

# **KING COUNTY**

# Signature Report

1200 King County Courthouse 516 Third Avenue Seattle, WA 98104

November 17, 2015

Motion 14459

	Proposed No. 2015-0479.2 Sponsors McDermott
1	A MOTION of the county council accepting a bid for the
2	purchase of the county's Junior Lien Sewer Revenue
3	Bonds, 2015 Series A and B, in the aggregate principal
4	amount of \$100,000,000, and establishing certain terms of
5	such bonds, all in accordance with Ordinance 18141.
6	WHEREAS, pursuant to Ordinance 12057, as amended by Ordinance
7	14173, the council authorized the issuance of its sewer revenue bonds and issued
8	its Sewer Revenue Bond Anticipation Notes, Commercial Paper Series A ("the
9	Commercial Paper Notes"), and a bank note to secure payment of the Commercial
10	Paper Notes ("the Bank Note") to finance the construction of improvements to the
11	Sewer System in anticipation of the issuance of its sewer revenue bonds, and
12	WHEREAS, there is presently outstanding \$100,000,000 par value of
13	Commercial Paper Notes, and
14	WHEREAS, pursuant to Ordinance 12057, as amended by Ordinance
15	14173, the authority of the county to issue the Commercial Paper Notes expires
16	on December 1, 2016, and
17	WHEREAS, pursuant to Ordinance 18141, passed by the council on
18	October 26, 2015 ("the Bond Ordinance"), the council authorized the issuance of
19	its junior lien sewer revenue bonds in the aggregate principal amount of

20	\$100,000,000 ("the Bonds") to pay all or a portion of the principal of and interest
21	on the Commercial Paper Notes and to pay the costs of issuing the Bonds, and
22	WHEREAS, the Bond Ordinance authorizes the sale of the Bonds in one
23	or more series, as multimodal bonds or otherwise, as Tax-Exempt Bonds or
24	otherwise, and by negotiated sale or competitive bid, as determined by the
25	county's director of finance and business operations division ("the Finance
26	Director") in consultation with the county's financial advisor, and
27	WHEREAS, the Finance Director has determined that \$100,000,000
28	principal amount of Bonds be sold by competitive bid in two series, to be
29	designated as the county's Junior Lien Sewer Revenue Bonds, Series 2015A ("the
30	Series A Bonds"), and Junior Lien Sewer Revenue Bonds, Series 2015B ("the
31	Series B Bonds"), structured as multimodal Tax-Exempt Bonds, and
32	WHEREAS, pursuant to the Bond Ordinance, a preliminary official
33	statement dated November 6, 2015, was prepared and distributed for the public
34	sale of the Bonds, the official notice of such sale dated November 6, 2015
35	attached as Attachment A to this motion ("the Notice"), has been duly published,
36	and bids have been received in accordance with the Notice, and
37	WHEREAS, the bid of Morgan Stanley & Co. LLC to purchase the Series
38	A Bonds attached as Attachment B to this motion is the best bid received for the
39	Series A Bonds, and it is in the best interest of the county that the Series A Bonds
40	be sold to Morgan Stanley & Co. LLC on the terms set forth in the Notice, the
41	attached bid, the Bond Ordinance and this motion, and

42	WHEREAS, the bid of Morgan Stanley & Co. LLC to purchase the Series
43	B Bonds attached as Attachment D to this motion is the best bid received for the
44	Series B Bonds, and it is in the best interest of the county that the Series B Bonds
45	be sold to Morgan Stanley & Co. LLC on the terms set forth in the Notice, the
46	attached bid, the Bond Ordinance and this motion, and
47	WHEREAS, in accordance with the Bond Ordinance, the council wishes
48	to ratify and confirm certain terms of the Bonds, as set forth herein;
49	NOW, THEREFORE, BE IT MOVED by the Council of King County:
50	A. <b>Definitions</b> . Capitalized words that are used in this motion but not
51	defined in this motion have the meanings set forth in the Bond Ordinance for all purposes
52	of this motion, unless some other meaning is plainly intended. The words and terms
53	defined in the preamble to this motion, as used in this motion, have the meanings
54	assigned such terms in the preamble to this motion, for all purposes of this motion, unless
55	some other meaning is plainly intended. The following words and terms as used in this
56	motion have the following meanings for all purposes of this motion, unless some other
57·	meaning is plainly intended.
58	"Alternate Rate" means an interest rate per annum equal to 100% of the SIFMA
59	Index.
60	"Applicable Factor" means, during each LIBOR Index Rate Period, the
61	percentage designated in writing by the county as the Applicable Factor for the LIBOR
62	Index Rate Period.
63	"Applicable Spread" means, during each Index Floating Rate Period, the number
64	of basis points determined by the Remarketing Agent on or prior to the first day of the

