrower may become a party requirements that its contractor(s) shall comply with applicable federal laws, rules, regulations, and requirements set forth in this Section 13(j) and follow applicable federal guidance, and will require that the contractor(s) incorporate in all subcontracts (and cause all subcontractors to include in lower tier subcontracts) such terms and conditions as are required to be incorporated therein by applicable federal laws, rules, regulations and requirements set forth in this Section 13(j). Each such Additional Construction Contract to which the Borrower is a party will require that supporting documentation, such as certified payroll records and certifications for all iron and steel products used for the Project, be maintained by such contractors and subcontractors and available for review upon request by the WIFIA Lender. With respect to the Davis-Bacon Act Requirements, the Borrower will insert in full in all Additional Construction Contracts to which the Borrower is a party the contract clauses set forth in the Code of Federal Regulations, Title 29 Part 5.5, and will require and ensure that its contractor(s) insert such clauses in all subcontracts and that all subcontractors include these clauses in any lower tier subcontracts.

(k) Credit Ratings. The Pari Passu Obligations the proceeds of which are or will be applied to fund all or any portion of Total Project Costs have received an Investment Grade Rating from at least two (2) Nationally Recognized Rating Agencies (including at least one (1) public Investment Grade Rating with respect to the WIFIA Loan), written evidence of such ratings has been provided to the WIFIA Lender prior to the Effective Date, and no such rating has been reduced, revoked, withdrawn or suspended as of the Effective Date.

(l) No Defaults. No Default or Event of Default, and no default or event of default by the Borrower under any other Related Document, has occurred and is continuing.

(m) Governmental Approvals. All Governmental Approvals required as of the Effective Date and required as of any subsequent date on which this representation is made (or deemed made) for the undertaking and completion of the Project by the Borrower, and for the operation and management thereof, have been obtained or effected and are in full force and effect and there is no basis for, nor proceeding that is pending or threatened that could reasonably be expected to result in, the revocation of any such Governmental Approval. The Borrower is not in default (and no event has occurred and is continuing that, with the giving of notice or the passage

of time or both, could constitute a default) with respect to any Governmental Approval, which default could reasonably be expected to result in a Material Adverse Effect.

(n) Construction Contracts and JPA. Attached as **Schedule 13(n)** (*Construction Contracts*) is a list of (i) the Existing Construction Contracts, each of which is in full force and effect, and (ii) all Additional Construction Contracts that are expected to be entered into. The JPA is in full force and effect, is the legal, valid and binding agreement of the Borrower enforceable against the Borrower in accordance with its terms, and no event has occurred that gives the Borrower or, to the Borrower's knowledge, the Project Manager, the right to terminate the JPA. The Borrower is not in breach of any material term in or in default under the JPA, and to the knowledge of the Borrower the Project Manager is not in breach of any material term therein or in default thereunder.

(o) Information. The information furnished by or on behalf of the Borrower to the WIFIA Lender pertaining to the System, when taken as a whole, does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements contained therein not misleading as of the date made or furnished; provided that no representation or warranty is made with regard to projections or other forward-looking statements furnished by or on behalf of the Borrower (including the Base Case Financial Model, any budget or financial plan delivered pursuant to Section 22(a) (*System Financial Planning and Reporting – Financial Plan*), and the assumptions therein), except that each of the Base Case Financial Model and any such budget or financial plan (i) is based on assumptions that were reasonable in all material respects when made, (ii) was prepared in good faith and (iii) represents, in the opinion of the Borrower, reasonable projections at the time made of the future performance of the System and the Project (it being understood that projections are not to be considered or regarded as facts and contain significant uncertainties and contingencies, many of which are beyond the control of the Borrower, that actual results may differ significantly from projections and that no representation is made with respect to the accuracy of such projections).

(p) OFAC; Anti-Corruption Laws. The Borrower (i) is not in violation of nor, since the date that is five (5) years prior to the Effective Date, has violated: (A) any applicable anti-money laundering laws, including those contained in the Bank Secrecy Act and the Patriot Act; (B) any applicable economic sanction laws administered by OFAC or by the United States Department of State; or (C) any applicable anti-drug trafficking, anti-terrorism, or anti-corruption laws, civil or criminal; and (ii) is not a Person (A) that is charged with, or has received notice from a Governmental Authority that it is under investigation for, any violation of any such laws; (B) that has been, since the date that is five (5) years prior to the Effective Date, convicted of any violation of, has been subject to criminal or civil penalties pursuant to, had any of its property seized or forfeited under, or has entered into any agreement with the Government or a state or local government related to violations of any such laws; (C) that is named on the list of "Specially Designated Nationals and Blocked Persons" maintained by OFAC (or any successor Government office or list), or any similar list maintained by the United States Department of State (or any successor Government office or list); or (D) with whom any U.S. Person (as defined by the applicable OFAC regulations) is prohibited from transacting business of the type contemplated by this Agreement and the other Related Documents under any other applicable law.

(q) Compliance with Law. To the extent applicable to the Project, the Borrower has complied in all material respects with, and has conducted (or caused to be conducted) its management and operation of the Project in compliance in all material respects with, all applicable laws (other than Environmental Laws, which are addressed in Section 13(r) (*Representations and Warranties of Borrower – Environmental Matters*)), including those set forth on **Exhibit E** (*Compliance with Laws*), to the extent applicable. No notices of violation of any applicable law have been issued, entered or received by the Borrower, in each case in respect of the Project, or, to the Borrower's knowledge and solely in respect of the Project, the Project Manager or any contractor or subcontractor with respect to the Project, other than, in each case, notices of violations that are immaterial.

(r) Environmental Matters. The Borrower is in compliance in all material respects with all laws applicable to the Project relating to (i) air emissions, (ii) discharges to surface water or ground water, (iii) noise emissions, (iv) solid or liquid waste disposal, (v) the use, generation, storage, transportation or disposal of toxic or hazardous substances or wastes, (vi) biological resources (such as threatened and endangered species), (vii) other environmental, health or safety matters, including all laws applicable to the Project and (viii) water quality and drinking water standards (collectively, the "**Environmental Laws**"). All Governmental Approvals for the Project relating to Environmental Laws have been, or, when required, will be, obtained and are (or, as applicable, will be) in full force and effect. The Borrower has provided to the WIFIA Lender copies of all material written communications or notices from a Governmental Authority or employee of the Borrower that alleges that the Borrower is not in full compliance with all Environmental Laws and Governmental Approvals relating thereto in connection with the Project. To the Borrower's knowledge, except as otherwise disclosed in writing by the Borrower to the WIFIA Lender, there are no circumstances that may prevent or interfere with full compliance in the future by the Borrower with any such Environmental Law or Governmental Approval in connection with the Project. The Borrower has provided to the WIFIA Lender all material assessments, reports, results of investigations or audits, and other material information in the possession of or reasonably available to the Borrower and requested by the WIFIA Lender regarding the Borrower's compliance with (A) Environmental Laws applicable to the Project and (B) Governmental Approvals that are required for the Project and that relate to Environmental Laws.

(s) Sufficient Rights and Utilities. The Borrower possesses either valid legal and beneficial title to, leasehold title in, or other valid legal rights with respect to the real property relating to the System, in each case as is necessary and sufficient as of the date this representation is made for the construction, operation, maintenance and repair of the System.

(t) Insurance. The Borrower is in compliance with all insurance obligations required of the Borrower hereunder and under the JPA as of any date on which this representation and warranty is made.

(u) Title. The Borrower has valid legal and beneficial title to, or a valid leasehold interest in, the personal property and other assets and revenues thereof (including the System Revenues and the Collateral) on which it purports to grant Liens pursuant to the Ordinance Documents, in each case free and clear of any Lien of any kind, except for Permitted Liens.

(v) No Liens. Except for Permitted Liens, the Borrower has not created, and is not under any obligation to create, and has not entered into any transaction or agreement that would result in the imposition of, any Lien on the Collateral, the System, the System Revenues, the Project or the properties or assets in relation to the Project.

(w) Intellectual Property. The Borrower owns, or has adequate licenses or other valid rights to use, all patents, trademarks, service marks, trade names, copyrights, franchises, formulas, licenses and other rights with respect thereto and has obtained assignment of all licenses and other rights of whatsoever nature, in each case necessary for the Project and the operation of the System. To the Borrower's knowledge, there exists no conflict with the rights or title of any third party with respect to the intellectual property described in the preceding sentence. Excluding the use of commercially available "off-the-shelf" software, to the Borrower's knowledge, no product, process, method, substance, part or other material produced or employed or presently contemplated to be produced by or employed by the Project infringes or will infringe any patent, trademark, service mark, trade name, copyright, franchise, formula, license or other intellectual property right of any third party.

(x) Financial Statements. Each balance sheet, income statement and statement of operations and cash flows (collectively, "**Financial Statements**") delivered to the WIFIA Lender pursuant to Section 22(b) (*System Financial Planning and Reporting – Financial Statements*) has been prepared, except as otherwise expressly noted therein, in accordance with GAAP and presents fairly, in all material respects, the financial condition of the Borrower with respect to the System as of the respective dates of the balance sheets included therein and the results of operations of the Borrower with respect to the System for the respective periods covered by the statements of income included therein. Except as reflected in such Financial Statements, there are no liabilities or obligations of the Borrower with respect to the System of any nature whatsoever for the periods to which such Financial Statements relate that are required to be disclosed in accordance with GAAP.

(y) Securities Laws. Under existing law, the WIFIA Bond may be issued and sold without registration under the Securities Act of 1933, as amended, and any State blue sky laws.

(z) Taxes. The Borrower has (i) filed all tax returns with respect to the System required by applicable laws to be filed by the Borrower and (ii) paid all material taxes and assessments payable by the Borrower from System Revenues that have become due (other than those taxes and assessments that it is contesting in good faith and by appropriate proceedings, for which adequate reserves have been established to the extent required by GAAP).

(aa) Sufficient Funds.² The aggregate of all funds that are committed for the development and construction of the Project under the various sources of funds set forth in the Base Case Financial Model will be sufficient to pay all Total Project Costs anticipated for the development and construction of the Project and to achieve Substantial Completion by the Projected Substantial Completion Date.

² **Note to Borrower:** As discussed on the 12/2 call, EPA has very little flexibility to change the Total Project Costs provisions in this Agreement.

(bb) Sovereign Immunity. Pursuant to Revised Code of Washington, Section 4.08.120, an action may be maintained against the Borrower, either upon a contract made by the Borrower in its corporate character and within the scope of its authority, including this Agreement or any of the other Related Documents to which the Borrower is a party, or for injury suffered by the WIFIA Lender arising from any act or omission of the Borrower.

(cc) Patriot Act. The Borrower is in compliance with the Patriot Act in all material respects.

(dd) Investments. The Borrower has neither made any investment nor entered into any agreements for the purpose of effecting any investment which is not permitted pursuant to the Ordinance Documents in effect as of any date on which this representation and warranty is made.

(ee) Federal Debt. The Borrower has no delinquent federal debt, including tax liabilities, unless the delinquency has been resolved with the appropriate federal agency in accordance with the standards of the Debt Collection Improvement Act of 1996.

Section 14. Representations and Warranties of WIFIA Lender. The WIFIA Lender represents and warrants that:

(a) Power and Authority. The WIFIA Lender has all requisite power and authority to make the WIFIA Loan and to perform all transactions contemplated by the Related Documents to which it is a party.

(b) Due Execution; Enforceability. The Related Documents to which it is a party have been duly authorized, executed and delivered by the WIFIA Lender, and are legally valid and binding agreements of the WIFIA Lender, enforceable in accordance with their terms.

(c) Officers' Authorization. The officers of the WIFIA Lender executing each of the Related Documents to which the WIFIA Lender is a party are duly and properly in office and fully authorized to execute the same on behalf of the WIFIA Lender.

Section 15. Affirmative Covenants. The Borrower covenants and agrees as follows until the date the WIFIA Bond and all of the obligations of the Borrower under this Agreement (other than contingent indemnity obligations) are irrevocably paid in full in immediately available funds and the WIFIA Lender no longer has any commitment to make disbursements to the Borrower, unless the WIFIA Lender waives compliance in writing:

(a) Securing Liens. The Borrower shall at any and all times, to the extent permitted by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable in connection with assuring, conveying, granting, assigning, securing and confirming the Liens on the Collateral (whether now existing or hereafter arising) granted for the benefit of the WIFIA Lender pursuant to the Ordinance Documents, or intended so to be granted pursuant to the Ordinance Documents, or which the Borrower may become bound to grant, and the Borrower shall at all times maintain the Collateral free and clear of any pledge, Lien, charge or encumbrance thereon or with respect thereto that is (i) of equal rank with the Liens created by the Ordinance

Documents for the benefit of the WIFIA Lender (other than Permitted Liens for the benefit of Parity Bondowners) or (ii) senior to the Liens created under the Ordinance Documents for the benefit of the WIFIA Lender (other than Permitted Liens required by operation of law), and all organizational, regulatory or other necessary action on the part of the Borrower to that end shall be duly and validly taken at all times. The Borrower shall at all times, to the extent permitted by law, defend, preserve and protect the Liens on the Collateral granted pursuant to the Ordinance Documents and all the rights of the WIFIA Lender under the Ordinance Documents against all claims and demands of all Persons whomsoever, subject to Permitted Liens.

(b) Copies of Documents.

(i) The Borrower shall furnish to the WIFIA Lender a copy of any final offering documents prepared in connection with the incurrence of any Additional Pari Passu Obligations as well as copies of any continuing disclosure documents, prepared by or on behalf of the Borrower in connection with the incurrence of Additional Pari Passu Obligations, in each case promptly following the filing thereof. Except as otherwise agreed by the WIFIA Lender in writing, the Borrower will provide to the WIFIA Lender copies of fully executed or final versions of such documentation within ten (10) days following execution or completion thereof; provided that such documentation can be furnished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number.

(ii) The Borrower (or the Project Manager on behalf of the Borrower) shall deliver to the WIFIA Lender, no later than thirty (30) days prior to (A) bid advertisement of any Additional Construction Contract, a copy of the final specifications relating to the development and construction of the Project, demonstrating compliance with all applicable federal requirements and including a summary of the scope of work thereunder and (B) any notice to proceed under any Additional Construction Contract for the Project, a copy of the relevant portion of the related executed Additional Construction Contract (including the cover page and executed signature pages) demonstrating compliance with all applicable federal requirements.

(c) Use of Proceeds. The Borrower shall use the proceeds of the WIFIA Loan solely to pay Eligible Project Costs as permitted by applicable law, the JPA, this Agreement and the other Related Documents.

(d) Prosecution of Work; Verification Requirements.

(i) The Borrower (or the Project Manager on behalf of the Borrower) shall diligently prosecute the work relating to the Project and complete the Project in accordance with the Construction Schedule, and in accordance with prudent utility practice.

(ii) The Borrower shall comply with the verification requirements set forth in 2 C.F.R. §§ 180.300 and 180.320 (relating to debarment).

(e) Operations and Maintenance. The Borrower shall (i) operate and maintain the System (A) in a reasonable and prudent manner and (B) in accordance with the Ordinance Documents and (ii) maintain the System in good repair, working order and condition and in

accordance with the requirements of all applicable laws and each applicable Related Document. The Borrower shall at all times do or cause to be done all things necessary to obtain, preserve, renew, extend and keep in full force and effect the Governmental Approvals and any other rights, licenses, franchises, and authorizations material to the operation and maintenance of the System. The Borrower shall enforce the obligation of the Project Manager to operate and maintain the Project as required under the JPA.

(f) Insurance.

(i) The Borrower shall at all times, through a combination of insurance policies and self-insurance programs, maintain or cause its contractors or the Project Manager to maintain, all insurance necessary and sufficient to protect the Borrower, the System and the Project as is customarily maintained by the Borrower with respect to works and properties of like character, against accident to, loss of, damage to and liability from such works or properties (including, in the case of the Project, during the Construction Period), and, in each case, satisfying the requirements of the JPA and the Related Documents.

(ii) The Borrower shall cause all liability insurance policies that it maintains with respect to the Project, other than workers' compensation insurance or the Borrower's self-insurance program, to reflect the WIFIA Lender as an additional insured. Promptly upon request by the WIFIA Lender, the Borrower (or the Project Manager on behalf of the Borrower) shall deliver to the WIFIA Lender copies of any underlying insurance policies obtained by or on behalf of the Borrower in respect of the Project or documents pertaining to the Borrower's self-insurance program. All such policies and documents shall be available at all reasonable times for inspection by the WIFIA Lender, its agents and representatives.

(iii) The Borrower shall comply with the insurance requirements of the Ordinance Documents.

(g) Notice.

(i) The Borrower shall, within fifteen (15) Business Days after the Borrower learns of the occurrence, give the WIFIA Lender notice of any of the following events or receipt of any of the following notices, as applicable, setting forth details of such event; provided that any notice required pursuant to sub-clause (A) (*Substantial Completion*), (D) (*Delayed Governmental Approvals*), (E) (*Environmental Notices*) or (I) (*Uncontrollable Force*) of this clause (i) may be provided by the Project Manager on behalf of the Borrower:

(A) Substantial Completion: the occurrence of Substantial Completion, such notice to be provided in the form set forth in **Exhibit I** (*Form of Certificate of Substantial Completion*);

(B) Events of Default: any Default or Event of Default;

(C) Litigation: (1) the filing of any litigation, suit or action, or the commencement of any proceeding, by and against the Borrower before any arbitrator, Governmental Authority, alternative dispute resolution body, or other neutral third-party, or the receipt by the Borrower in writing of any threat of litigation, suit, action, or proceeding, or of any written claim against the Borrower that, in each case, could reasonably be expected to have a Material Adverse Effect, and any settlement, judgment, or material substantive order in or of such litigation, suit, action or claim, and (2) any judgments against the Borrower payable from System Revenues with award amounts in excess of \$25,000,000 (inflated annually by CPI), either individually or in the aggregate;

(D) Delayed Governmental Approvals: any failure to receive or delay in receiving any Governmental Approval or making any required filing, notice, recordation or other demonstration to or with a Governmental Authority, in each case to the extent such failure or delay will or could reasonably be expected to result in a delay to any major milestone date (including the Projected Substantial Completion Date) set forth in the Construction Schedule, together with a written explanation of the reasons for such failure or delay and the Borrower's plans to remedy or mitigate the effects of such failure or delay;

(E) Environmental Notices: any material notice of violation or material change in finding under any Environmental Law related to the Project or any material changes to the NEPA Determination;

(F) Amendments: except as otherwise agreed by the WIFIA Lender in writing, copies fully executed amendments, modifications, replacements or supplements to the JPA or any Related Document within ten (10) Business Days after execution thereof; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number;

(G) Insurance Claim: any insurance claims made by the Borrower in respect of the System or the Project in excess of \$25,000,000 (inflated annually by CPI) either individually or in the aggregate, to the extent related to the Project or to the extent the proceeds from such insurance claim would be deposited into a System Account;

(H) Ordinance Defaults: any material breach or default or event of default on the part of the Borrower or any other party under any Ordinance Document; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number;

(I) Uncontrollable Force: the occurrence of any Uncontrollable Force that could reasonably be expected to materially and adversely affect the Project;

(J) Ratings Changes: any change in the non-credit enhanced rating assigned to the WIFIA Loan, any Pari Passu Obligations or any Subordinated Obligations, in each case by any Nationally Recognized Rating Agency that has provided a rating on such indebtedness at the request of the Borrower; provided that such notice can be

accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number;

(K) 2 C.F.R. § 180.350 Notices: any notification required pursuant to 2 C.F.R. § 180.350, whether attributable to a failure by the Borrower to disclose information previously required to have been disclosed or due to the Borrower or any of its principals meeting any of the criteria set forth in 2 C.F.R. § 180.335;

(L) Draws on Parity Bond Reserve Account: the occurrence of any draws on the Parity Bond Reserve Account to fund payments of interest on or principal of the WIFIA Bond or any other Pari Passu Obligations when due for which Net System Revenues are not otherwise available; and

(M) Other Adverse Events: the occurrence of any other event or condition, including any notice of breach from a contract counterparty, that could reasonably be expected to result in a Material Adverse Effect.

(ii) Further Information. The Borrower shall provide the WIFIA Lender with any further information reasonably requested by the WIFIA Lender from time to time concerning the matters described in Section 15(g)(i) (*Affirmative Covenants – Notice*).

(h) Remedial Action. Within thirty (30) calendar days after the Borrower learns of the occurrence of an event specified in Section 15(g)(i) (*Affirmative Covenants – Notice*) (other than Sections 15(g)(i)(A) (*Affirmative Covenants – Notice – Substantial Completion*) or 15(g)(i)(J) (*Affirmative Covenants – Notice – Ratings Changes*) (in the case of a ratings upgrade)), the Borrower's Authorized Representative (or, in the case of sub-clauses (A) (*Substantial Completion*), (D) (*Delayed Governmental Approvals*), (E) (*Environmental Notices*) or (I) (*Uncontrollable Force*), the Project Manager's Authorized Representative on behalf of the Borrower's Authorized Representative) shall provide a statement to the WIFIA Lender setting forth the actions the Borrower (or the Project Manager on behalf of the Borrower) proposes to take with respect thereto.

(i) Maintain Legal Structure. The Borrower shall maintain its existence as a political subdivision under the laws of the State.

(j) System Accounts; Permitted Investments.

(i) Subject to the provisions of any Supplemental Ordinance adopted in accordance with the provisions of Section 16(b) (*Negative Covenants – No Lien Extinguishment or Adverse Amendments*), (A) the Borrower shall maintain the Parity Bond Reserve Account in an amount equal to the Reserve Requirement, in each case in accordance with the provisions of this Agreement and the applicable Ordinance Documents, and (B) amounts in the Parity Bond Reserve Account shall be made available to ensure the timely payment of WIFIA Debt Service and debt service with respect to the Pari Passu Obligations.

(ii) Amounts on deposit in the System Accounts shall be held uninvested or invested in Permitted Investments. Permitted Investments must mature or

be redeemable at the election of the holder at such times as may be necessary to ensure that funds will be available within the applicable account to be applied towards the purpose for which the applicable account has been established.

(k) Rate Covenant. The Borrower shall comply with the requirements specified in Section 18 (*Rate Covenants*) of the Ordinance (such requirements, the “**Rate Covenant**”), a copy of which, as of the Effective Date, is attached hereto as **Schedule 15(k)** (*Rate Covenant*) (all capitalized terms used in **Schedule 15(k)** shall have the meanings provided in the Ordinance).

(l) Compliance with Law. With respect to the Project (and, in respect of compliance with 33 U.S.C. §3914, anything related to the Project in purpose, place, and time), the Borrower shall, and shall require its contractors and subcontractors at all tiers with respect to the Project to, comply in all material respects with all applicable material federal and State laws, rules, regulations and requirements, including (i) 40 U.S.C. §§ 3141-3144, 3146, and 3147 (Davis-Bacon Act Requirements), (ii) 33 U.S.C. § 3914 (relating to American iron and steel products), and (iii) all items, as applicable, set forth in **Exhibit E** (*Compliance with Laws*). To ensure such compliance, the Borrower shall include in all contracts with respect to the Project to which the Borrower is a party requirements that its contractor(s) shall comply with applicable federal laws, rules, regulations, and requirements set forth in this Section 15(l) and follow applicable federal guidance, and shall require that the contractor(s) incorporate in all subcontracts (and cause all subcontractors to include in all lower tier subcontracts) such terms and conditions as are required to be incorporated therein by applicable federal laws, rules, regulations and requirements set forth in this Section 15(l). With respect to the Davis-Bacon Act Requirements, the Borrower shall insert in full in all contracts relating to the Project to which the Borrower is a party the contract clauses set forth in the Code of Federal Regulations, Title 29 Part 5.5, and require and ensure that its contractor(s) insert such clauses in all subcontracts with respect to the Project and also a clause requiring all subcontractors to include these clauses in any lower tier subcontracts with respect to the Project.

(m) Material Obligations; Liens. The Borrower shall pay its material obligations payable from System Revenues promptly and in accordance with their terms and pay and discharge promptly all taxes, assessments and governmental charges or levies imposed upon the System or upon the System Revenues or other assets of the System, before the same shall become delinquent or in default, as well as all lawful and material claims for labor, materials and supplies or other claims which, if unpaid, might give rise to a Lien upon the System or any part thereof or on the System Revenues or the Collateral; provided that such payment and discharge shall not be required with respect to any such tax, assessment, charge, levy, claim or Lien so long as the validity or amount thereof shall be contested by the Borrower in good faith by appropriate proceedings and so long as the Borrower shall have set aside adequate reserves with respect thereto in accordance with and to the extent required by GAAP, applied on a consistent basis.

(n) SAM Registration. The Borrower shall (i) obtain prior to the Effective Date (and provide such registration information to the WIFIA Lender) and maintain through the Final Disbursement Date an active registration status with the federal System for Award Management (www.SAM.gov) (or any successor system or registry) and (ii) within sixty (60) days prior to each anniversary of the Effective Date until the Final Disbursement Date, provide to the WIFIA Lender evidence of such active registration status with no active exclusions reflected in such registration.

(o) DUNS Number. The Borrower shall (i) obtain prior to the Effective Date (and provide such number to the WIFIA Lender) and maintain from Dun & Bradstreet (or a successor entity) a Data Universal Numbering System Number (a “**DUNS Number**”) and (ii) within sixty (60) days prior to each anniversary of the Effective Date, provide to the WIFIA Lender evidence of the continuing effectiveness of such DUNS Number, in each case until the Final Maturity Date or to such earlier date as all amounts due or to become due to the WIFIA Lender under this Agreement have been irrevocably paid in full in immediately available funds.

(p) Events of Loss; Loss Proceeds. If an Event of Loss occurs with respect to the Project or any part thereof, the Borrower (or the Project Manager on behalf of the Borrower) (i) shall diligently pursue all of its rights to compensation against all relevant insurers, reinsurers and Governmental Authorities, as applicable, in respect of such Event of Loss and (ii) to the extent the Borrower (or the Project Manager on behalf of the Borrower) does not apply Net Loss Proceeds in respect of such Event of Loss to repair, reconstruct, reinstate, restore and/or replace the portion of the Project in respect of which the applicable Net Loss Proceeds were received, shall apply such Net Loss Proceeds within one hundred eighty (180) days after receipt thereof to the prepayment of the WIFIA Loan in accordance with Section 10 (*Prepayment*) (and any Net Loss Proceeds remaining after the prepayment in full of the WIFIA Loan shall be retained by the Borrower).

(q) Immunity. To the fullest extent permitted by applicable law, the Borrower agrees that it will not assert any immunity (and, to the fullest extent permitted by applicable law, hereby waives any such immunity) it may have as a governmental entity from lawsuits, other actions and claims, and any judgments with respect to the enforcement of any of the obligations of the Borrower under this Agreement or any other WIFIA Loan Document.

Section 16. Negative Covenants. The Borrower covenants and agrees as follows until the date the WIFIA Bond and all of the obligations of the Borrower under this Agreement (other than contingent indemnity obligations) are irrevocably paid in full in immediately available funds and the WIFIA Lender no longer has any commitment to make disbursements to the Borrower, unless the WIFIA Lender waives compliance in writing:

(a) Indebtedness.

(i) The Borrower shall not create, incur or suffer to exist (A) any Obligations (1) the payments with respect to which are senior or prior in right to the payment by the Borrower of the WIFIA Loan or (2) secured by a Lien on the Collateral that is senior to the Lien on Collateral in favor of the WIFIA Lender or (B) any Obligations (other than Multi-Modal LTGO/Sewer Revenue Bonds and Parity Lien Obligations), all or a portion of the proceeds of which are or will be applied at any time to fund all or any portion of Total Project Costs, that are secured by a Lien on any assets or property of the Borrower other than the System Revenues.

(ii) The Borrower shall not issue or incur any Additional Obligations except in accordance with all requirements and conditions set forth in Section 24 (*Future Parity Bonds*) and Section 25 (*Additional Parity Lien Obligations*) of the Ordinance, including Section 25.C., which as of the Effective Date permits the Borrower to issue bonds, notes or other evidences of indebtedness payable from System Revenues and

secured by a lien on System Revenues that is junior, subordinate and inferior to the lien of the Parity Lien Obligations. A copy of Section 24 and Section 25 of the Ordinance, as of the Effective Date, is attached hereto as **Schedule 16(a)** (*Additional Bonds Test*) (all capitalized terms used in **Schedule 16(a)** shall have the meanings provided in the Ordinance).

(b) No Lien Extinguishment or Adverse Amendments. The Borrower shall not, and shall not permit any Person to, without the prior written consent of the WIFIA Lender, either (i) extinguish or impair the Liens on the Collateral granted pursuant to the Ordinance, (ii) amend, modify, replace, supplement, terminate or assign the JPA or any Related Document or permit a waiver of any provision thereof in each case in a manner that could adversely affect the WIFIA Lender (in the WIFIA Lender's determination) in connection with the WIFIA Loan or which could reasonably be expected to have a Material Adverse Effect (in the WIFIA Lender's determination) or (iii) provide in any Ordinance Document, or in any other financing document with respect to any Pari Passu Obligations, that the holders of such Pari Passu Obligations may accelerate such Obligations, or require the mandatory prepayment in full thereof, in the case of any breach or event of default thereunder, unless the WIFIA Lender is concurrently provided, pursuant to an amendment to this Agreement, with such acceleration or mandatory prepayment right with respect to the WIFIA Loan; provided that the WIFIA Lender consents to the adoption by the Borrower of Supplemental Ordinances described in Section 35.C. (*Supplemental Ordinances – Amendments Deemed Approved by Parity Bondowners*) of the Ordinance.

(c) No Prohibited Liens. Except for Permitted Liens, the Borrower shall not create, incur, assume or permit to exist any Lien on the Project, the Collateral, the System Revenues, or the Borrower's respective rights in any of the foregoing.

(d) Restricted Payments and Transfers. The Borrower shall not permit System Revenues or other assets of the System, or any funds in any accounts held under the Ordinance or in any other fund or account held by or on behalf of the Borrower in respect of the System, to be paid or transferred or otherwise applied for purposes other than ownership, operation or maintenance of the System, except as may be permitted pursuant to Section 14 (*Sewer Revenue Priorities of Payment*) of the Ordinance.

(e) No Prohibited Sale or Disposition. The Borrower will not sell or voluntarily dispose of all of the operating properties of the System unless provision is made for payment into the Parity Bond Fund of a sum sufficient to pay in full in immediately available funds the principal of and interest on all Outstanding Parity Bonds in accordance with the terms thereof. In addition, the Borrower will not sell or voluntarily dispose of any part of the operating properties of the System (including the Project) unless provision is made for payment into the Parity Bond Fund of an amount that will bear at least the same proportion to the amount of the Outstanding Parity Bonds as the estimated amount of any resulting reduction in System Revenues for the twelve (12) months following such sale or disposition bears to the System Revenues that would have been realized if such sale or disposition had not been made. Such estimates must be made by a Professional Utility Consultant. Any money so paid into the Parity Bond Fund must be used to retire Outstanding Parity Bonds as provided in the Ordinance at the earliest possible date. Notwithstanding the foregoing, the Borrower may sell or otherwise dispose of any of the works, plant, properties and facilities of the System or any real or personal property comprising a part of the System (i) with a

value of less than five percent (5%) of the net utility plant of the System or (ii) that have become unserviceable, inadequate, obsolete or unfit to be used in the operation of the System, or no longer necessary, material to or useful in such operation, in each case without making any deposit into the Parity Bond Fund.

(f) Fiscal Year. The Borrower shall not at any time adopt any fiscal year other than the Borrower Fiscal Year, except with thirty (30) days' prior written notice to the WIFIA Lender.

(g) OFAC Compliance. The Borrower shall not (i) violate (A) any applicable anti-money laundering laws, including those contained in the Bank Secrecy Act and the Patriot Act, (B) any applicable economic sanction laws administered by OFAC or by the United States Department of State, or (C) any applicable anti-drug trafficking, anti-terrorism, or anti-corruption laws, civil or criminal; or (ii) be a Person (A) that is charged with, or that has received notice from a Governmental Authority that it is under investigation for, any violation of any such laws, (B) that is convicted of any violation of, is subject to civil or criminal penalties pursuant to, has any of its property seized or forfeited under, or enters into any agreement with the Government or a state or local government related to violations of, any such laws, (C) that is named on the list of "Specially Designated Nationals and Blocked Persons" maintained by OFAC (or any successor Government office or list), or any similar list maintained by the United States Department of State (or any successor Government office or list), (D) with whom any U.S. Person (as defined in the applicable OFAC regulations) is prohibited from transacting business of the type contemplated by this Agreement and the other Related Documents under any other applicable law, (E) that is owned, Controlled by, or affiliated with any Person identified in clause (A), (B), (C) or (D) of this clause (ii), or (F) that is in violation of any obligation to maintain appropriate internal controls as required by the governing laws of the jurisdiction of such Person as are necessary to ensure compliance with the economic sanctions, anti-money laundering and anti-corruption laws of the United States of America and the jurisdiction where the Person resides, is domiciled or has its principal place of business.

(h) Hedging. Other than interest rate hedging transactions expressly permitted under the Ordinance, the Borrower shall not enter into any swap or hedging transaction, including inflation indexed swap transactions, "cap" or "collar" transactions, futures, commodity swap transactions, currency swap transactions payable from System Revenues, or any other hedging transaction without the prior written consent of the WIFIA Lender.

Section 17. Indemnification. The Borrower shall, to the extent permitted by law, indemnify the WIFIA Lender and any official, employee, agent or representative of the WIFIA Lender (each such Person being herein referred to as an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities, fines, penalties, costs and expenses (including the fees, charges and disbursements of any counsel for any Indemnitee and the costs of environmental remediation), whether known, unknown, contingent or otherwise, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (a) the execution, delivery and performance of this Agreement or any of the other Related Documents, (b) the WIFIA Loan or the use of the proceeds thereof, or (c) the violation of any law, rule, regulation, order, decree, judgment or administrative decision relating to the environment, the preservation or reclamation of natural resources, the management, release or threatened release

of any hazardous material or to health and safety matters, in each case arising out of or in direct relation to the Project; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities, fines, penalties, costs or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee. In case any action or proceeding is brought against an Indemnitee by reason of any claim with respect to which such Indemnitee is entitled to indemnification hereunder, the Borrower shall be entitled, at its expense, to participate in the defense thereof; provided that such Indemnitee has the right to retain its own counsel, at the Borrower's expense, and such participation by the Borrower in the defense thereof shall not release the Borrower of any liability that it may have to such Indemnitee. Any Indemnitee against whom any indemnity claim contemplated in this Section 17 is made shall be entitled, after consultation with the Borrower and upon consultation with legal counsel wherein such Indemnitee is advised that such indemnity claim is meritorious, to compromise or settle any such indemnity claim. Any such compromise or settlement shall be binding upon the Borrower for purposes of this Section 17. Nothing herein shall be construed as a waiver of any legal immunity that may be available to any Indemnitee. To the extent permitted by applicable law, neither the Borrower nor the WIFIA Lender shall assert, and each of the Borrower and the WIFIA Lender hereby waives, any claim against any Indemnitee or the Borrower, respectively, 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 of the other Related Documents, the other transactions contemplated hereby and thereby, the WIFIA Loan or the use of the proceeds thereof; provided that nothing in this sentence shall limit the Borrower's indemnity obligations to the extent such damages are included in any third party claim in connection with which an Indemnitee is entitled to indemnification hereunder. All amounts due to any Indemnitee under this Section 17 shall be payable promptly upon demand therefor. The obligations of the Borrower under this Section 17 shall survive the payment or prepayment in full or transfer of the WIFIA Loan, the enforcement of any provision of this Agreement or the other Related Documents, any amendments, waivers (other than amendments or waivers in writing with respect to this Section 17) or consents in respect hereof or thereof, any Event of Default, and any workout, restructuring or similar arrangement of the obligations of the Borrower hereunder or thereunder.

Section 18. Sale of WIFIA Loan. The WIFIA Lender shall not sell the WIFIA Loan at any time prior to the Substantial Completion Date. After such date, the WIFIA Lender may sell the WIFIA Loan to another entity or reoffer the WIFIA Loan into the capital markets only in accordance with the provisions of this Section 18. Such sale or reoffering shall be on such terms as the WIFIA Lender shall deem advisable. However, in making such sale or reoffering the WIFIA Lender shall not change the terms and conditions of the WIFIA Loan without the prior written consent of the Borrower in accordance with Section 31 (*Amendments and Waivers*). The WIFIA Lender shall provide, at least sixty (60) days prior to any sale or reoffering of the WIFIA Loan, written notice to the Borrower of the WIFIA Lender's intention to consummate such a sale or reoffering; provided that no such notice shall be required during the continuation of any Event of Default. The provision of any notice pursuant to this Section 18 shall not (x) obligate the WIFIA

Lender to sell or (y) provide the Borrower with any rights or remedies in the event the WIFIA Lender, for any reason, does not sell the WIFIA Loan.

Section 19. System Events of Default and Remedies.

(a) A “**System Event of Default**” shall exist under this Agreement if any of the following occurs:

(i) Payment Default. The Borrower shall fail to pay when due any part of the principal amount of or interest on the WIFIA Loan (including WIFIA Debt Service required to have been paid pursuant to the provisions of Section 9 (*Payment of Principal and Interest*)), and such failure continues for a period of five (5) days, when and as the payment thereof shall be required under this Agreement or the WIFIA Bond or on the Final Maturity Date (each such failure, a “**Payment Default**”).

(ii) Covenant Default. The Borrower shall fail to observe or perform any covenant, agreement or obligation of the Borrower under this Agreement, the WIFIA Bond or any other WIFIA Loan Document (other than in the case of any Payment Default or any Project Event of Default), and such failure shall not be cured within thirty (30) days after the earlier to occur of (A) receipt by the Borrower from the WIFIA Lender of written notice thereof or (B) the Borrower’s knowledge of such failure; provided that if such failure is capable of cure but cannot reasonably be cured within such thirty (30) day cure period, then no System Event of Default shall be deemed to have occurred or be continuing under this Section 19(a)(ii), and such thirty (30) day cure period shall be extended by up to one hundred fifty (150) additional days, if and so long as (x) within such thirty (30) day cure period the Borrower shall commence actions reasonably designed to cure such failure and shall diligently pursue such actions until such failure is cured and (y) such failure is cured within one hundred eighty (180) days after the date specified in either (A) or (B) above, as applicable.

(iii) Misrepresentation Default. Any of the representations, warranties or certifications of the Borrower made in or delivered pursuant to the WIFIA Loan Documents (or in any certificates delivered by the Borrower in connection with the WIFIA Loan Documents) shall prove to have been false or misleading in any material respect when made or deemed made (or any representation and warranty that is subject to a materiality qualifier shall prove to have been false or misleading in any respect); provided that no System Event of Default shall be deemed to have occurred under this Section 19(a)(iii) if and so long as (A) such misrepresentation is not intentional, (B) such misrepresentation is not a misrepresentation in respect of Section 13(h) (*Representations and Warranties of Borrower – No Debarment*), Section 13(j) (*Representations and Warranties of Borrower – Compliance with Federal Requirements*), Section 13(p) (*Representations and Warranties of Borrower – OFAC; Anti-Corruption Laws*) and Section 13(cc) (*Representations and Warranties of Borrower – Patriot Act*), (C) in the reasonable determination of the WIFIA Lender, such misrepresentation has not had, and would not reasonably be expected to result in, a Material Adverse Effect, (D) in the reasonable determination of the WIFIA Lender, the underlying issue giving rise to the misrepresentation is capable of being cured, (E) the underlying issue giving rise to the misrepresentation is cured by the Borrower within thirty

(30) days after the date on which the Borrower first became aware (or reasonably should have become aware) of such misrepresentation, and (F) the Borrower diligently pursues such cure during such thirty (30) day period.

(iv) Acceleration of Pari Passu Obligations. Any acceleration shall occur of the maturity of any Pari Passu Obligation, any event or condition occurs that enables the holder of any Pari Passu Obligation, or any Person acting on such holder's behalf, to accelerate the maturity thereof, or any Pari Passu Obligation shall not be paid in full upon the final maturity thereof.

(v) Cross Default to Parity Bonds. With respect to any other bonds issued as Parity Bonds under the Ordinance: (A) default in the payment of principal or interest on any such Parity Bonds when the same becomes due; or (B) default in the observance or performance of any of the other covenants applicable to such Parity Bonds contained in the Ordinance and such default continues for a period of six (6) months after written notice to the Borrower from the registered owner of a Parity Bond specifying the default and requiring that it be remedied.

(vi) Judgments. One or more final, nonappealable judgments (A) for the payment of money in an aggregate amount in excess of \$25,000,000 (inflated annually by CPI) that are payable from System Revenues and are not otherwise fully covered by insurance (for which the insurer has acknowledged and not disputed coverage) or (B) that would reasonably be expected to result in a Material Adverse Effect shall, in either case, be rendered against the Borrower, and the same shall remain undischarged for a period of thirty (30) consecutive days during which time period execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of the System to enforce any such judgment.

(vii) Failure to Maintain Existence. The Borrower shall fail to maintain its existence as a political subdivision of the State, unless at or prior to the time the Borrower ceases to exist in such form a successor public agency or governing body has been created by the State pursuant to a valid and unchallenged State law and has succeeded to the assets of the Borrower and has assumed all of the obligations of the Borrower under the WIFIA Loan Documents and the Ordinance Documents.

(viii) Occurrence of a Bankruptcy Related Event. A Bankruptcy Related Event shall occur.

(ix) Invalidity of WIFIA Loan Documents or JPA.

(A) (1) Any WIFIA Loan Document ceases to be in full force and effect (other than as a result of the termination thereof in accordance with its terms) or becomes void, voidable, illegal or unenforceable, the Borrower contests in any manner the validity or enforceability of any WIFIA Loan Document to which it is a party or denies it has any further liability under any WIFIA Loan Document to which it is a party, or purports to revoke, terminate or rescind any WIFIA Loan Document to which it is a party; or (2) any Ordinance Document ceases (other than as expressly permitted thereunder) to be

effective or to grant a valid and binding security interest in any material portion of the Collateral other than as a result of actions or a failure to act by, and within the control of, any Parity Bondowner, and with the priority purported to be created thereby.

(B) Prior to the Substantial Completion Date, occurrence of any of the following events: (1) the JPA ceases to be in full force and effect (other than as a result of the termination thereof in accordance with its terms) or becomes void, voidable, illegal or unenforceable; or (2) the Project Manager contests in any manner the validity or enforceability of the JPA or denies it has any further liability under the JPA, or purports to revoke, terminate or rescind the JPA; provided that no Event of Default shall be deemed to have occurred under this clause (B) if the Borrower furnishes evidence satisfactory to the WIFIA Lender, acting reasonably, that it can commit funds sufficient to pay all Total Project Costs and complete the Project by March 25, 2028.

(b) Upon the occurrence of any Bankruptcy Related Event, all obligations of the WIFIA Lender hereunder with respect to the disbursement of any undisbursed amounts of the WIFIA Loan shall automatically be deemed terminated.

(c) Whenever any other System Event of Default shall have occurred and be continuing, the WIFIA Lender, by written notice to the Borrower, may suspend or terminate all of its obligations hereunder with respect to the disbursement of any undisbursed amounts of the WIFIA Loan.

(d) Whenever any System Event of Default shall have occurred and be continuing, the WIFIA Lender shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of any sums due and unpaid hereunder or under the WIFIA Bond or the other WIFIA Loan Documents, and may prosecute any such judgment or final decree against the Borrower and collect in the manner provided by law out of the property of the Borrower the moneys adjudged or decreed to be payable, and the WIFIA Lender shall have all of the rights and remedies of a creditor with respect thereto, and may take such other actions at law or in equity as may appear necessary or desirable to collect all amounts payable by Borrower under this Agreement, the WIFIA Bond or the other WIFIA Loan Documents then due and thereafter to become due, or, subject, in the case of the Ordinance Documents, to the provisions of Section 22 (*Trustee for Registered Owners of Parity Bonds*) of the Ordinance and Section 23 (*Events of Default for Parity Bonds; Powers and Duties of Trustee*) of the Ordinance, to enforce performance and observance of any other obligation, agreement or covenant of the Borrower under this Agreement, the WIFIA Bond or the other WIFIA Loan Documents.

(e) Whenever any System Event of Default shall have occurred and be continuing, the WIFIA Lender shall be entitled and empowered to bring a writ of mandamus action against the Borrower and its officials seeking the transfer of the amounts then on deposit in the System Accounts, and the transfer of all amounts required to be deposited into such accounts pursuant to the terms of the Ordinance from and after the date of such initial transfer, to (i) the Trustee (if any) appointed under the Ordinance for application to the payment, on a pro rata basis, of all Outstanding Parity Bonds, including the WIFIA Bond, or (ii) the WIFIA Lender for application to the payment (as applicable, on a pro rata basis with the other Parity Bondowners) of the Outstanding WIFIA Loan Balance.

(f) Whenever any System Event of Default shall have occurred and be continuing, the WIFIA Lender may suspend or debar the Borrower from further participation in any Government program administered by the WIFIA Lender and to notify other departments and agencies of such default.

(g) Whenever a Payment Default shall occur and be continuing, the Default Rate provisions of Section 6 (*Interest Rate*) shall apply.

(h) No action taken pursuant to this Section 19 shall relieve Borrower from its obligations pursuant to this Agreement, the WIFIA Bond or the other WIFIA Loan Documents, all of which shall survive any such action.

Section 20. Project Events of Default and Remedies.

(a) A “**Project Event of Default**” shall exist under this Agreement if any of the following occurs:

(i) Development Default. A Development Default shall occur.

(ii) Project Abandonment. The Borrower shall abandon the Project.

(iii) Cessation of Project Operations. After the Substantial Completion Date, operation of the Project shall cease for a continuous period of not less than one hundred eighty (180) days unless the Borrower demonstrates to the WIFIA Lender’s satisfaction that (A) such cessation of operations shall occur by reason of an Uncontrollable Force that is not due to the fault of the Borrower (and which the Borrower could not reasonably have avoided or mitigated) or (B) the Borrower shall either be self-insured in an amount sufficient to cover, or shall have in force an insurance policy or policies under which the Borrower is entitled to recover amounts sufficient to pay (and may use such amounts to pay), debt service for all Parity Bonds (including WIFIA Debt Service) and costs and expenses of the Borrower during such cessation of operations.

(b) Whenever any Project Event of Default shall have occurred and be continuing, the WIFIA Lender may suspend or terminate all of its obligations hereunder with respect to the disbursement of any undisbursed amounts of the WIFIA Loan. In addition, whenever any Project Event of Default shall have occurred and be continuing, (i) the WIFIA Lender may exercise any right or remedy set forth in Section 19(d), 19(e) or 19(f) (*System Events of Default and Remedies*) and (ii) in the case of any Project Event of Default arising from abandonment of the Project, the Default Rate provisions of Section 6 (*Interest Rate*) shall apply.

Section 21. Accounting and Audit Procedures; Inspections; Reports and Records.

(a) System-Related Accounting and Audit Procedures; Reports and Records.

(i) The Borrower shall establish fiscal controls and accounting procedures sufficient to assure proper accounting for all System Revenues, operating expenses, capital expenses, depreciation, reserves, debt issued and outstanding and debt

payments. The Borrower shall use accounting, audit and fiscal procedures conforming to GAAP.

(ii) The Borrower shall provide to the WIFIA Lender, promptly after the receipt thereof, copies of (i) final ratings and any notices, reports or other written materials (other than those that are ministerial in nature) received from any Nationally Recognized Rating Agency that has provided at the request of the Borrower, or is being requested by the Borrower to provide, a rating with respect to any Pari Passu Obligation and (ii) all notices and other written communications, other than those that are non-substantive or ministerial in nature, received by the Borrower from the Owner of any Pari Passu Obligation or any trustee acting on behalf of such Owner; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number.

(iii) Within ninety (90) days after the issuance of any Pari Passu Obligation, the Borrower shall provide to the WIFIA Lender a transcript of proceedings for such Pari Passu Obligation, which transcript shall include any official statement or disclosure document that accompanied the sale or issuance of such Pari Passu Obligation; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number.

(iv) The Borrower shall provide the WIFIA Lender within ten (10) Business Days any notices or financial information relating to Pari Passu Obligations that the Borrower sends to the Municipal Securities Rulemaking Board; provided that such notice can be accomplished through an email to the WIFIA Lender that includes a link to the posting of the relevant documents on EMMA under the WIFIA CUSIP Number.

(b) Project-Related Accounting and Audit Procedures; Inspections; Reports and Records.

(i) The Borrower shall establish fiscal controls and accounting procedures sufficient to assure proper accounting for all Project-related costs, WIFIA Loan requisitions submitted, WIFIA Loan proceeds received, payments made by the Borrower with regard to the Project and other sources of funding for the Project (including amounts paid from such sources for Project costs so that audits may be performed to ensure compliance with and enforcement of this Agreement). The Borrower shall use accounting, audit and fiscal procedures conforming to GAAP, including, with respect to the WIFIA Loan, accounting of principal and interest payments, disbursements, prepayments and calculation of interest and principal amounts Outstanding.

(ii) Within five (5) years after the Substantial Completion Date, or upon the occurrence of an Event of Default, the WIFIA Lender shall have the right, upon reasonable prior notice, to visit and inspect any portion of the Project, to examine books of account and records of the Borrower relating to the Project, to make copies and extracts therefrom at the Borrower's expense, and to discuss the Borrower's affairs, finances and accounts relating to the Project with, and to be advised as to the same by, its officers and

employees and its independent public accountants (and by this provision the Borrower irrevocably authorizes its independent public accountants to discuss with the WIFIA Lender the affairs, finances and accounts of the Borrower, it being understood that nothing contained in this Section 21(b) is intended to confer any right to exclude any such representative from such discussions), all at such reasonable times and intervals as the WIFIA Lender may request. The WIFIA Lender will give the Borrower prior notice of its intent to have such discussions with its independent public accountants. The Borrower agrees to pay all out-of-pocket expenses incurred by the WIFIA Lender in connection with the WIFIA Lender's exercise of its rights under this Section 21(b) at any time when an Event of Default shall have occurred and be continuing. After the WIFIA Loan has been paid in full in accordance with this Agreement, the WIFIA Lender's right to examine the books and records relating to the System shall be limited to examining books and records covering time periods during which the WIFIA Loan was Outstanding.

(iii) The Borrower shall maintain and retain all files relating to the Project and the WIFIA Loan until five (5) years after the later of the date on which (i) all rights and duties under this Agreement and under the WIFIA Bond (including payments) have been fulfilled and any required audits have been performed and (ii) any litigation relating to the Project, the WIFIA Loan or this Agreement is finally resolved or, if the WIFIA Lender has reasonable cause to extend such date, a date to be mutually agreed upon by the WIFIA Lender and the Borrower. The Borrower shall provide to the WIFIA Lender in a timely manner all records and documentation relating to the Project that the WIFIA Lender may reasonably request from time to time.

(iv) The Borrower shall have a single or program-specific audit conducted in accordance with 2 C.F.R. Part 200 Subpart F and 31 U.S.C. § 7502 in the calendar year in which the initial disbursement of the WIFIA Loan occurs and annually thereafter, except to the extent biennial audits are permitted for the Borrower pursuant to 2 C.F.R. § 200.504 and 31 U.S.C. § 7502(b). Upon reasonable notice, the Borrower shall cooperate fully in the conduct of any periodic or compliance audits conducted by the WIFIA Lender, or designees thereof, pursuant to 31 U.S.C. § 7503(b) and shall provide full access to any books, documents, papers or other records that are pertinent to the Project or the WIFIA Loan, to the WIFIA Lender, or any designee thereof, for any such project or programmatic audit.

Section 22. System Financial Planning and Reporting.

(a) Financial Plan. The Borrower shall provide to the WIFIA Lender not later than one hundred eighty (180) days after the beginning of each Borrower Fiscal Year (i) the Borrower's budget or, for any year in which no budget is adopted, (ii) a financial plan either (A) in the form of, and containing substantially similar information to, **Exhibit K** (*Form of Financial Plan*), or (B) (1) demonstrating to the satisfaction of the WIFIA Lender that the Borrower (or the Project Manager on behalf of the Borrower) has developed and identified adequate revenues to implement a plan for operating, maintaining and repairing the Project over its useful life, and (2) setting forth the Borrower's capital improvement plan, major maintenance plan, projected rates and charges, projected debt outstanding and annual debt service, and projected Operating and

Maintenance Expenses for a reasonable projection period consistent with the Borrower's operating and financial planning.

(b) Financial Statements.

(i) The Borrower shall furnish to the WIFIA Lender as soon as available, but no later than one hundred eighty (180) days after the end of each Borrower Fiscal Year, a copy of the audited income statement and balance sheet of the Borrower with respect to the System as of the end of such Borrower Fiscal Year and the related audited statements of operations and of cash flow of the Borrower with respect to the System for such Borrower Fiscal Year, setting forth in each case in comparative form the figures for the previous Borrower Fiscal Year, certified without qualification or exception, or qualification as to the scope of the audit, by the State auditor's office (or other State department or agency as may be authorized and directed by law to make such audits) or by an independent public accounting firm selected by the Borrower. The failure of the Borrower to deliver to the WIFIA Lender the annual audited financial statements required under this Section 22(b) during the period that is one hundred eighty (180) days after the end of the applicable Borrower Fiscal Year shall not constitute a Default or an Event of Default, so long as the Borrower delivers to the WIFIA Lender such annual audited financial statements within ninety (90) days after the end of such one hundred eighty (180) day period.

(ii) All such financial statements shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein (except, with respect to the annual financial statements, for changes approved or required by the State auditor's office (or other State department or agency as may be authorized and directed by law to make such audits) or by the independent public accountants certifying such statements and disclosed therein).

Section 23. Project Oversight and Monitoring.

(a) Project Development, Design and Construction. The WIFIA Lender shall have the right in its sole discretion to monitor (or direct its agents to monitor) at its own cost (or upon the occurrence of an Event of Default, at the expense of the Borrower) the development, including environmental compliance, design, and construction, of the Project. The Borrower (or the Project Manager on behalf of the Borrower) shall be responsible for administering construction oversight of the Project in accordance with applicable federal, state and local governmental requirements. The Borrower agrees to cooperate in good faith with the WIFIA Lender in the conduct of such monitoring by promptly providing (or causing the Project Manager to provide) the WIFIA Lender with such reports, documentation or other information as shall be requested by the WIFIA Lender or its agents, including any independent engineer reports, documentation or information.

(b) Reporting. During the period through Substantial Completion, the Borrower (or the Project Manager on behalf of the Borrower) shall furnish to the WIFIA Lender, on a monthly basis, a report on the status of the Project, in substantially the form of **Exhibit J**

(*Form of Monthly Report*); provided that no report shall be required hereunder if a substantially similar report satisfying the requirements set forth herein is provided by the Project Manager pursuant to the Seattle WIFIA Loan Agreement. The report shall be executed by the Borrower's Authorized Representative (or the Project Manager's Authorized Representative on behalf of the Borrower's Authorized Representative) and, for any month, shall be delivered to the WIFIA Lender not later than the thirtieth (30th) day of the following month (or if such day is not a Business Day, on the next following Business Day). Each report shall include the following information:

(i) the amount of Total Project Costs expended on each Construction Contract as well as the amount expended during the preceding calendar month and the amount of costs estimated to be required to complete each of the Construction Contracts;

(ii) an assessment of the overall construction progress of the Project, including notice of the receipt of relevant Governmental Approvals, since the Effective Date and since the date of the last report, together with an assessment of how such progress compares to the Construction Schedule set forth as **Schedule II** (*Construction Schedule*), as updated pursuant to previous reports delivered under this Section 23(b);

(iii) the then-current projection for the Substantial Completion Date as compared to the Projected Substantial Completion Date;

(iv) a detailed description of all material problems, if any (including actual and anticipated cost and/or schedule overruns, if any), encountered or anticipated in connection with the construction of the Project during the preceding month, together with an assessment of how such problems may impact the Construction Schedule and the meeting of critical dates thereunder and a detailed description of the proposed solutions to any such problems;

(v) any proposed or pending change orders that exceed the threshold set out in Section 23(e) (*Project Oversight and Monitoring – Modifications to Total Project Costs*); and

(vi) a discussion or analysis of such other matters related to the Project as the WIFIA Lender may reasonably request.

The Borrower shall respond, and use commercially reasonable efforts to cause the Project Manager and the Construction Contractors to respond, to the WIFIA Lender's inquiries regarding such report, the construction of the Project and the performance by the Project Manager and any Construction Contractor of its respective obligations under the Construction Contract to which the Project Manager or such Construction Contractor is a party.

(c) Additional Reporting. On or before the Effective Date, within ninety (90) days following the Substantial Completion Date and within ninety (90) days following the fifth (5th) anniversary of the Substantial Completion Date, the Borrower (or the Project Manager on behalf of the Borrower) shall deliver to the WIFIA Lender a report including the following information:

(i) the estimated interest savings the Borrower is realizing through the use of the WIFIA Loan compared to comparable market rate financing;

(ii) the following jobs information:

(A) with respect to the report delivered on or before the Effective Date, the number of jobs projected to be created by the Project during the period between the Effective Date and the Substantial Completion Date;

(B) with respect to the report delivered within ninety (90) days following the Substantial Completion Date, the number of jobs created by the Project on an annual basis during the period between the Effective Date and the Substantial Completion Date; and

(C) with respect to the report delivered within ninety (90) days following the fifth (5th) anniversary of the Substantial Completion Date, the number of jobs created by the Project on an annual basis during the period between the Substantial Completion Date and the fifth (5th) anniversary of the Substantial Completion Date; and

(iii) whether the Project will assist the Borrower in complying with applicable regulatory requirements, and if so, a narrative description describing such enhancements.

(d) Requested Information. The Borrower shall, at any time while the WIFIA Loan remains Outstanding, promptly deliver (or cause the Project Manager to deliver) to the WIFIA Lender such additional information regarding the business, financial, legal or organizational affairs of the Borrower with respect to the System or regarding the Project (including any construction progress reports delivered by the applicable Construction Contractors to the Borrower or the Project Manager and any Project risk register) or the System Revenues as the WIFIA Lender may from time to time reasonably request. The Borrower agrees that information described under Section 23(c) (*Project Oversight and Monitoring – Additional Reporting*) may be made publicly available by the WIFIA Lender at its discretion.

(e) Modifications to Total Project Costs. For the period through the Substantial Completion Date, the Borrower (or the Project Manager on behalf of the Borrower) shall provide notice to the WIFIA Lender at least thirty (30) days prior to implementing any increase in Total Project Costs that would cause Total Project Costs to equal an amount at least five percent (5%) greater than the amount of Total Project Costs set forth in the Project Budget. Such notice shall demonstrate that the increase is consistent with the provisions of this Agreement, is necessary or beneficial to the Project, does not materially impair the WIFIA Lender's security or the Borrower's ability to comply with its obligations under the Related Documents (including any financial ratios or covenants included therein), and could not reasonably be expected to result in a Material Adverse Effect.

(f) Project Operations. The WIFIA Lender shall have the right, in its sole discretion, to monitor (or direct its agents to monitor) the Project's operations and, as the WIFIA Lender may request from time to time, to receive reporting on the operation and management of the Project, and copies of any contracts relating to the operation and maintenance of the Project.

The Borrower agrees to cooperate in good faith with the WIFIA Lender in the conduct of such monitoring by promptly providing (or causing the Project Manager to provide) the WIFIA Lender with such reports, documentation, or other information requested by the WIFIA Lender. The WIFIA Lender has the right, in its sole discretion, to retain such consultants or advisors to carry out the provisions of this Section 23, at its own cost or, upon the occurrence of an Event of Default, at the cost of the Borrower.

Section 24. Disclaimer of Warranty. The WIFIA Lender makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for a particular purpose or fitness for use of the Project or any portion thereof or any other warranty with respect thereto. In no event shall the WIFIA Lender be liable for any incidental, indirect, special or consequential damages incidental to or arising out of this Agreement or the Project or the existence, furnishing, functioning or use of the Project or any item or products or services provided for in this Agreement.

Section 25. No Personal Recourse. No official, employee or agent of the WIFIA Lender or the Borrower or any Person executing this Agreement or any of the other WIFIA Loan Documents shall be personally liable on this Agreement or such other WIFIA Loan Documents by reason of the issuance, delivery or execution hereof or thereof.

Section 26. No Third Party Rights. The parties hereby agree that this Agreement creates no third party rights against the Borrower, the Government, or the WIFIA Lender, solely by virtue of the WIFIA Loan, and the Borrower agrees to indemnify and hold the WIFIA Lender, the Servicer (if any), the Administrator, and the Government harmless, to the extent permitted by law and in accordance with Section 17 (*Indemnification*), from any lawsuit or claim arising in law or equity solely by reason of the WIFIA Loan, and that no third party creditor of the Borrower shall have any right against the WIFIA Lender with respect to the WIFIA Loan made pursuant to this Agreement.

Section 27. Borrower's Authorized Representative. The Borrower shall at all times have appointed one or more Borrower's Authorized Representatives by designating such Person or Persons from time to time to act on the Borrower's behalf for the purposes specified therein pursuant to a written certificate furnished to the WIFIA Lender and the Servicer, if any, containing the specimen signature or signatures of such Person or Persons and signed by the Borrower. The initial Borrower's Authorized Representatives shall be designated pursuant to the incumbency certificate appended to the certificate provided by the Borrower's Authorized Representative pursuant to Section 12(a)(vi) (*Conditions Precedent – Conditions Precedent to Effectiveness*), and shall serve as Borrower's Authorized Representatives hereunder until such time as successors shall have been appointed. Upon any such appointment, the successor in office shall serve as a Borrower's Authorized Representative and the Borrower shall promptly provide notice of such appointment to the WIFIA Lender.

Section 28. WIFIA Lender's Authorized Representative. The WIFIA Lender hereby appoints the Director of the WIFIA Program, whose notice details are set forth below in Section 38 (*Notices*), to serve as the WIFIA Lender's Authorized Representative under this Agreement until such time as a successor or successors shall have been appointed. Thereafter, the successor

in office shall serve as the WIFIA Lender's Authorized Representative. The WIFIA Lender shall provide notice to the Borrower within a reasonable time period following the succession.

Section 29. Servicer. The WIFIA Lender may from time to time designate another entity or entities to perform, or assist the WIFIA Lender in performing, the duties of the Servicer or specified duties of the WIFIA Lender under this Agreement and the WIFIA Bond. The WIFIA Lender shall give the Borrower written notice of the appointment of any successor or additional Servicer and shall enumerate the duties or any change in duties to be performed by any Servicer. Any references in this Agreement to the WIFIA Lender shall be deemed to be a reference to the Servicer with respect to any duties which the WIFIA Lender shall have delegated to such Servicer. The WIFIA Lender may at any time assume the duties of any Servicer under this Agreement and the WIFIA Bond. The Borrower shall cooperate and respond to any reasonable request of the Servicer for information, documentation or other items reasonably necessary for the performance by the Servicer of its duties hereunder.

Section 30. Fees and Expenses.

(a) Servicing Set-Up Fee. On the Effective Date, the Borrower shall pay to the WIFIA Lender a servicing set-up fee equal to \$7,980 (the "**Servicing Set-Up Fee**").

(b) Construction Period Servicing Fee.

(i) For the period from the Effective Date until the Substantial Completion Date, the Borrower shall pay to the WIFIA Lender an annual servicing fee equal to \$10,650 (the "**Construction Period Servicing Fee**").

(ii) The initial Construction Period Servicing Fee shall be due and payable on the Effective Date in a pro-rated amount equal to \$[●]³.

(iii) Each Construction Period Servicing Fee following the initial Construction Period Servicing Fee shall accrue on the first Business Day of the then-current Federal Fiscal Year and shall be due and payable on or prior to November 15 of each calendar year during the Construction Period; provided that the Construction Period Servicing Fee shall be payable for the Federal Fiscal Year during which (and regardless of the date on which) the Substantial Completion Date occurs.

(iv) The amount of each Construction Period Servicing Fee (other than the initial Construction Period Servicing Fee) shall be adjusted in proportion to the percentage change in CPI for the calendar year immediately preceding the calendar year during which such fee is due. The WIFIA Lender shall notify the Borrower of the amount of each such Construction Period Servicing Fee at least thirty (30) days before payment is due, which determination shall be conclusive absent manifest error.

(c) Operating Period Servicing Fee.

³ **NTD**: To be determined based on the month of closing.

(i) Following the Substantial Completion Date, the Borrower shall pay to the WIFIA Lender an annual servicing fee equal to \$7,990 (the “**Operating Period Servicing Fee**”).

(ii) Each Operating Period Servicing Fee shall accrue on the first Business Day of the then-current Federal Fiscal Year and shall be due and payable on or prior to November 15 of each calendar year, beginning with the first November 15 that occurs after the end of the Federal Fiscal Year during which the Substantial Completion Date occurs.

(iii) The amount of the initial Operating Period Servicing Fee shall be adjusted in proportion to the aggregate percentage change in CPI from the calendar year during which the Effective Date occurs through the calendar year immediately preceding the calendar year during which such initial Operating Period Servicing Fee is due. The amount of each Operating Period Servicing Fee (other than the initial Operating Period Servicing Fee) shall be adjusted in proportion to the percentage change in CPI for the calendar year immediately preceding the calendar year for which such fee is due.

(iv) The Operating Period Servicing Fee due and payable with respect to the Federal Fiscal Year during which the Final Maturity Date occurs shall be equal to the pro-rated monthly portion of the then applicable Operating Period Servicing Fee multiplied by the number of partial or whole months remaining between November 15 and the Final Maturity Date (i.e. three months for the period between November 15 and January 1).

(v) The WIFIA Lender shall notify the Borrower of the amount of each Operating Period Servicing Fee at least thirty (30) days before payment is due, which determination shall be conclusive absent manifest error.

(d) The Borrower agrees, whether or not the transactions hereby contemplated shall be consummated, to reimburse the WIFIA Lender on demand from time to time, within thirty (30) days after receipt of any invoice from the WIFIA Lender, for any and all fees, costs, charges, and expenses incurred by it (including the fees, costs, and expenses of its legal counsel, financial advisors, auditors and other consultants and advisors) in connection with the negotiation, preparation, execution, delivery, and performance of this Agreement and the other WIFIA Loan Documents and the transactions hereby and thereby contemplated, including attorneys’, and engineers’ fees and professional costs, including all such fees, costs, and expenses incurred as a result of or in connection with:

(i) the enforcement of or attempt to enforce any provision of this Agreement or any of the other WIFIA Loan Documents;

(ii) any amendment, modification, or requested amendment or modification of, waiver, consent, or requested waiver or consent under or with respect to, or the protection or preservation of any right or claim under, this Agreement, any other Related Document, or the Collateral, or advice in connection with the administration, preservation in full force and effect, and enforcement of this Agreement or any other Related Document or the rights of the WIFIA Lender thereunder; and

(iii) any work-out, restructuring, or similar arrangement of the obligations of the Borrower under this Agreement or the other WIFIA Loan Documents, including during the pendency of one or more Events of Default.

The obligations of the Borrower under this Section 30 shall survive the payment or prepayment in full or transfer of the WIFIA Bond, the enforcement of any provision of this Agreement or the other WIFIA Loan Documents, any such amendments, waivers or consents, any Event of Default, and any such workout, restructuring, or similar arrangement.

Section 31. Amendments and Waivers. No amendment, modification, termination, or waiver of any provision of this Agreement or the WIFIA Bond shall in any event be effective without the prior written consent of each of the parties hereto.

Section 32. Governing Law. This Agreement shall be governed by the federal laws of the United States of America if and to the extent such federal laws are applicable and the internal laws of the State, if and to the extent such federal laws are not applicable.

Section 33. Severability. In case any provision in or obligation under this Agreement shall be invalid, illegal, or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

Section 34. Successors and Assigns. This Agreement shall be binding upon the parties hereto and their respective permitted successors and assigns and shall inure to the benefit of the parties hereto and their permitted successors and assigns. Neither the Borrower's rights or obligations hereunder or under the WIFIA Bond nor any interest herein or therein may be assigned or delegated by the Borrower without the prior written consent of the WIFIA Lender.

Section 35. Remedies Not Exclusive. No remedy conferred herein or in the WIFIA Bond or reserved to the WIFIA Lender is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the WIFIA Bond or now or hereafter existing at law or in equity or by statute.

Section 36. Delay or Omission Not Waiver. No delay or omission of the WIFIA Lender to exercise any right or remedy provided hereunder or under the WIFIA Bond upon a default of the Borrower (except a delay or omission pursuant to a written waiver) shall impair any such right or remedy or constitute a waiver of any such default or acquiescence therein. Every right and remedy given by this Agreement or the WIFIA Bond or by law to the WIFIA Lender may be exercised from time to time, and as often as may be deemed expedient by the WIFIA Lender.

Section 37. Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. Electronic delivery of an executed counterpart of a signature page of this Agreement

or of any document or instrument delivered in connection herewith in accordance with Section 38 (*Notices*) shall be effective as delivery of an original executed counterpart of this Agreement or such other document or instrument, as applicable.

Section 38. Notices. Notices hereunder shall be (a) in writing, (b) effective as provided below and (c) given by (i) nationally recognized courier service, (ii) hand delivery, or (iii) email, in each case to:

If to WIFIA Lender:

Environmental Protection Agency
WJC-W 6201A
1200 Pennsylvania Avenue NW
Washington, DC 20460
Attention: WIFIA Director
Email: WIFIA_Portfolio@epa.gov

If to Borrower:

King County Wastewater Treatment Division
201 S. Jackson St., KSC-NR-0501
Seattle, WA 98104
Attention: Nigel Lewis
Email: nigel.lewis@kingcounty.gov

with a copy to:

King County Wastewater Treatment Division
201 S. Jackson St., KSC-NR-0501
Seattle, WA 98104
Attention: Courtney Black
Email: coblack@kingcounty.gov

Unless otherwise specified herein or instructed by the WIFIA Lender's Authorized Representative, all notices to the WIFIA Lender should be made by email to the email address noted above for the WIFIA Lender. Notices required to be provided herein shall be provided to such different addresses or to such further parties as may be designated from time to time by the Borrower's Authorized Representative, with respect to notices to the Borrower, or by the WIFIA Lender's Authorized Representative, with respect to notices to the WIFIA Lender or the Servicer. Each such notice, request or communication shall be effective (x) if delivered by hand or by nationally recognized courier service, when delivered at the address specified in this Section 38 (or in accordance with the latest unrevoked written direction from the receiving party) and (y) if given by email, when such email is delivered to the address specified in this Section 38 (or in accordance with the latest unrevoked written direction from the receiving party); provided that notices received on a day that is not a Business Day or after 5:00 p.m. Eastern Time on a Business Day will be deemed to be effective on the next Business Day.

Section 39. Effectiveness. This Agreement shall be effective on the Effective Date.

Section 40. Termination. This Agreement shall terminate upon the irrevocable payment in full in immediately available funds by the Borrower of the Outstanding WIFIA Loan Balance,

together with all accrued interest, fees and expenses with respect thereto; provided that the indemnification requirements of Section 17 (*Indemnification*), the reporting and record keeping requirements of Section 21 (*Accounting and Audit Procedures; Inspections; Reports and Records*) and the payment requirements of Section 30 (*Fees and Expenses*) shall survive the termination of this Agreement as provided in such sections.

Section 41. Integration. This Agreement, together with the other WIFIA Loan Documents, constitutes the entire contract between the parties relating to the subject matter hereof and supersedes any and all previous agreements and understandings, oral or written, relating to the subject matter hereof.

[Signature pages follow on next page.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

KING COUNTY, WASHINGTON

By: _____
Name: _____
Title: _____

**UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY**, acting by and through
the Administrator of the Environmental Protection
Agency

By: _____

Name: Andrew R. Wheeler

Title: Administrator

SCHEDULE I
PROJECT BUDGET

Uses of Funds	Cost Share	Cost Share	WIFIA Eligible?	Total by Activity	Seattle	King County
	King County	SPU	SPU			
SCWQP Construction Activities						
C314056 - Ship Canal WQ Program	35%	65%	65%	113,378,347	73,695,925	39,682,421
C314056 - SCWQP Yankee Grill Purchase	0%	100%	0%	5,417,962	5,417,962	0
C315500 - King County Coordination	35%	65%	65%	5,363,470	3,486,255	1,877,214
C315508 - 24th Avenue Pier	35%	65%	0%	3,432,591	2,231,184	1,201,407
C315509 - Site Prep	35%	65%	65%	8,391,771	5,454,651	2,937,120
C315516 - Temp Power	35%	65%	65%	1,635,199	1,062,879	572,320
C315510 - Advanced Utilities	35%	65%	65%	4,629,208	3,008,985	1,620,223
C315503/4/5 - Storage Tunnel	34%	66%	66%	310,365,599	204,345,475	106,020,124
C315502 - Pump Station	35%	65%	65%	59,855,127	38,905,832	20,949,294
C315501 - I&C	35%	65%	65%	5,357,220	3,482,193	1,875,027
C315506 - Ballard Conveyance	0%	100%	100%	29,502,245	29,502,245	0
C315507 - Wallingford Conveyance	0%	100%	100%	9,707,339	9,707,339	0
C315513 - Street Restoration & Landscape	35%	65%	65%	1,367,477	888,860	478,617
C315517 - Misc Small Works	35%	65%	65%	10,379,209	6,746,486	3,632,723
C315512 - Shilshole Pipe	35%	65%	65%	1,278,814	831,229	447,585
WIFIA Ineligible Costs				Eligible Project Costs (Construction only)	381,118,356	180,092,669
				Total Project Costs (Construction only)	388,767,502	181,294,075
				Financing & Issuance Costs	17,636,240	17,549,191
				Eligible Project Costs	398,754,596	197,641,860
				Total Project Costs	406,403,742	198,843,266
				Max WIFIA Commitment @ 49% of Eligible Project Costs	195,389,752	96,844,511
Sources of Funds					Seattle	King County
				WIFIA Loan (Federal)	192,181,651	96,844,511
				SRF Loan (Non-Federal)	25,000,000	79,457,000
				Borrower Cash (Non-Federal)	189,222,089	12,482,546
				Revenue Bonds (Non-Federal)	0	10,059,209
				Total	406,403,740	198,843,266

SCHEDULE II
CONSTRUCTION SCHEDULE⁴

Project Element	Design Completion	Notice to Proceed / Construction Start	Substantial Completion	Final Acceptance
Ship Canal WQ Program (C314056)	N/A	N/A	3/25/2027	N/A
SCWQ King County Coordination (C315500)	N/A	N/A	12/29/2025	N/A
SCWQ- Instrumentation and controls (C315501)	N/A	9/23/2024	2/3/2025	4/17/2025
SCWQ Pump Station (C315502, C315514)	12/8/2020	11/23/2022	11/20/2024	1/31/2025
Shilshole Pipe Project (C315512)	10/23/2018	3/18/2019	5/12/2020	3/9/2021
Storage Tunnel (C315503, C315504, C315505)	3/6/2019	11/21/2019	6/14/2023	12/18/2023
SCQW Site Prep (C315509)	[●]	[●]	[●]	[●]
SCQW Temporary Power (C315516)	[●]	[●]	[●]	[●]
Advanced Utilities Relocation (C315510)	1/2/2019	7/16/2019	12/9/2019	9/16/2020
Miscellaneous Small Works Projects (C315517)	12/14/2021	12/15/2021	2/16/2026	4/13/2026
SCQW Street Restoration & Landscape (C315513)	[●]	[●]	[●]	[●]

⁴ **Note to Borrower:** Please fill in the missing information.

SCHEDULE III
EXISTING INDEBTEDNESS

I. BONDS

Parity Bonds		
<i>Series/Description</i>	<i>Outstanding Principal Amount</i>	<i>Final Maturity Date</i>
Sewer Improvement and Refunding Revenue Bonds, 2020, Series A	\$179,530,000	January 1, 2052
Sewer Refunding Revenue Bonds, 2020, Series B (Taxable)	\$186,745,000	January 1, 2040
Sewer Revenue Bonds, 2018, Series B	\$124,455,000	July 1, 2032
Sewer Refunding Revenue Bonds, 2017	\$122,305,000	July 1, 2049
Sewer Improvement and Refunding Revenue Bonds, 2016 Series B	\$447,070,000	July 1, 2049
Sewer Refunding Revenue Bonds, 2016, Series A	\$269,175,000	July 1, 2041
Sewer Improvement and Refunding Revenue Bonds, 2015 Series B	\$70,895,000	January 1, 2046
Sewer Revenue Refunding Bonds, 2015, Series A	\$467,735,000	July 1, 2047
Sewer Revenue Refunding Bonds, 2014, Series B	\$175,500,000	July 1, 2035
Sewer Revenue and Refunding Bond, Series 2014, Series A	\$75,000,000	January 1, 2047
Sewer Revenue and Refunding Bonds, 2013, Series B	\$54,680,000	January 1, 2044
Sewer Revenue Refunding Bonds, 2013, Series A	\$45,930,000	January 1, 2035
Sewer Revenue Refunding Bonds, 2012, Series C	\$14,345,000	January 1, 2033
Sewer Revenue Refunding Bonds, 2012, Series B	\$13,640,000	January 1, 2035
Sewer Revenue and Refunding Bonds, 2012	\$9,785,000	January 1, 2052
Sewer Revenue Refunding Bonds, 2011, Series C	\$7,885,000	January 1, 2022
Sewer Revenue and Refunding Bonds, 2011, Series B	\$29,445,000	January 1, 2034
Sewer Revenue Bonds, 2011	\$4,175,000	January 1, 2021
Parity Lien Obligations		
<i>Series/Description</i>	<i>Outstanding Principal Amount</i>	<i>Final Maturity Date</i>

Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenues), 2019	\$101,035,000	January 1, 2038
Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenues), 2017	\$131,970,000	July 1, 2033
Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenues), 2015, Series A	\$239,465,000	July 1, 2038
Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenues), 2012, Series B	\$30,500,000	January 1, 2029
Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenues), 2012	\$41,360,000	January 1, 2025
Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenues), 2008	\$21,020,000	January 1, 2023
Junior Lien Obligations		
<i>Series/Description</i>	<i>Outstanding Principal Amount</i>	<i>Final Maturity Date</i>
Junior Lien Sewer Revenue Refunding Bonds (Mandatory Put Bonds), Series 2020A	\$100,295,000	January 1, 2032
Junior Lien Sewer Revenue Refunding Bonds (Mandatory Put Bonds), Series 2020B	\$100,295,000	January 1, 2042
Junior Lien Variable Rate Demand Sewer Revenue Bonds, Series 2012	\$100,000,000	January 1, 2043
Multi-Modal LTGO/Sewer Revenue Bonds		
<i>Series/Description</i>	<i>Outstanding Principal Amount</i>	<i>Final Maturity Date</i>
Multi-Modal Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenues), Series 2019A	\$100,000,000	January 1, 2046
Multi-Modal Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenues), Series 2019B	\$48,095,000	January 1, 2046
Multi-Modal Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenues), Series 2017A	\$49,100,000	January 1, 2040
Multi-Modal Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenues), Series 2017B	\$49,125,000	January 1, 2040

II. LOANS

SRF Loans			
<i>Project/Loan</i>	<i>Lender</i>	<i>Outstanding Principal Amount</i>	<i>Final Maturity Date</i>
SRF LOAN EL160606 Murray CSO (Construction)	Washington State Department of Ecology	\$24,299,089	October 31, 2036
SRF LOAN L1100009 Ballard Siphon	Washington State Department of Ecology	\$24,791,295	June 30, 2034
SRF LOAN EL150072 Fremont Siphon (Construction)	Washington State Department of Ecology	\$21,987,759	March 31, 2037
SRF LOAN EL150080 S. Magnolia CSO (Construction)	Washington State Department of Ecology	\$22,105,683	December 31, 2035
SRF LOAN EL170137 Rainier Valley WWS (Construction)	Washington State Department of Ecology	\$19,670,247	June 30, 2038
SRF LOAN L0300032 Henderson/MLK CSO	Washington State Department of Ecology	\$15,569,402	August 31, 2025
SRF LOAN EL190346 Georgetown Wet Weather Treatment Station (Construction)	Washington State Department of Ecology	\$11,543,000	August 31, 2053
SRF LOAN EL160572 North Beach CSO (Construction)	Washington State Department of Ecology	\$7,467,237	July 30, 2036
SRF LOAN L0900001 Brightwater Outfall 01	Washington State Department of Ecology	\$6,484,556	August 31, 2030
SRF LOAN L080009A/B Carnation Treatment Plant (Construction a&b)	Washington State Department of Ecology	\$5,778,818	September 30, 2028
SRF LOAN EL150092 Barton CSO (Construction)	Washington State Department of Ecology	\$4,641,394	November 30, 2035
SRF LOAN L1300004 S. Magnolia CSO Control - Design	Washington State Department of Ecology	\$3,729,985	October 31, 2033
SRF LOAN L1300012 Murray CSO Control - Design	Washington State Department of Ecology	\$3,584,612	7/31/2033
SRF LOAN SR19366 Ship Canal WQ Design (19366)	Washington State Department of Ecology	\$3,251,445	June 30, 2051
SRF LOAN L1300013 Barton CSO Control - Design	Washington State Department of Ecology	\$3,167,061	November 30, 2033
SRF LOAN L0300035 Denny Way CSO/Elliott West Pipelines	Washington State Department of Ecology	\$2,945,486	August 31, 2024

SRF LOAN EL150091-01 North Beach CSO (Construction)	Washington State Department of Ecology	\$2,443,983	August 31, 2035
SRF LOAN L0800012 Brightwater Outfall 800012	Washington State Department of Ecology	\$2,388,838	August 31, 2030
SRF LOAN L1300011 North Beach CSO Control - Design	Washington State Department of Ecology	\$2,112,384	July 30, 2033
SRF LOAN L060010A Vashon Treatment Plant	Washington State Department of Ecology	\$1,724,665	November 30, 2026
SRF LOAN SR30009 Denny Way Lake Union	Washington State Department of Ecology	\$1,244,543	February 28, 2022
SRF LOAN L0400007 SW Interceptors	Washington State Department of Ecology	\$952,875	April 30, 2028
SRF LOAN L1300005 Fremont Siphon – Facilities Plan	Washington State Department of Ecology	\$983,634	August 31, 2033
SRF LOAN L0600013 Barton CSO Facilities Plan	Washington State Department of Ecology	\$655,251	May 31, 2031
SRF LOAN L0700009 Brightwater Outfall 09	Washington State Department of Ecology	\$552,512	August 31, 2030
SRF LOAN L0700007 Carnation Treatment Plant (Design)	Washington State Department of Ecology	\$434,812	August 31, 2026
SRF LOAN L0600014 Murray CSO Facilities Plan	Washington State Department of Ecology	\$340,127	May 31, 2031
SRF LOAN SR19365 Ship Canal WQ Design (19365)	Washington State Department of Ecology	\$305,737	June 30, 2051
SRF LOAN L0600015 North Beach CSO Facilities Plan	Washington State Department of Ecology	\$269,905	May 31, 2031
SRF LOAN L9800021 Vashon Island Bluelah	Washington State Department of Ecology	\$35,260	September 30, 2022
SRF LOAN L9800002 Vashon Island Bunker	Washington State Department of Ecology	\$41,145	September 30, 2022
PWTF Loans			
<i>Project/Loan</i>	<i>Lender</i>	<i>Outstanding Principal Amount</i>	<i>Final Maturity Date</i>
PWT LOAN PW51011 Ballard Siphon	State of Washington	\$7,378,629	June 30, 2036
PWT LOAN PW20052 Georgetown Wet Weather Treatment Station (Construction)	State of Washington	\$4,750,000	June 30, 2039
PWT LOAN PW18006 Georgetown Wet Weather Treatment	State of Washington	\$3,500,000	June 30, 2038

Station (Land & Site Prep)			
PWT LOAN PW51020 Brightwater Reclaimed Water Pipeline	State of Washington	\$3,315,789	June 30, 2028
PWT LOAN PW91037 Hidden Lake Pump Station	State of Washington	\$2,780,615	June 30, 2024
PWT LOAN PW91025 North Creek Storage	State of Washington	\$1,583,334	June 30, 2022
PWT LOAN PW91033 Juanita Bay Pump Station	State of Washington	\$1,241,228	June 30, 2021
PWT LOAN PW18069 WPTP Sedimentation Roof Replacement (Preconstruction)	State of Washington	\$712,227	June 30, 2024
PWT LOAN PW13092 South Plant Agitation Blowers	State of Washington	\$400,932	June 30, 2025
PWT LOAN PW06962 Brightwater Reclaimed Water Storage	State of Washington	\$368,424	June 30, 2026
PWT LOAN PW13113 Environmental Lab HVAC System	State of Washington	\$265,432	June 30, 2027

III. CREDIT FACILITIES

<i>Type of Facility</i>	<i>Provider</i>	<i>Outstanding Principal Amount</i>	<i>Expiration Date of Facility</i>	<i>Type of Sewer System Obligations and Bond Series</i>	<i>Bond Maturity</i>
Continuing Covenant Agreement	State Street Public Lending Corporation	\$98,225,000	4/5/2021	Multi-Modal Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenue), Series 2017A and B	January 1, 2040
Standby Bond Purchase Agreement	TD Bank N.A.	\$148,095,000	6/26/2024	Multi-Modal Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenue), Series 2019A and B	January 1, 2046

SCHEDULE IV FLOW OF FUNDS

Reference is made to Section 14 (*Sewer Revenue Priorities of Payment*) of the Ordinance, and the requirements and conditions contained therein as of the Effective Date, which are set forth verbatim below. Capitalized terms used in this **Schedule IV** shall have the respective meanings assigned to such terms in the Ordinance.

“**SECTION 14. Sewer Revenue Priorities of Payment.** So long as any Bond is outstanding, all Revenue of the System will be deposited into the Revenue Fund and used and applied in the following order of priority:

First, to pay all Operating and Maintenance Expenses;

Second, to make all required deposits into the Debt Service Account in the Parity Bond Fund to provide for the payment of principal of and interest on Parity Bonds as the same become due and payable and to make any Payment Agreement Payments with respect to any Parity Payment Agreements;

Third, to make all payments required to be made pursuant to a reimbursement agreement or agreements (or other equivalent documents) in connection with Qualified Insurance or a Qualified Letter of Credit; provided, that if there is not sufficient money to make all payments under such reimbursement agreements, the payments will be made on a pro rata basis;

Fourth, to establish and maintain the Parity Bond Reserve Account (including making deposits into such account and paying the costs of obtaining Qualified Insurance or a Qualified Letter of Credit therefor);

Fifth, to make all required payments of principal and interest on the Parity Lien Obligations and to make any Payment Agreement Payments with respect to any Parity Lien Obligation Payment Agreements;

Sixth, to make all required payments of principal of and interest on the Junior Lien Obligations as the same become due and payable, to make all Payment Agreement Payments with respect to any Payment Agreements entered into with respect to Junior Lien Obligations, and to make any payments required to be made to providers of any credit enhancements or liquidity facilities for Junior Lien Obligations;

Seventh, to make all required payments of principal of and interest on the Multi-Modal LTGO/Sewer Revenue Bonds as the same become due and payable, to make all Payment Agreement Payments for any Payment Agreements entered into with respect to Multi-Modal LTGO/Sewer Revenue Bonds, and to make any payments required to be made to providers of credit enhancements or liquidity facilities for any Multi-Modal LTGO/Sewer Revenue Bonds;

Eighth, to make all required payments of principal of and interest on the Subordinate Lien Obligations as the same become due and payable;

Ninth, to make all required payments of principal of and interest on bonds, notes, warrants and other evidences of indebtedness, the lien and charge on Revenue of the System of which are junior and inferior to the Subordinate Lien Obligations, as the same become due and payable; and

Tenth, to make all required payments of principal of and interest due on the SRF Loans and the Public Works Trust Fund Loans.

Any surplus money that the county may have on hand in the Revenue Fund after making all required payments set forth above may be used by the county: (a) to make necessary improvements, additions and repairs to and extensions and replacements of the System; (b) to purchase or redeem and retire outstanding sewer revenue bonds of the county; (c) to make deposits into the Rate Stabilization Fund; or (d) for any other lawful purposes of the county related to the System.”

SCHEDULE V

WIFIA PAYMENT INSTRUCTIONS

HOW TO MAKE A PAYMENT TO EPA WIFIA PROGRAM

Please select one of the acceptable payment methods and follow the instructions provided below for sending WIFIA payments to EPA.

For questions about payments to EPA please contact EPA's Office of the Controller:

Phone: 202-564-7593. Voicemails can be left when calling outside business hours

Email: OCFO-OC-ACAD-WIFIA@epa.gov

For questions about the WIFIA program:

Email: wifia@epa.gov

ACCEPTABLE METHODS FOR WIFIA PAYMENTS TO EPA

OPTION 1 PAY.GOV

Use of Pay.gov to make payments to EPA is the preferred electronic payment method. In Pay.gov, users can track their payments to EPA and schedule recurring or automatic payments. Although it is not mandatory to register for a user id to access and use Pay.Gov, registration is recommended to have access to all Pay.gov system functionality.

1. Remove Debit Block - Before submitting payments through Pay.gov, users should contact their financial institution to remove any debit blocks and add EPA to the list of payees. In addition, the financial institution will need to add EPA's company ID (6801123303) for WIFIA fees. Once the financial institution removes the debit block and sets up the company ID, users can set up Pay.gov to submit payments.
2. Access the Pay.gov system by going to <https://www.pay.gov> and search for WIFIA or click on the following hyperlink to directly launch the [WIFIA Loan Collection & Fees Form](#).
3. Provide the following information on your payment to ensure proper credit:
 - Remitter's contact phone number
 - Company/Organization Name as it appears on EPA document
 - Complete address, including city, state, zip code
 - Project Name
 - Loan Number: this is EPA WIFIA Loan number, NOT the remitter's number
 - From the "Payment Type" drop down menu select the type from the Fee Notice letter
 - Other Description: please note the reference number from the Fee Notice letter
4. Follow the remaining on- screen instructions to successfully process the payment to EPA.
5. Send an email to OCFO-OC-ACAD-WIFIA@epa.gov and wifia_portfolio@epa.gov informing that a payment has been made.

OPTION 2 CREDIT GATEWAY: FEDWIRE AND ACH

Depending on preferences, Credit Gateway allows users to submit payment either via FedWire (electronic interbank transfers) or ACH (direct deposit). The primary differences are:

	FedWire	ACH (Automated Clearing House)
Fees	Charges fees	Less expensive than FedWire
Transaction Speed	Faster transfers	May take up to a few days
Security	Less secure	More secure
International Capabilities	Can be sent internationally	U.S.-only network
Processing time	Within 24 hours	A few hours to several days

Users must work within the processing guidelines established by their bank, which may include processing cutoffs, transaction fees, and other bank requirements. Banks that do not maintain an account at the Federal Reserve Bank (FRB) must use the services of correspondent banks that do have an FRB account.

FEDWIRE

To process a payment using FedWire please:

1. Send FedWire deposits as early as possible and no later than 5 p.m. ET on the desired EPA receipt date
2. Review the FedWire form Instructions provided in Attachment 1 and complete the form. It is very important that all relevant details identified in the instructions are accurate.
3. Send an email to OCFO-OC-ACAD-WIFIA@epa.gov and wifia_portfolio@epa.gov informing that a payment has been made.

AUTOMATED CLEARING HOUSE (ACH)


To process payments using ACH please:

1. Send ACH payments as early as possible and no later than 3 business days before the desired EPA receipt date.
2. Review the ACH form Instructions provided in Attachment 2 and complete the form. It is important that all relevant details identified in the instructions are accurate.
3. Send an email to OCFO-OC-ACAD-WIFIA@epa.gov and wifia_portfolio@epa.gov informing that the payment has been made.

OPTION 3 CHECK PAYMENTS

UNAVAILABLE DUE TO COVID 19 PANDEMIC. EPA CANNOT PROCESS CHECKS AT THIS TIME.

Attachment 1 – FedWire Payment Form and Instructions

		U.S. Environmental Protection Agency FUNDS TRANSFER DEPOSIT		
PC		INSTRUCTIONS: Explicit completion and routing instructions are located on the reverse of this form. It is requested that prudent care be taken to ensure that all information is provided in the requested format. Failure to provide the information in the requested format may cause a delay in the notification of the funds transfer to EPA.		
TO	TYPE			
021030004	10			
FROM	CL	REF	AMOUNT \$	
SENDER				
RECEIVER TREAS NYC/(68010099)EPA				
THIRD PARTY INFORMATION				

The above FedWire form presented to your bank (*who will initiate and transmit the FedWire payment*) **MUST** contain all details below: *

TO (ABA)	021030004
TYPE	10
RECEIVER	TREAS NYC/(68010099)EPA
THIRD PARTY INFORMATION	To ensure proper credit please include the following information on your payment: <ul style="list-style-type: none"> • Company/remitter's name (borrower name as it appears on EPA document) • Complete address, including city, state, zip code • Remitter's point of contact person and phone number • EPA WIFIA Loan # (NOT the remitter's number) • Payment Type/Reason for payment from the Fee Notice letter • Reference number from the Fee Notice letter
Shaded Areas	Those items that are shaded on the Form are to be entered by the bank on the funds transfer message. (Depending on the Federal Reserve District, some items may not be required.)
<i>*Important: Failure to initiate the FedWire electronic wire transaction properly with the above fields included, will result in untimely or non- receipt of funds at EPA.</i>	

Attachment 2 - ACH Credit Gateway Form and Instructions

Please provide the following instructions to your Financial Institution for the remittance of Automated Clearing House (ACH) credits to the United States Environmental Protection Agency.

NACHA Record Type Code	NACHA Field	NACHA Data Element Name	Required Information
5	3	Company Name	
5	6	Standard Entry Class Code	CCD
5	9	Effective Entry Date	
6	2	Transaction Code*	22
6	3 & 4	Receiving DFI Identification (ABA routing #) @	051036706
6	5	DFI Account Number	868010099000
6	6	Amount	<i>(enter payment amount)</i>
6	8	Receiving Company Name	US EPA FEE TYPE – WIFIA (Loan Number-Fee Type)

@ Bank Name: Credit Gateway – ACH Receiver 33 Livingston Ave. St. Paul, MN 55107 1-877-815-1206

Agency Contact:

Laura Collier, Lead Accountant

US Environmental Protection Agency Office of the Controller
Fees and Collections Branch 202-564-7593

collier.laura@epa.gov

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

► Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type.
See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
United States Environmental Protection Agency

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

Individual/sole proprietor or single-member LLC C Corporation S Corporation Partnership Trust/estate

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

Other (see instructions) ► **Federal Agency**

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any) _____
Exemption from FATCA reporting code (if any) _____
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
1300 Pennsylvania Ave NW, Mail Code 2733R

6 City, state, and ZIP code
Washington, DC 20004-3002

7 List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			-						
--	--	--	---	--	--	--	--	--	--

or

Employer identification number

5	2	-	0	8	5	2	6	9	5
---	---	---	---	---	---	---	---	---	---

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here Signature of U.S. person ►  Date ► 12/17/19

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
 - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
 - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
 - Form 1099-S (proceeds from real estate transactions)
 - Form 1099-K (merchant card and third party network transactions)
 - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
 - Form 1099-C (canceled debt)
 - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

SCHEDULE 13(f)

LITIGATION

No.	Parties	Date Initiated	Description	Venue

SCHEDULE 13(n)**CONSTRUCTION CONTRACTS⁵****A. Existing Construction Contracts (effective as of the date of this Agreement)**

No.	Contract/Description	Date	Parties
1.	Design and Engineering Services During Construction for: -24th Ave NW Pier Replacement (BEWP Contract)	10/06/2014	Coast & Harbor Engineering
2.	Design and Engineering Services During Construction for: -Storage Tunnel Contract -TEPS Contract	09/13/2015	McMillen Jacobs Assoc
3.	Design of Site Remediation at West Shaft Site (BEWP contract)	01/27/2016	Innovex
4.	Design of Temporary Electrical Service for Ballard Early Work Contract	04/19/2016	Elcon
5.	Contamination Confirmation Sampling (BEWP Contract)	02/01/2018	Pacific Groundwater Group
6.	Construction Mgmt (Tunnel + TEPS) and Program Support Services	03/01/2018	Jacobs Engineering
7.	Ballard Early Work Construction Contract	06/25/2018	Redside Construction
8.	Program Outreach & Communication	04/30/2019	EnviroIssues
9.	Design and Engineering Services During Construction for: -Ballard Conveyance Contract	05/08/2019	Kennedy-Jenks
10.	Storage Tunnel Construction Contract	06/12/2019	Lane Construction

B. Expected Additional Construction Contracts (expected to either be executed, or are executed and expected to become effective, at a future date)

No.	Contract/Description	Expected Effective Date (if known)	Parties
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⁵ **Note to Borrower:** This schedule was included as the Principal Projects Contracts schedule in the Seattle WIFIA Loan Agreement. Please amend this schedule as applicable to include only those contracts which are covered by the definition of "Construction Contract" in this Agreement.

1.	Design Support for Wallingford Conveyance (traffic control)	In Negotiation	HDR
2.	Ballard Conveyance Construction Contract		TBD
3.	Wallingford Conveyance Construction Contract		TBD
4.	Tunnel Effluent Pump Station (TEPS) Construction Contract		TBD
5.	Misc. small work following facility operation, such as adding lights, moving instruments, etc.		TBD - on call contractor or SPU forces
6.	Security improvements following TEPS construction completion (card readers, cameras, etc.)		TBD- on call contractor

SCHEDULE 15(k)

RATE COVENANT

Reference is made to Section 18 (*Rate Covenants*) of the Ordinance, and the requirements and conditions contained therein as of the Effective Date, which are set forth verbatim below. Capitalized terms used in this **Schedule 15(k)** shall have the respective meanings assigned to such terms in the Ordinance.

SECTION 18. Rate Covenants.

A. **Parity Bonds.** The county hereby covenants with the Registered Owner of each of the Bonds issued as Parity Bonds that, for so long as any of the same are outstanding, the county will at all times establish, maintain and collect rates and charges for sewage disposal service that will provide in each calendar year Net Revenue in an amount that, together with the interest earned during that calendar year on investments of money in the Parity Bond Fund, Parity Bond Reserve Account and Construction Account, will equal or exceed 1.15 times the amount required to pay the Annual Parity Debt Service for such calendar year.

At all times and in any event, rates and charges for sewage disposal service will be sufficient to provide funds adequate to operate and maintain the System, to make all payments and to establish and maintain all reserves required by this or any other ordinance authorizing obligations of the county payable from Revenue of the System, to make up any deficit in such payments remaining from prior years and to pay all costs incurred in the construction or acquisition of any portion of the Comprehensive Plan that may be ordered by the county and for the payment of which sewer revenue bonds (or other obligations payable from Revenue of the System) are not issued.

B. **Parity Lien Obligations.** The county hereby covenants with the Registered Owner of each of the Bonds issued as Parity Lien Obligations that, for so long as any of the same are outstanding, the county will at all times establish, maintain and collect rates and charges for sewage disposal service that will be fair and nondiscriminatory and adequate to provide Revenue of the System sufficient for the proper operation and maintenance of the System; for the punctual payment of the principal of and interest on all outstanding Parity Bonds for which payment has not otherwise been provided and all amounts that the county is obligated to set aside in the Parity Bond Fund securing the Parity Bonds; for the punctual payment of the principal of and interest on all outstanding Parity Lien Obligations and for all amounts that the county is obligated to set aside in the Parity Lien Obligation Bond Fund; and for the payment of any and all other amounts that the county is now or may hereafter become obligated to pay from Revenue of the System.

The county hereby further covenants with the Registered Owner of each of the Bonds issued as Parity Lien Obligations for so long as any of the same are outstanding that the county will at all times establish, maintain and collect rates and charges for sewage disposal service that will provide in each calendar year Net Revenue in an amount that, together with the interest earned during that calendar year on investments made of money in the Parity Bond Fund, Parity Bond Reserve Account, Parity Lien Obligation Bond Fund and Construction Account, is equal to at least 1.15 times the amounts required to pay the Annual Debt Service for such calendar year.

C. **Rate Stabilization Fund.** In determining compliance with the requirements of this section, Revenue of the System and Net Revenue shall be calculated by taking into account deposits and withdrawals from the Rate Stabilization Fund as provided in Section 13.B. of this ordinance.”

SCHEDULE 16(a)

ADDITIONAL BONDS TEST

Reference is made to Sections 24 (*Future Parity Bonds*) and 25 (*Additional Parity Lien Obligations*) of the Ordinance, and the requirements and conditions contained therein as of the Effective Date, which are set forth verbatim below. Capitalized terms used in this **Schedule 16(a)** shall have the respective meanings assigned to such terms in the Ordinance.

“SECTION 24. Future Parity Bonds. The county further covenants and agrees with the Registered Owner of each of the Bonds issued as Parity Bonds for as long as the same are outstanding that it will not create any special fund for the payment of the principal of and interest on any revenue bonds that will rank on a parity with or have any priority over the payments out of Revenue of the System required to be made into the Parity Bond Fund and the accounts therein to pay or secure the payment of the outstanding Parity Bonds. The county reserves the right for: (a) the purpose of acquiring, constructing and installing any portion of the Comprehensive Plan; (b) the purpose of acquiring, constructing and installing any necessary renewals or replacements of the System; or (c) the purpose of refunding or purchasing and retiring at or prior to their maturity any outstanding obligations of the county payable from Revenue of the System, to issue additional or refunding Parity Bonds (including Variable Rate Parity Bonds) and to make payments into the Parity Bond Fund out of the Revenue Fund that will be sufficient to pay the principal of and interest on those additional or refunding Parity Bonds and to maintain required reserves, such payments out of the Revenue Fund to rank equally with the payments out of the Revenue Fund required to be made into the Parity Bond Fund and the accounts therein for the payment of the principal of and interest on outstanding Parity Bonds, but only upon compliance with the following conditions:

A. At the time of the issuance of any Future Parity Bonds there is no deficiency in the Parity Bond Fund or any account therein.

B. Each ordinance providing for the issuance of any Future Parity Bonds that are refunding bonds must require that all money held in any fund or account of the county created for the purpose of paying the principal of and interest on the bonds being refunded either be used to pay the principal of and interest on such bonds or be transferred or paid into the Parity Bond Fund.

C. Each ordinance providing for the issuance of Future Parity Bonds must provide for the payment of the principal thereof and interest thereon out of the Parity Bond Fund. The Future Parity Bonds may bear such date of issue, interest payment dates, and principal payment dates, and may mature in such year or years, as the council provides. Each such ordinance will further provide that upon the issuance of any Future Parity Bonds, the county will pay into the Parity Bond Reserve Account an amount that will be sufficient to satisfy the Reserve Requirement then applicable or provide Qualified Insurance or a Qualified Letter of Credit to satisfy the Reserve Requirement.

D. At the time of the issuance of any Future Parity Bonds, the county must have on file a certificate from a Professional Utility Consultant (dated no more than 90 days prior to the date of delivery of such Future Parity Bonds) showing that, in the Professional Utility Consultant’s professional opinion, the “annual income available for debt service on Parity Bonds” for each year

during the life of such Future Parity Bonds shall be at least equal to 1.25 times the amount required in each such year to pay the Annual Parity Debt Service for such year. Such “annual income available for debt service on Parity Bonds” must be determined as follows for each year following the proposed date of issue of such Future Parity Bonds:

1. The Revenue of the System must be determined for a period of any 12 consecutive months out of the 18 months immediately preceding the delivery of the Future Parity Bonds being issued.

2. Such revenue may be adjusted to give effect on a 12-month basis to the rates in effect on the date of such certificate.

3. If there were any Customers added to the System during such 12-month period or thereafter and prior to the date of the Professional Utility Consultant's certificate, such revenue may be further adjusted on the basis that added Customers were Customers of the System during the entire 12-month period.

4. There will be deducted from such revenue the amount expended for Operating and Maintenance Expenses during such period.

5. For each year following the proposed date of issuance of such Future Parity Bonds the Professional Utility Consultant may add to the annual revenue determined in subsection D.1. through 4. of this section an estimate of the income to be received in each such year from the investment of money in the Parity Bond Fund and any account therein, and the Construction Account, which is to be determined by and in the sole discretion of a firm of nationally recognized financial consultants selected by the county.

6. Beginning with the second year following the proposed date of issue of such Future Parity Bonds and for each year thereafter, the Professional Utility Consultant may add to the annual revenue determined in subsection D.1. through 5. of this section the Professional Utility Consultant's estimate of any additional annual revenue to be received from anticipated growth in the number of Customers within the area served by the System on the date of such certificate, after deducting therefrom any increased Operating and Maintenance Expenses estimated to be incurred as a result of such growth; provided, that the Professional Utility Consultant's estimate of the number of Customers served may not assume growth of more than 1/4 of 1% over and above the number of Customers served or estimated to be served during the preceding year.

7. If extensions of or additions to the System are in the process of construction at the time of such certificate, or if the proceeds of the Future Parity Bonds being issued are to be used to acquire or construct extensions of or additions to the System, there may be added to the annual net revenue as above determined any revenue not included in subsection D.1. through 6. of this section that will be derived from such additions and extensions after deducting therefrom the estimated additional Operating and Maintenance Expenses to be incurred as a result of such additions and extensions; provided, that such estimated annual revenue will be based upon 75% of any estimated Customer growth in the four years following the first full year in which such additional revenue is to be collected and thereafter the estimated Customer growth may not exceed 1/4 of 1% per year over and above such reduced estimate.

E. Instead of the certificate described in subsection D. of this section, the county may elect to have on file a certificate of the Finance Director demonstrating that during any 12 consecutive calendar months out of the immediately preceding 18 calendar months Net Revenue was at least equal to 1.25 times the amount required to pay, in each year that such Future Parity Bonds would be outstanding, the Annual Parity Debt Service for such year.

F. For the purpose of refunding at or prior to their maturity any outstanding Parity Bonds or any bonds or other obligations of the county payable from Revenue of the System, the county may at any time issue Future Parity Bonds without complying with the provisions of subsection D. or E. of this section; provided, that the county may not issue Future Parity Bonds for such purpose under this subsection F. unless the Finance Director certifies that upon the issuance of such Future Parity Bonds: (a) total debt service required for all Parity Bonds (including the refunding bonds and not including the bonds to be refunded thereby) will decrease; and (b) the Annual Parity Debt Service for each year that any Parity Bonds (including the refunding bonds and not including the bonds to be refunded thereby) are then outstanding will not be increased by more than \$5,000 by reason of the issuance of such Future Parity Bonds.

The principal amount of Future Parity Bonds issued pursuant to this subsection F. may include amounts necessary to pay the principal of the Parity Bonds or other obligations to be refunded, interest thereon to the date of payment or redemption thereof, any premium payable thereon upon such payment or redemption and the costs of issuance of such Future Parity Bonds, and if a Payment Agreement has been provided with respect to the obligations to be refunded, may include amounts necessary to make the payment of all amounts, if any, due and payable by the county under such Payment Agreement. The proceeds of such Future Parity Bonds will be held and applied in such manner as is provided for in the ordinance authorizing the issuance of the Parity Bonds or other obligations to be refunded, so that upon the delivery of such Future Parity Bonds, the Parity Bonds or other obligations to be refunded thereby will be deemed no longer outstanding in accordance with the ordinance authorizing their issuance.

G. Nothing contained in this ordinance prevents the county from issuing revenue bonds that are a charge on Revenue of the System and money in the Revenue Fund junior or inferior to the payments required to be made therefrom into the Parity Bond Fund and any account therein, nor shall anything herein contained prevent the county from issuing Future Parity Bonds to refund maturing Parity Bonds for the payment of which money is not otherwise available.

SECTION 25. Additional Parity Lien Obligations. The county expressly reserves the right to issue additional Parity Bonds in accordance with the ordinances, including this ordinance, authorizing the Parity Bonds. Subject to this reservation of rights with respect to Parity Bonds, the county hereby covenants and agrees with the Registered Owner of each of the Bonds issued as Parity Lien Obligations, so long as such Bonds are outstanding, that it will not issue or incur any other additional indebtedness secured in whole or in part by a lien on Revenue of the System superior to the lien of such Bonds issued as Parity Lien Obligations.

A. Parity Lien Obligations Other Than Refunding Bonds. The county expressly reserves the right to issue or enter into additional Parity Lien Obligations (including Variable Rate Parity Lien Obligations as defined herein) for any lawful purpose of the county related to the System if at the time of issuing or entering into such Parity Lien Obligations:

1. There is no deficiency in the Parity Bond Fund, the Parity Lien Obligation Bond Fund or any other bond fund or account securing Parity Lien Obligations.

2. The county has on file a certificate from a Professional Utility Consultant (dated no more than 90 days prior to the date of delivery of such Parity Lien Obligations) showing that, in the Professional Utility Consultant's professional opinion, the "annual income available for debt service on Parity Bonds and Parity Lien Obligations" for each year during the life of such Parity Lien Obligations is at least equal to 1.25 times the amount required to pay Annual Debt Service in each such year. Such "annual income available for debt service on Parity Bonds and Parity Lien Obligations" shall be determined as follows for each year following the proposed date of issue of such additional Parity Lien Obligations:

a. The Revenue of the System must be determined for a period of any 12 consecutive months out of the 18 months immediately preceding the delivery of the Parity Lien Obligations being issued.

b. Such revenue may be adjusted to give effect on a 12-month basis to the rates in effect on the date of such certificate.

c. If there were any Customers added to the System during such 12-month period or thereafter and prior to the date of the Professional Utility Consultant's certificate, such revenue may be further adjusted on the basis that added Customers were Customers of the System during the entire 12-month period.

d. There will be deducted from such revenue the amount expended for Operating and Maintenance Expenses during such period.

e. For each year following the proposed date of issuance of such Parity Lien Obligations the Professional Utility Consultant may add to the annual revenue determined in clauses a through d of this paragraph 2 an estimate of the income to be received in each such year from the investment of money in the Parity Bond Fund, the Parity Lien Obligation Bond Fund and the Construction Account, which is to be determined by and in the sole discretion of a firm of nationally recognized financial consultants selected by the county.

f. Beginning with the second year following the proposed date of issue of such Parity Lien Obligations and for each year thereafter the Professional Utility Consultant may add to the annual revenue determined in clauses a through e of this paragraph 2 the Professional Utility Consultant's estimate of any additional annual revenue to be received from anticipated growth in the number of Customers within the area served by the System on the date of such certificate, after deducting therefrom any increased Operating and Maintenance Expenses estimated to be incurred as a result of such growth; provided, that the Professional Utility Consultant's estimate of the number of customers served may not assume a growth of more than 1/4 of 1% over and above the number of customers served or estimated to be served during the preceding year.

g. If extensions of or additions to the System are in the process of construction at the time of such certificate, or if the proceeds of the Parity Lien Obligations being issued are to be used to acquire or construct extensions of or additions to the System, there may be

added to the annual net revenue as above determined any revenue not included in clauses a through f of this paragraph 2 that will be derived from such additions and extensions after deducting therefrom the estimated additional Operating and Maintenance Expenses to be incurred as a result of such additions and extensions; provided, that such estimated annual revenue must be based upon 75% of any estimated Customer growth in the four years following the first full year in which such additional revenue is to be collected and thereafter the estimated Customer growth may not exceed 1/4 of 1% per year over and above such reduced estimate.

3. Instead of the certificate described in subsection A.2. of this section, the county may elect to have on file a certificate of the Finance Director demonstrating that during any 12 consecutive calendar months out of the immediately preceding 18 calendar months Net Revenue was at least equal to 1.25 times the amount required to pay, in each year that such Parity Lien Obligations would be outstanding, the Annual Debt Service for such year.

B. Parity Lien Obligations That Are Refunding Bonds.

1. The county may at any time, for the purpose of refunding at or prior to their maturity any outstanding Parity Lien Obligations, Parity Bonds, or any bonds or other obligations of the county payable from Revenue of the System, issue additional Parity Lien Obligations without complying with the provisions of subsection A.2. and 3. of this section if there is filed with the clerk of the council a certificate of the Finance Director stating that upon the issuance of such additional Parity Lien Obligations: (a) total debt service on all Parity Bonds and Parity Lien Obligations (including the refunding bonds but not including the bonds to be refunded thereby) will decrease; and (b) the Annual Debt Service for each year that any Parity Bonds and any Parity Lien Obligations (including the refunding bonds but not including the bonds to be refunded thereby) are then outstanding will not be increased by more than \$5,000 by reason of the issuance of such additional Parity Lien Obligations.

2. The principal amount of such Parity Lien Obligations may include amounts necessary to pay the principal of the bonds or other obligations to be refunded, interest thereon to the date of payment or redemption thereof and any premium payable thereon upon such payment or redemption and the costs of issuance of such Parity Lien Obligations and, if a Payment Agreement has been provided with respect to the obligations to be refunded, may include amounts necessary to make the payment of all amounts, if any, due and payable by the county under such Payment Agreement. The proceeds of such Parity Lien Obligations will be held and applied as provided in the ordinance authorizing the issuance of such Parity Lien Obligations, so that upon the delivery of such Parity Lien Obligations, the bonds or other obligations to be refunded thereby will be deemed no longer outstanding in accordance with the ordinance authorizing their issuance.

3. At the election of the county, the provisions of this subsection B. need not apply to the refunding at one time of all the Parity Lien Obligations then outstanding.

4. Nothing contained in this ordinance prohibits or prevents, or will be deemed or construed to prohibit or prevent, the county from issuing Parity Lien Obligations to refund maturing Parity Lien Obligations of the county for the payment of which money is not otherwise available.

C. **Subordinate Obligations.** Nothing in this ordinance prohibits, or will be deemed or construed to prohibit, the county from authorizing and issuing bonds, notes or other evidences of indebtedness for any purpose of the county related to the System payable in whole or in part from Revenue of the System and secured by a lien on Revenue of the System that is junior, subordinate and inferior to the lien of any Bonds issued as Parity Lien Obligations.”

EXHIBIT A
FORM OF WIFIA BOND
KING COUNTY, WASHINGTON
SHIP CANAL WATER QUALITY PROJECT
(WIFIA – N19128WA)
WIFIA BOND

Maximum Principal Amount: \$96,844,510

Effective Date: [●]

Interest Rate Per Annum: [●]

Due: January 1, 2056

KING COUNTY, WASHINGTON, a political subdivision of the State of Washington (the “**Borrower**”), for value received, hereby promises to pay to the order of the **UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**, acting by and through the Administrator of the United States Environmental Protection Agency, or its assigns (the “**WIFIA Lender**”), the lesser of (x) the Maximum Principal Amount set forth above and (y) the aggregate unpaid principal amount of all disbursements made by the WIFIA Lender (such lesser amount, being hereinafter referred to as the “**Outstanding Principal Sum**”), together with accrued and unpaid interest (including, if applicable, interest at the Default Rate, as defined in the WIFIA Loan Agreement (as defined below)) on the Outstanding Principal Sum and all fees, costs and other amounts payable in connection therewith, as more fully described in the WIFIA Loan Agreement. The principal hereof shall be payable in the manner and at the place provided in the WIFIA Loan Agreement in accordance with **Exhibit F (WIFIA Debt Service)** to the WIFIA Loan Agreement, as revised from time to time in accordance with the WIFIA Loan Agreement, until paid in full (which **Exhibit F**, as modified from time to time in accordance with the terms of the WIFIA Loan Agreement, is incorporated in and is a part of this WIFIA Bond). The WIFIA Lender is hereby authorized to modify the Loan Amortization Schedule included in **Exhibit F** to the WIFIA Loan Agreement from time to time in accordance with the terms of the WIFIA Loan Agreement to reflect the amount of each disbursement made thereunder and the date and amount of principal or interest paid by the Borrower thereunder. Absent manifest error, the WIFIA Lender’s determination of such matters as set forth on **Exhibit F** to the WIFIA Loan Agreement shall be conclusive evidence thereof; provided that neither the failure to make any such recordation nor any error in such recordation shall affect in any manner the Borrower’s obligations hereunder or under any other WIFIA Loan Document.

Payments hereon are to be made in accordance with Section 9(e) (*Payment of Principal and Interest – Manner of Payment*) of the WIFIA Loan Agreement as the same become due. Principal of and interest on this WIFIA Bond shall be paid in funds available on or before the due date and in any lawful coin or currency of the United States of America that at the date of payment

is legal tender for the payment of public and private debts. If the Substantial Completion Date occurs on any date prior to January 1, 2021, the due date of this WIFIA Bond shall be deemed to be amended to the Principal Payment Date immediately preceding the date that is thirty-five (35) years following such Substantial Completion Date without any further action required on the part of the Borrower or the WIFIA Lender and such amendment shall in no way amend, modify or affect the other provisions of this WIFIA Bond without the prior written agreement of the WIFIA Lender. Any such amendment shall be reflected in a revised **Exhibit F** to the WIFIA Loan Agreement.

This WIFIA Bond is a special limited obligation of the Borrower, payable solely from the special fund of the Borrower known as the Water Quality Revenue Bond Account (the “**Parity Bond Fund**”), and is not an obligation of the State or any political subdivision thereof other than the Borrower, and neither the full faith and credit nor the taxing power of the Borrower or the State or any political subdivision thereof is pledged to the payment of this WIFIA Bond.

This WIFIA Bond has been executed under and pursuant to that certain WIFIA Loan Agreement, dated as of the date hereof, between the WIFIA Lender and the Borrower (the “**WIFIA Loan Agreement**”) and is issued to evidence the obligation of the Borrower under the WIFIA Loan Agreement to repay the loans made by the WIFIA Lender and any other payments of any kind required to be paid by the Borrower under the WIFIA Loan Agreement or the other WIFIA Loan Documents referred to therein. Reference is made to the WIFIA Loan Agreement for details relating to the Borrower’s obligations hereunder. All capitalized terms used in this WIFIA Bond and not defined herein shall have the meanings set forth in the WIFIA Loan Agreement.

This WIFIA Bond may be prepaid at the option of the Borrower in whole or in part (and, if in part, the principal installments and amounts thereof to be prepaid are to be determined in accordance with the WIFIA Loan Agreement; provided that such prepayments shall be in principal amounts of at least \$1,000,000 or any integral multiple of \$1 in excess thereof), from time to time, but not more than annually, without penalty or premium, by paying to the WIFIA Lender all or part of the principal amount of the WIFIA Bond in accordance with the WIFIA Loan Agreement.

This WIFIA Bond shall be subject to prepayment on the terms and conditions set forth in the WIFIA Loan Agreement.

Payment of the obligations of the Borrower under this WIFIA Bond is secured pursuant to the Ordinance referred to in the WIFIA Loan Agreement.

Any delay on the part of the WIFIA Lender in exercising any right hereunder shall not operate as a waiver of any such right, and any waiver granted with respect to one default shall not operate as a waiver in the event of any subsequent default.

All acts, conditions and things required by the Constitution and laws of the State to happen, exist, and be performed precedent to and in the issuance of this WIFIA Bond have happened, exist and have been performed as so required. This WIFIA Bond is issued with the intent that the federal laws of the United States of America shall govern its construction to the extent such federal laws are applicable and the internal laws of the State shall govern its construction to the extent such federal laws are not applicable.

IN WITNESS WHEREOF, KING COUNTY, WASHINGTON has caused this WIFIA Bond to be executed in its name and its seal to be affixed hereto and attested by its duly authorized officer, all as of the Effective Date set forth above.

KING COUNTY, WASHINGTON

(SEAL)

By _____
Name: Dow Constantine
Title: County Executive

ATTEST:

Clerk of the County Council

CERTIFICATE OF AUTHENTICATION

This is the fully registered Ship Canal Water Quality Project (WIFIA – N19128WA) WIFIA Bond of King County, Washington, described in the within mentioned Ordinance.

[_____] as Registrar

By: _____
Authorized Signer

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the Undersigned hereby unconditionally sells, assigns
and transfers unto

(Please Insert Social Security or other identifying number of Assignee(s)):

the within bond and all rights thereunder.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

EXHIBIT B

ANTICIPATED WIFIA LOAN DISBURSEMENT SCHEDULE⁶

Federal Fiscal Year

Amount

Total

\$96,844,510

⁶ **Note to Borrower:** Please provide.

EXHIBIT C

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,
AND OTHER RESPONSIBILITY MATTERS**

The undersigned, on behalf of KING COUNTY, WASHINGTON (the “**Borrower**”), hereby certifies that the Borrower has fully complied with its verification obligations under 2 C.F.R. § 180.320 and hereby further confirms, based on such verification, that, to its knowledge, the Borrower and its principals (as defined in 2 C.F.R. § 180.995):

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;

(b) Have not within a three (3) year period preceding the Effective Date been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and

(d) Have not within a three (3) year period preceding the Effective Date had one or more public transactions (federal, state or local) terminated for cause or default.

Capitalized terms used in this certificate and not defined shall have the respective meanings ascribed to such terms in the WIFIA Loan Agreement, dated as of [●], 2020, by and between the Borrower and the United States Environmental Protection Agency, acting by and through the Administrator of the Environmental Protection Agency.

Dated: [●], 2020

KING COUNTY, WASHINGTON⁷

By: _____
Name: _____
Title: _____

⁷ To be executed by Borrower’s Authorized Representative.

EXHIBIT D

REQUISITION PROCEDURES

This **Exhibit D** sets out the procedures which the Borrower (or the Project Manager on behalf of the Borrower) agrees to follow in submitting Requisitions for the disbursement of WIFIA Loan proceeds in respect of the Eligible Project Costs incurred in connection with the Project. Section 1 sets out the manner in which Requisitions are to be submitted and reviewed. Sections 2 through 4 set out the circumstances in which the WIFIA Lender may reject or correct Requisitions submitted by the Borrower (or the Project Manager on behalf of the Borrower) or withhold a disbursement. The Borrower expressly agrees to the terms hereof, and further agrees that (i) the rights of the WIFIA Lender contained herein are in addition to (and not in lieu of) any other rights or remedies available to the WIFIA Lender under the WIFIA Loan Agreement, and (ii) nothing contained herein shall be construed to limit the rights of the WIFIA Lender to take actions including administrative enforcement action and actions for breach of contract against the Borrower if it fails to carry out its obligations under the WIFIA Loan Agreement during the term thereof.

Section 1. General Requirements. All requests by the Borrower for the disbursement of WIFIA Loan proceeds shall be made by electronic mail or overnight delivery service by submission to the WIFIA Lender, in accordance with Section 38 (*Notices*) of the WIFIA Loan Agreement, of a Requisition, in form and substance satisfactory to the WIFIA Lender and completed and executed by the Borrower's Authorized Representative. The form of Requisition is attached as **Appendix One** (*Form of Requisition*) to this **Exhibit D**.

Supporting documentation should be submitted with the requisition. If the Borrower anticipates that it will draw down all or a portion of the proceeds of the WIFIA Loan to reimburse the Borrower for Eligible Project Costs paid by or on behalf of the Borrower prior to such disbursement of WIFIA Loan proceeds, whether paid from funds of the Borrower or proceeds of Obligations issued by the Borrower, including for the purpose of paying or redeeming such Obligations, the Borrower (or the Project Manager on behalf of the Borrower) shall deliver appropriate documentation, including invoices and records, evidencing such incurred or paid Eligible Project Costs (the "**Eligible Project Costs Documentation**"). The Eligible Project Costs Documentation must provide sufficient detail to enable the WIFIA Lender to verify that such costs are Eligible Project Costs paid by the Borrower (or the Project Manager on behalf of the Borrower), in connection with the reimbursement of such Eligible Project Costs. The WIFIA Lender shall review the Eligible Project Costs Documentation for compliance with WIFIA disbursement requirements, and any amounts approved by the WIFIA Lender as Eligible Project Costs will be disbursed at such time as the Borrower (or the Project Manager on behalf of the Borrower) submits a Requisition in respect of such approved amounts.

The WIFIA Lender agrees to promptly send to the Borrower in accordance with Section 38 (*Notices*) of the WIFIA Loan Agreement, an acknowledgement of receipt of each Requisition in the form attached as **Appendix Two** (*[Approval/Disapproval] of the WIFIA Lender*) to this **Exhibit D** setting forth the date of receipt by the WIFIA Lender of such Requisition and setting forth the Business Day on which disbursement will be made absent denial by the WIFIA Lender. All disbursement requests must be received by the WIFIA Lender at or before 5:00 P.M. (EST) on

the first (1st) Business Day of a calendar month in order to obtain disbursement by the fifteenth (15th) day of such calendar month or, if either such day is not a Business Day, the next succeeding Business Day. If a Requisition is approved by the WIFIA Lender, the WIFIA Lender will notify the Borrower of such approval and of the amount so approved.

Section 2. Rejection. A Requisition may be rejected in whole or in part by the WIFIA Lender if it is:

- (a) submitted without signature;
- (b) submitted under signature of a Person other than the Borrower's Authorized Representative;
- (c) submitted after prior disbursement of all proceeds of the WIFIA Loan; or
- (d) submitted without adequate documentation of Eligible Project Costs incurred or paid. Such documentation shall include invoices for costs incurred or paid.

The WIFIA Lender will notify the Borrower of any Requisition so rejected, and the reasons therefor. Any Requisition rejected for the reasons specified in (a), (b) or (d) above must be resubmitted in proper form in order to be considered for approval. If a Requisition exceeds the balance of the WIFIA Loan proceeds remaining to be disbursed, the request will be treated as if submitted in the amount of the balance so remaining, and the WIFIA Lender will so notify the Borrower.

Section 3. Correction. A Requisition containing an apparent mathematical error will be corrected by the WIFIA Lender, after telephonic or email notification to the Borrower, and will thereafter be treated as if submitted in the corrected amount.

Section 4. Withholding. The WIFIA Lender shall be entitled to withhold approval (in whole or in part) of any pending or subsequent requests for the disbursement of WIFIA Loan proceeds if:

- (a) any Default or Event of Default under the WIFIA Loan Agreement shall have occurred and be continuing; or
- (b) the Borrower:
 - (i) knowingly takes any action, or omits to take any action, amounting to fraud or violation of any applicable federal or local criminal law, in connection with the transactions contemplated under the WIFIA Loan Agreement; or
 - (ii) fails to construct the Project in a manner consistent with the Governmental Approvals with respect to the Project, or in accordance with prudent utility practice, where such failure prevents or materially impairs the Project from fulfilling its intended purpose, or prevents or materially impairs the ability of the WIFIA Lender to monitor compliance by the Borrower with applicable federal or local law pertaining to the Project or with the terms and conditions of the WIFIA Loan Agreement; or

(iii) fails to observe or comply with any applicable federal or local law, or any term or condition of the WIFIA Loan Agreement; or

(iv) fails to satisfy the conditions set forth in Section 4 (*Disbursement Conditions*) and Section 12(b) (*Conditions Precedent – Conditions Precedent to All Disbursements*) of the WIFIA Loan Agreement; or

(v) fails to deliver (or cause the Project Manager to deliver) Eligible Project Costs Documentation satisfactory to the WIFIA Lender at the times and in the manner specified by the WIFIA Loan Agreement; provided that in such case the WIFIA Lender may, in its sole discretion, partially approve a disbursement request in respect of any amounts for which adequate Eligible Project Costs Documentation has been provided and may, in its sole discretion, disburse in respect of such properly documented amounts.

APPENDIX ONE TO EXHIBIT D**FORM OF REQUISITION**

United States Environmental Protection Agency
 WIFIA Director
 WJC-W 6201A
 1200 Pennsylvania Avenue NW
 Washington, DC 20460

Re: SHIP CANAL WATER QUALITY PROJECT (WIFIA – N19128WA)

Ladies and Gentlemen:

Pursuant to Section 4 (*Disbursement Conditions*) of the WIFIA Loan Agreement, dated as of [●], 2020 (the “**WIFIA Loan Agreement**”), by and between KING COUNTY, WASHINGTON (the “**Borrower**”) and the UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, acting by and through the Administrator (the “**WIFIA Lender**”), the Borrower hereby requests disbursement in the amount set forth below in respect of Eligible Project Costs paid or incurred by or on behalf of the Borrower. Capitalized terms used but not defined herein have the meaning set forth in the WIFIA Loan Agreement. In connection with this Requisition the undersigned does hereby represent and certify the following:

1.	Project name	Ship Canal Water Quality Project
2.	Borrower name	King County, Washington
3.	WIFIA reference number	N19128WA
4.	Requisition number	[]
5.	Requested disbursement amount	[\$]
6.	Requested disbursement date (the “Disbursement Date”)	[]
7.	Total amounts previously disbursed under the WIFIA Loan Agreement	[\$]
8.	Wire or ACH transfer instructions	[]

9. The amounts hereby requisitioned (a) are for payments or reimbursements with respect to Eligible Project Costs that have been [submitted by the Project Manager and approved by the WIFIA Lender in accordance with the WIFIA Loan Agreement] [incurred by the Borrower and have not been, nor will be, submitted by the Project Manager to the WIFIA Lender for approval] and (b) have not been paid for or reimbursed by any previous disbursement from WIFIA Loan proceeds or any previous disbursement of loan proceeds under the Seattle WIFIA Loan Agreement.

10. The aggregate amount of all disbursements of the WIFIA Loan (including the amount requested under this Requisition) does not exceed (a) the maximum principal amount of the WIFIA Loan, (b) the amount of Eligible Project Costs paid or incurred by the Borrower (or by the Project Manager on behalf of the Borrower) and (c) the cumulative disbursements through the end of the current Federal Fiscal Year as set forth in the Anticipated WIFIA Loan Disbursement Schedule.
11. All documentation evidencing the Eligible Project Costs to be reimbursed to the Borrower by the above-requested disbursement has been delivered by the Borrower or the Project Manager at the times and in the manner specified by the WIFIA Loan Agreement.
12. The Borrower has sufficient available funds committed to the Project, which together with funds that remain available and not yet drawn under the WIFIA Loan, will be sufficient to pay the reasonably anticipated remaining Total Project Costs.
13. The total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan, does not exceed eighty percent (80%) of Total Project Costs.
14. The Borrower (or the Project Manager on behalf of the Borrower) has all Governmental Approvals necessary as of the date hereof and as of the Disbursement Date (immediately after giving effect to the above-requested disbursement of WIFIA Loan proceeds), for the development, construction, operation and maintenance of the Project and each such Governmental Approval is in full force and effect (and is not subject to any notice of violation, breach or revocation).
15. Each of the insurance policies obtained by the Borrower or the Project Manager in satisfaction of Section 15(f) (*Affirmative Covenants – Insurance*) of the WIFIA Loan Agreement is in full force and effect, and no notice of termination thereof has been issued by the applicable insurance provider.
16. With respect to the Project (and, in respect of compliance with 33 U.S.C. § 3914, anything related to the Project in purpose, place, and time) the Borrower has, and, to the Borrower's knowledge, each of its contractors and subcontractors at all tiers with respect to the Project has, complied in all material respects with all applicable federal laws, rules, regulations and requirements, including (i) 40 U.S.C. §§ 3141-3144, 3146, and 3147 and regulations relating thereto (Davis-Bacon Act Requirements) and (ii) 33 U.S.C. § 3914 (relating to American iron and steel products). Supporting documentation, such as certified payroll records and certifications for all iron and steel products used for the Project, are being maintained and are available for review upon request by the WIFIA Lender.
17. The representations and warranties of the Borrower set forth in the WIFIA Loan Agreement and in each other Related Document are true and correct as of the date hereof and as of the Disbursement Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case, such representations and warranties were true and correct as of such earlier date).
18. As of the date hereof and on the Disbursement Date (immediately after giving effect to the above-requested disbursement of WIFIA Loan proceeds), (a) no Default or Event of

Default, and no event of default under any other Related Document and (b) no event that with the giving of notice or the passage of time or both would constitute an event of default under any other Related Document, in each case, has occurred and is continuing.

19. No Material Adverse Effect, or any event or condition that could reasonably be expected to result in a Material Adverse Effect, has occurred since the Effective Date and is continuing.
20. Each Ordinance Document, each Construction Contract and each material amendment, modification or supplement to the JPA that has been delivered by the Borrower (or the Project Manager on behalf of the Borrower) to the WIFIA Lender pursuant to Section 12(b)(iii) (*Conditions Precedent – Conditions Precedent to Disbursements*) and Section 12(b)(iv) (*Conditions Precedent – Conditions Precedent to Disbursements*) is complete, fully executed and in full force and effect
21. The current estimated percentage of physical completion of the Project is [___]%. The Borrower is in compliance with Section 23(b) (*Project Oversight and Monitoring – Reporting*) and no change has occurred since the date of the most recently delivered quarterly construction progress report that could reasonably be expected to cause a Material Adverse Effect.
22. All documentation evidencing the Eligible Project Costs to be reimbursed to the Borrower by the above-requested disbursement has been delivered by the Borrower (or the Project Manager on behalf of the Borrower) to the WIFIA Lender at the times and in the manner specified by the WIFIA Loan Agreement, including the details set forth below:

Vendor or Contractor Name ⁸	Invoice Number ⁹	Invoice Date	Payment Date	Invoice Amount	Percentage allocated to Project Manager	Percentage allocated to Borrower	WIFIA Requested Amount ¹⁰	Activity Type ¹¹	Description of Activity ¹²	WIFIA USE ONLY	
										Approved Amount	Notes

⁸ If seeking reimbursement for internal costs, enter “Internally financed activities.”

⁹ Vendor’s number indicated on the invoice sent to the applicable Obligor.

¹⁰ If the amount requested for reimbursement by the WIFIA Lender is less than the total amount of the invoice, include an explanation for the difference.

¹¹ Specify whether activity is: (a) **Development phase activity**, which includes planning, preliminary engineering, design, environmental review, revenue forecasting and other pre-construction activities; (b) **Construction**, which includes construction, reconstruction, rehabilitation and replacement activities; (c) **Acquisition of real property**, which includes acquiring an interest in real property, environmental mitigation, construction contingencies and acquisition of equipment; (d) **Carrying costs**, including capitalized interest, as necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses and other carrying costs during construction; (e) **WIFIA fees**, including for application and credit processing; or (f) **Other**, with an explanation in the “Description of Activity” column.

¹² Provide a brief description of the activities included in the invoice for which WIFIA funds are being requested and any other notes that will aid in the review of the disbursement request.

The undersigned acknowledges that if the Borrower makes a false, fictitious, or fraudulent claim, statement, submission, or certification to the Government in connection with the Project, the Government reserves the right to impose on the Borrower the penalties of 18 U.S.C. § 1001, to the extent the Government deems appropriate.

Date: _____

KING COUNTY, WASHINGTON¹³

By: _____

Name: _____

Title: _____

¹³ To be executed by the Borrower's Authorized Representative.

APPENDIX TWO TO EXHIBIT D
[APPROVAL/DISAPPROVAL] OF THE WIFIA LENDER*
(To be delivered to the Borrower)

Requisition Number [_____] is [approved in the amount of \$[_____] [approved in part in the amount of \$[_____] [not approved] by the WIFIA Lender (as defined herein) pursuant to Section 4 (*Disbursement Conditions*) of the WIFIA Loan Agreement, dated as of [●], 2020, by and between King County, Washington (the “**Borrower**”) and the United States Environmental Protection Agency, acting by and through the Administrator (the “**WIFIA Lender**”).

Any determination, action or failure to act by the WIFIA Lender with respect to the Requisition set forth above, including any withholding of a disbursement, shall be at the WIFIA Lender’s sole discretion, and in no event shall the WIFIA Lender be responsible for or liable to the Borrower for any and/or all consequence(s) which are the result thereof.

**UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY**, acting by and
through the Administrator

By: _____
WIFIA Lender’s Authorized Representative
Name:
Title:
Dated:

*If there is any partial or full denial of approval, the WIFIA Lender should provide a separate attachment setting forth the reasons for such partial or full denial of approval.

EXHIBIT E

COMPLIANCE WITH LAWS

In each case to the extent applicable to the System (including the Project), the Borrower shall, and shall require its contractors and subcontractors at all tiers with respect to the Project to, comply in all material respects with all federal, state and local laws, including, as applicable, the following federal laws listed below, which list is not intended to be exhaustive.

Environmental Authorities

- Archeological and Historic Preservation Act, Pub. L. 93-291, as amended
- Archaeological Resources Protection Act, 16 U.S.C. §§ 470aa-mm
- Bald and Golden Eagle Protection Act, 16 U.S.C. §§ 668-668c
- Clean Air Act, Pub. L. 95-95, as amended
- Clean Water Act, Titles III, IV and V, Pub. L. 92-500, as amended
- Coastal Barrier Resources Act, Pub. L. 97-348
- Coastal Zone Management Act, Pub. L. 92-583, as amended
- Endangered Species Act, Pub. L. 93-205, as amended
- Farmland Protection Policy Act, Pub. L. 97-98
- Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations Environmental Justice, Executive Order 12898
- Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended
- Floodplain Management, Executive Order 11988, 42 FR 26951, May 24, 1977, as amended by Executive Order 13690, 80 FR 6425, February 4, 2015
- Magnuson-Stevens Fishery Conservation and Management Act, Pub. L. 94-265
- Marine Mammal Protection Act, 16 U.S.C. §§ 1361-1407
- Migratory Bird Treaty Act, 16 U.S.C. §§ 703-712
- National Historic Preservation Act, Pub. L. 89-655, as amended
- National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321 et seq.
- Native American Graves Protection and Repatriation Act, 25 U.S.C. §§ 3001 et seq.

- Protection of Wetlands, Executive Order 11990 as amended by Executive Order 12608
- Rivers and Harbors Act, 33 U.S.C. 403
- Safe Drinking Water Act, Pub L. 93-523, as amended
- Wild and Scenic Rivers Act, Pub. L. 90-54, as amended
- Wilderness Act, 16 U.S.C. §§ 1131 et seq.

Economic and Miscellaneous Authorities

- Debarment and Suspension, Executive Order 12549
- Demonstration Cities and Metropolitan Development Act, Pub. L. 89 -754, as amended, and Executive Order 12372
- Drug-Free Workplace Act, Pub. L. 100-690
- Labor Standards, 33 U.S.C. § 1372 and 40 U.S.C. §§ 3141-3144, 3146 and 3147
- New Restrictions on Lobbying, Section 319 of Pub. L. 101-121
- Prohibitions relating to violations of the Clean Water Act or Clean Air Act with respect to federal contracts, grants, or loans under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, and Executive Order 11738
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. §§ 4601 et seq.)

Civil Rights, Nondiscrimination, Equal Employment Opportunity Authorities

- Age Discrimination Act, Pub. L. 94-135
- Equal Employment Opportunity, Executive Order 11246
- Section 13 of the Clean Water Act, Pub. L. 92-500
- Section 504 of the Rehabilitation Act, Pub. L 93-112 supplemented by Executive Orders 11914 and 11250
- Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.)
- Participation by Disadvantaged Business Enterprises in Procurement under EPA Financial Assistance Agreements

EXHIBIT F
WIFIA DEBT SERVICE¹⁴

¹⁴ **NTD:** To be provided by the WIFIA Lender on the Effective Date.

EXHIBIT G-1

OPINIONS REQUIRED OF COUNSEL TO BORROWER

An opinion of the counsel of the Borrower, dated as of the Effective Date, to the effect that:

- (a) the Borrower has all requisite power and authority to conduct the business of the System and to execute and deliver, and to perform its obligations under, the JPA;
- (b) the execution and delivery by the Borrower of, and the performance of its respective obligations under, the JPA have been duly authorized by all necessary organizational or regulatory action;
- (c) the Borrower has duly executed and delivered the JPA, and the JPA constitutes the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms;
- (d) no authorization, consent or other approval of, or registration, declaration or other filing with, any governmental authority of the United States of America or of the State is required on the part of the Borrower for the execution and delivery by the Borrower of, and the performance of the Borrower under, the JPA, other than authorizations, consents, approvals, registrations, declarations and filings that have already been timely obtained or made by the Borrower;
- (e) the execution and delivery by the Borrower of, and compliance by the Borrower with the provisions of, the JPA in each case do not (i) violate the Organizational Documents of the Borrower, (ii) violate the law of the United States of America or of the State or (iii) conflict with or constitute a breach of or default under any material agreement or other instrument to which the Borrower is a party or any court order, consent decree, statute, rule, regulation or any other law to which the Borrower is subject or by which it is bound; and
- (f) there are no actions, suits, proceedings or investigations against the Borrower by or before any court, arbitrator or any other Governmental Authority that are pending, or to the knowledge of such counsel after due inquiry, threatened in connection with the Ordinance Documents, the WIFIA Loan Documents or the JPA, in each case in effect as of the Effective Date, or the Project.

EXHIBIT G-2

OPINIONS REQUIRED FROM BOND COUNSEL

An opinion of bond counsel, dated as of the Effective Date, to the effect that:

(a) the Borrower has been duly created and validly exists as a political subdivision of the State under and pursuant to the laws of the State, with all necessary right, power and authority (including pursuant to the Ordinance and the WIFIA Sale Motion) to execute and deliver the Ordinance Documents and the WIFIA Loan Documents.

(b) each of the Ordinance and the WIFIA Sale Motion has been duly passed by the Borrower, and each of the Ordinance Documents and the WIFIA Loan Documents has been duly authorized by all necessary action of the Borrower, in each case in accordance with the Organizational Documents of the Borrower and in compliance with all applicable laws;

(c) each of the Ordinance Documents and the WIFIA Loan Documents has been duly executed and delivered by the Borrower, in each case in accordance with the Organizational Documents of the Borrower and in compliance with all applicable laws;

(d) each of the Ordinance Documents and the WIFIA Loan Documents is in full force and effect and constitutes the legal, valid, and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms and conditions, except only to the extent that enforcement of payment may be limited by bankruptcy, insolvency or other laws affecting creditors' rights and by the application of equitable principles and the exercise of judicial discretion in appropriate cases;

(e) no authorization, consent, or other approval of, or registration, declaration, or other filing with, any governmental authority of the United States of America or of the State is required on the part of the Borrower for the execution and delivery by the Borrower of, and the performance of the Borrower under, any Ordinance Document or WIFIA Loan Document, other than authorizations, consents, approvals, registrations, declarations, and filings that have already been timely obtained or made by the Borrower;

(f) the execution and delivery by the Borrower of, and compliance by the Borrower with the provisions of, the Ordinance Documents and the WIFIA Loan Documents in each case do not (i) violate the Organizational Documents of the Borrower, (ii) violate the law of the United States of America or of the State, or (iii) to the knowledge of such counsel after due inquiry, conflict with or constitute a breach of or default under any material agreement or other instrument to which the Borrower is a party or any court order, consent decree, statute, rule, regulation, or any other law to which the Borrower is subject or by which it is bound;

(g) the WIFIA Bond is a Parity Bond entitled to all of the benefits of a Parity Bond under the Ordinance. The WIFIA Bond is enforceable under the laws of the State without any further action by the Borrower or any other Person, and the obligations under the WIFIA Bond are pari passu in right of payment and right of security with all Pari Passu Obligations and are senior in right of payment and right of security to all Subordinated Obligations;

(h) the WIFIA Bond is secured by the Collateral. The Ordinance creates the valid and binding assignment and pledge of the Collateral to secure the payment of the principal of, interest on, and other amounts payable in respect of, the WIFIA Bond, irrespective of whether any party has notice of the pledge and without the need for any physical delivery, recordation, filing or further act. No documents or instruments are required to be recorded or filed for record in any place to establish, or maintain the validity and enforceability of, the pledge of the Collateral to secure the obligations under the WIFIA Bond;

(i) the Borrower has complied with all applicable requirements of State law to lawfully pledge the Collateral for the benefit of the WIFIA Lender and to apply the System Revenues as required by the terms of the Ordinance and the WIFIA Loan Agreement;

(j) all actions by the Borrower that are required for the application of System Revenues as required under the Ordinance and under the WIFIA Loan Agreement have been duly and lawfully made;

(k) the Borrower is not an investment company required to register under the Investment Company Act of 1940, as amended; and

(l) under the laws of the State, an action may be maintained against the Borrower in respect of, or relating to, the Ordinance Documents and the WIFIA Loan Documents.

EXHIBIT H**FORM OF BORROWER'S OFFICER'S CERTIFICATE**

[●], 2020

Reference is made to that certain WIFIA Loan Agreement, dated as of [●], 2020 (the "**WIFIA Loan Agreement**"), by and among King County, Washington (the "**Borrower**") and the United States Environmental Protection Agency (the "**EPA**"), acting by and through the Administrator of the EPA (the "**WIFIA Lender**"). Capitalized terms used in this certificate and not defined shall have the respective meanings ascribed to such terms in the WIFIA Loan Agreement.

In connection with Section 12(a) (*Conditions Precedent – Conditions Precedent to Effectiveness*), the undersigned, [___], as Borrower's Authorized Representative, does hereby certify on behalf of the Borrower and not in his/her personal capacity, as of the date hereof:

(a) pursuant to Section 12(a)(ii) of the WIFIA Loan Agreement, attached hereto as **Exhibit A** are complete and fully executed copies of the Ordinance and the WIFIA Sale Motion, together with any amendments, waivers or modifications thereto, in each case that has been entered into on or prior to the Effective Date, and each such agreement is in full force and effect, and all conditions contained in such documents to the closing of the transactions contemplated thereby have been fulfilled or effectively waived by the WIFIA Lender in its sole discretion;

(b) pursuant to Section 12(a)(vi) of the WIFIA Loan Agreement, attached hereto as **Exhibit B** is an incumbency certificate that lists all persons, together with their positions and specimen signatures, who are duly authorized by the Borrower to execute the Related Documents to which the Borrower is or will be a party, and who have been appointed the Borrower's Authorized Representative in accordance with Section 27 (*Borrower's Authorized Representative*) of the WIFIA Loan Agreement;

(c) pursuant to Section 12(a)(vi)(A) of the WIFIA Loan Agreement, the aggregate of all committed sources of funds shown in the Base Case Financial Model and in the Project Budget to pay Total Project Costs have been fully and completely committed and allocated to the Borrower by the providers thereof and such funds are sufficient to pay all Total Project Costs necessary to achieve Substantial Completion;

(d) pursuant to Section 12(a)(vi)(B) of the WIFIA Loan Agreement, the Borrower (or the Project Manager on behalf of the Borrower) has obtained all Governmental Approvals necessary to commence construction of the Project and each such Governmental Approval is final, non-appealable and in full force and effect (and is not subject to any notice of violation, breach or revocation);

(e) pursuant to Section 12(a)(vi)(C) of the WIFIA Loan Agreement, the Borrower is in compliance with NEPA and any applicable federal, state or local environmental review and approval requirements with respect to the Project;

(f) pursuant to Section 12(a)(vi)(D) of the WIFIA Loan Agreement, (i) the maximum principal amount of the WIFIA Loan, together with the amount of any other credit assistance provided under the Act to the Borrower, does not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs and (ii) the total federal assistance provided to the Project, including the maximum principal amount of the WIFIA Loan, does not exceed eighty percent (80%) of Total Project Costs;

(g) pursuant to Section 12(a)(vi)(E) of the WIFIA Loan Agreement, (i) the Borrower's Federal Employer Identification Number is 91-6001327, (ii) the Borrower's Data Universal Numbering System Number is 135108934, and (iii) the Borrower has registered with, and obtained confirmation of active registration status from, the federal System for Award Management (www.SAM.gov), and evidence of each of the foregoing is attached hereto as **Exhibit C**;

(h) pursuant to Section 12(a)(vi)(F), the WIFIA CUSIP Number is [●];

(i) pursuant to Section 12(a)(vi)(G) of the WIFIA Loan Agreement, the representations and warranties of the Borrower set forth in the WIFIA Loan Agreement and in each other Related Document to which the Borrower is a party are true and correct on and as of the date hereof, except to the extent that such representations and warranties expressly relate to an earlier date, in which case such representations and warranties were true and correct as of such earlier date;

(j) pursuant to Section 12(a)(vii) of the WIFIA Loan Agreement, attached hereto as **Exhibit D** are complete and fully executed copies of the JPA and each Existing Construction Contract, together with any amendments, waivers or modifications thereto, and the JPA is in full force and effect, and to the Borrower's knowledge, each such Existing Construction Contract is in full force and effect;

(k) pursuant to Section 12(a)(viii) of the WIFIA Loan Agreement, attached hereto as **Exhibit E** is the Base Case Financial Model, which Base Case Financial Model (i) demonstrates that projected System Revenues are sufficient to meet the Loan Amortization Schedule, (ii) demonstrates compliance with the Rate Covenant for each Borrower Fiscal Year through the Final Maturity Date, (iii) reflects principal amortization and interest payment schedules acceptable to the WIFIA Lender and (iv) demonstrates that the Borrower (or the Project Manager on behalf of the Borrower) has developed, and identified adequate revenues to implement, a plan for operating, maintaining and repairing the Project over the useful life of the Project;

(l) pursuant to Section 12(a)(xi) of the WIFIA Loan Agreement, attached hereto as **Exhibit F** are true, correct and complete copies of certificates of insurance or documents pertaining to the Borrower's self-insurance program, and such insurance certificates or documents demonstrate that (i) the Borrower and the Project Manager have obtained insurance with respect to the Borrower, the Project and the System, as applicable, that meets the requirements of Section 15(f) of the WIFIA Loan Agreement, and (ii) each liability policy (other than workers' compensation insurance or the Borrower's self-insurance program) reflects the WIFIA Lender as an additional insured; and

(m) pursuant to Section 12(a)(xii) of the WIFIA Loan Agreement, attached hereto as (i) **Exhibit G-1** is a copy of the Borrower's Organizational Documents as in effect on the Effective Date, which Organizational Documents are in full force and effect and (ii) **Exhibit G-2** are copies of all such further instruments and documents as are necessary, appropriate or advisable to consummate and implement the transactions contemplated by the WIFIA Loan Documents.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date first mentioned above.

KING COUNTY, WASHINGTON

By: _____

Name:

Title: Authorized Person

**EXHIBIT B TO EXHIBIT H
INCUMBENCY CERTIFICATE**

The undersigned certifies that the undersigned is the Clerk of the Metropolitan King County Council of King County, Washington, a political subdivision of the State of Washington (the “**Borrower**”), and as such is authorized to execute this certificate and further certifies that the following persons have been elected or appointed, are qualified, and are now acting as officers or authorized persons of the Borrower in the capacity or capacities indicated below, and that the signatures set forth opposite their respective names are their true and genuine signatures. The undersigned further certifies that, in accordance with Section 27 of that certain WIFIA Loan Agreement, dated as of the date hereof, between the Borrower and the United States Environmental Protection Agency, acting by and through the Administrator (the “**WIFIA Loan Agreement**”), any of the officers listed below is authorized to sign agreements and give written instructions with regard to any matters pertaining to the WIFIA Loan Documents and/or the Ordinance Documents as the Borrower’s Authorized Representative (each as defined in the WIFIA Loan Agreement).

<u>Name</u>	<u>Title</u>	<u>Signature</u>
[_____]	[_____]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____
[_____]	[_____]	_____

IN WITNESS WHEREOF, the undersigned has executed this certificate as of this [●] day of [●], 2020.

KING COUNTY, WASHINGTON

By: _____
Name:
Title:

EXHIBIT I

FORM OF CERTIFICATE OF SUBSTANTIAL COMPLETION

[Letterhead of Borrower]

[Date]

Environmental Protection Agency
WIFIA Director
WJC-W 6201A
1200 Pennsylvania Avenue NW
Washington, DC 20460

Project: Ship Canal Water Quality Project – N19128WA

Dear Director:

This certificate is provided pursuant to Section 15(g)(i)(A) (*Affirmative Covenants – Notice – Substantial Completion*) of that certain WIFIA Loan Agreement (the “**WIFIA Loan Agreement**”), dated as of [●], 2020, by and between King County, Washington (the “**Borrower**”) and the United States Environmental Protection Agency, acting by and through its Administrator (the “**WIFIA Lender**”).

Unless otherwise defined herein, all capitalized terms in this certificate have the meanings assigned to those terms in the WIFIA Loan Agreement.

I, the undersigned, in my capacity as the Borrower’s Authorized Representative (or as the Project Manager’s Authorized Representative acting on behalf of the Borrower’s Authorized Representative) and not in my individual capacity, do hereby certify to the WIFIA Lender that:

- (a) on *[insert date Substantial Completion requirements were satisfied]*, the Project satisfied each of the requirements for Substantial Completion set forth in the *[Insert reference to the design-build or similar agreement for the Project]*;
- (b) Substantial Completion has been declared under each of the above-referenced agreements and copies of the notices of Substantial Completion under such agreements are attached to this certification; and
- (c) Substantial Completion, as defined in the WIFIA Loan Agreement, has been achieved.

[KING COUNTY, WASHINGTON] [CITY OF SEATTLE, WASHINGTON], by its authorized representative

By: _____
Name:
Title:

EXHIBIT J**FORM OF MONTHLY REPORT**

United States Environmental Protection Agency
 WIFIA Director
 WJC-W 6201A
 1200 Pennsylvania Avenue NW
 Washington, DC 20460
 WIFIA_Portfolio@epa.gov

Re: Ship Canal Water Quality Project (WIFIA – N19128WA)

This Monthly Report for the period of *[insert relevant monthly period]* is provided pursuant to Section 23(b) (*Project Oversight and Monitoring – Reporting*) of the WIFIA Loan Agreement, dated as of [●], 2020 (the “**WIFIA Loan Agreement**”), by and between the King County, Washington (the “**Borrower**”) and the United States Environmental Protection Agency, acting by and through the Administrator of the Environmental Protection Agency (the “**WIFIA Lender**”). Unless otherwise defined herein, all capitalized terms in this Monthly Report have the meanings assigned to those terms in the WIFIA Loan Agreement.

(i) Amount Expended

Construction Contract (CC)	Original Contract Amount	Change Orders to Date	Total Estimated Costs	Estimated Costs to Complete	Costs Earned or Paid Through Previous Reporting period	Current Reporting Period Costs Earned or Paid	Total Costs Earned or Paid to date	% Costs Earned or Paid to Date
TOTAL								

(ii) Construction Progress, Governmental Approvals, Updated Schedule

Assessment of overall construction progress:

Notice of receipt of relevant Governmental Approvals since the Effective Date and since the prior Monthly Report:

Assessment of construction progress compared to Construction Schedule provided in the prior Monthly Report:

Construction Contract (CC)	NTP Effective Date	Original Time for Completion (days)	Original Contract Completion (date)	Time Added to Date (days)	Current Contract Completion (date)	Days Elapsed	% Contract Duration

(iii) Substantial Completion Date

Current projection for the Substantial Completion Date: _____

If the current projection for the substantial completion date is later than previously reported in the prior Monthly Report, provide a description in reasonable detail for such projected delay:

(iv) Material Problems (if any)

Detailed description of all material problems (including actual and anticipated cost and/or schedule overruns, if any), encountered or anticipated in connection with the construction of the Project during the preceding month, together with an assessment of how such problems may impact the Construction Schedule and the meeting of critical dates thereunder and a detailed description of the proposed solutions to any such problems:

(v) Proposed or pending change orders that exceed the threshold set out in Section 23(e) (*Project Oversight and Monitoring – Modifications to Total Project Costs*) or could reasonably be expected to result in a Material Adverse Effect

(vi) Other matters related to the Project

Date: _____

**[KING COUNTY, WASHINGTON] [CITY
OF SEATTLE, WASHINGTON],**
by its authorized representative

By: _____

Name: _____

Title: _____

EXHIBIT K
FORM OF FINANCIAL PLAN¹⁵

¹⁵ **Note to Borrower:** Please provide a form for the WIFIA Lender's review.

EXHIBIT L

FORM OF NON-LOBBYING CERTIFICATE

The undersigned, on behalf of King County, Washington (the “**Borrower**”), hereby certifies, to the best of the undersigned’s knowledge and belief, that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Borrower, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of the WIFIA Loan.

(b) If any funds other than proceeds of the WIFIA Loan have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the WIFIA Loan, the Borrower shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

(c) The Borrower shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Capitalized terms used in the certificate and not defined shall have the respective meanings ascribed to such terms in the WIFIA Loan Agreement, dated as of [●], 2020 (the “**WIFIA Loan Agreement**”), by and between the United States Environmental Protection Agency, acting by and through the Administrator (the “**WIFIA Lender**”), and the Borrower, as the same may be amended from time to time.

This certification is a material representation of fact upon which reliance was placed when the WIFIA Lender entered into the WIFIA Loan Agreement. Submission of this certification is a prerequisite to the effectiveness of the WIFIA Loan Agreement imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Dated: [●], 2020

KING COUNTY, WASHINGTON¹⁶

By: _____
Name: _____
Title: _____

¹⁶ To be executed by Borrower’s Authorized Representative.

Certificate Of Completion

Envelope Id: EFEE896A22774FEC4A45B6B99BB204BE	Status: Completed
Subject: Please DocuSign: Motion 15789 Attachment A.docx, Motion 15789 Attachment B.docx, Motion 15789.docx	
Source Envelope:	
Document Pages: 7	Signatures: 2
Supplemental Document Pages: 129	Initials: 0
Certificate Pages: 2	Envelope Originator:
AutoNav: Enabled	Angel Allende
Envelopeld Stamping: Enabled	401 5th Ave
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	Suite 100
	Seattle, WA 98104
	Angel.Allende@kingcounty.gov
	IP Address: 198.49.222.20

Record Tracking

Status: Original	Holder: Angel Allende	Location: DocuSign
12/16/2020 3:54:28 PM	Angel.Allende@kingcounty.gov	
Security Appliance Status: Connected	Pool: FedRamp	
Storage Appliance Status: Connected	Pool: King County General (ITD)	Location: DocuSign

Signer Events

Claudia Balducci
 claudia.balducci@kingcounty.gov
 King County General (ITD)
 Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

 7E1C273CE99E4B6...
 Signature Adoption: Pre-selected Style
 Using IP Address: 198.49.222.20

Timestamp

Sent: 12/16/2020 3:57:44 PM
 Viewed: 12/18/2020 2:20:21 PM
 Signed: 12/18/2020 2:20:32 PM

Electronic Record and Signature Disclosure:

Not Offered via DocuSign
 Supplemental Documents:

Motion 15789 Attachment A.docx

Viewed: 12/18/2020 2:20:25 PM
 Read: Not Required
 Accepted: Not Required

Motion 15789 Attachment B.docx

Viewed: 12/18/2020 2:20:26 PM
 Read: Not Required
 Accepted: Not Required

Angel Allende for
 angel.allende@kingcounty.gov
 Deputy Clerk of the Council
 King County Council
 Security Level: Email, Account Authentication (None)

DocuSigned by:

 C267B914088E4A0...
 Signature Adoption: Pre-selected Style
 Using IP Address: 198.49.222.20

Sent: 12/18/2020 2:20:36 PM
 Viewed: 12/21/2020 9:30:53 AM
 Signed: 12/21/2020 9:31:11 AM

Electronic Record and Signature Disclosure:

Not Offered via DocuSign
 Supplemental Documents:

Motion 15789 Attachment A.docx

Viewed: 12/21/2020 9:31:00 AM
 Read: Not Required
 Accepted: Not Required

Motion 15789 Attachment B.docx

Viewed: 12/21/2020 9:31:02 AM
 Read: Not Required
 Accepted: Not Required

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	12/16/2020 3:57:44 PM
Certified Delivered	Security Checked	12/21/2020 9:30:53 AM
Signing Complete	Security Checked	12/21/2020 9:31:11 AM
Completed	Security Checked	12/21/2020 9:31:11 AM
Payment Events	Status	Timestamps