65	Index Floating Rate Period (or by the Underwriter on or prior to the Closing Date) that
66	when added to the SIFMA Index or the product of the LIBOR Index multiplied by the
67	Applicable Factor, as applicable, would equal the minimum interest rate per annum that
68	would enable the Index Floating Rate Bonds to be sold on that date at a price equal to the
69	principal amount thereof (without regard to accrued interest, if any, thereon).
70	"Authorized Denomination" means (1) for each Index Floating Rate Bond, Long-
71	Term Rate Bond and Fixed Rate Bond, \$5,000 or any integral multiple of \$5,000; (2) for
72	each Daily Rate Bond and Weekly Rate Bond, \$100,000 or any integral multiple of
73	\$5,000 in excess of \$100,000; and (3) for each Short-Term Rate Bond, \$100,000 or any
74	integral multiple of \$1,000 in excess of \$100,000.
75	"Bank Bond" means a Bond that is required to be purchased by the Tender Agent
76	with amounts requested by the Tender Agent and paid or provided by the Liquidity
77	Provider under the Liquidity Facility relating to the Bond, unless and until the Bond
78	ceases to be a Bank Bond.
79	"Bank Rate" means the interest rate borne by a Bank Bond, as specified or
80	determined in accordance with the Liquidity Facility and any Liquidity Facility
81	Agreement relating to the Bank Bond.
82	"Bond Counsel" means a firm of lawyers nationally recognized as bond counsel
83	and retained by the county.
84	"Business Day" means each day other than a day on which (1) banks in Seattle,
85	Washington, or New York, New York are closed; (2) the Registrar is closed; (3) the
86	office of the Credit Provider, if any, or the Liquidity Provider, if any, where draws for the
87	Bonds are to be presented, is closed; or (4) the New York Stock Exchange is closed.

88	"Calculation Agent" for one or more series of the Bonds means the Registrar or
89	such other calculation agent appointed by the Finance Director.
90	"Closing Date" means, for a series of the Bonds, the date of delivery of the Bonds
91	to the Underwriter.
92	"Computation Date" means (1) during each LIBOR Index Rate Period, the second
93	London banking day preceding (A) the LIBOR Index Rate Conversion Date; and (B)
94	each LIBOR Index Reset Date thereafter; and (2) during each SIFMA Index Rate Period,
95	each Wednesday, or if any Wednesday is not a Business Day, the succeeding Business
96	Day.
97	"Conversion" means a conversion of a series of the Bonds from one Interest Rate
98	Mode to another Interest Rate Mode, including a conversion of the then-current Index
99	Floating Rate Period to a new Index Floating Rate Period.
100	"Conversion Date" means, for a series of Bonds, a Daily Rate Conversion Date, a
101	Weekly Rate Conversion Date, a LIBOR Index Rate Conversion Date, a SIFMA Index
102	Rate Conversion Date, a Short-Term Rate Conversion Date, a Long-Term Rate
103	Conversion Date or the Fixed Rate Conversion Date.
104	"County Elective Purchase Date" means (1) for each Daily Rate Bond or Weekly
105	Rate Bond, any Business Day designated by the county, with the consent of the Liquidity
106	Provider, if any; and (2) for each Index Floating Rate Bond, any Par Call Date designated
107	by the county.
108	"Credit Facility Agreement" means, with respect to a Credit Enhancement then in
109	effect, the separate agreement, if any, under and pursuant to which the Credit
110	Enhancement is issued.

111	"Credit Facility Date" means the date on which a Credit Enhancement is accepted
112	by the Registrar and becomes effective, but does not include the date of any renewal or
113	extension of the expiration date of a Credit Enhancement then in effect.
114	"Credit Provider Failure" means the dissolution, cessation of operations,
115	bankruptcy or seizure of operations by a regulatory agency of a Credit Provider or the
116	failure of a Credit Provider to honor a conforming draw on a Credit Enhancement.
117	"Daily Interest Period" means each period during which a particular Daily Rate is
118	in effect.
119	"Daily Rate" means an interest rate determined on each Business Day as provided
120	in Section C.5. of this motion.
121	"Daily Rate Bond" means a Bond that bears interest at a Daily Rate.
122	"Daily Rate Conversion Date" means the date (other than the Closing Date) on
123	which interest on a series of the Bonds begins to accrue at a Daily Rate.
124	"Daily Rate Period" means each period during which a series of the Bonds are
125	Daily Rate Bonds.
126	"Delayed Remarketing Period" means, for a series of Index Floating Rate Bonds,
127	the period beginning on a Purchase Date on which the Purchase Price for all of the Index
128	Floating Rate Bonds is not available or any of the other conditions to Conversion were
129	not satisfied and ending on the earlier of (1) the Business Day that is one Business Day
130	after the Business Day the Remarketing Agent provides notice to the county and the
131	Registrar that all of the Index Floating Rate Bonds can be remarketed; and (2) the
132	Conversion Date on which the county converts the Index Floating Rate Bonds to another
133	Interest Rate Mode.

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134	"Delayed Remarketing Rate" means an interest rate equal to nine percent (9%) per
135	annum.
136	"Electronic Notice" means notice given (1) by telecopy or email; or (2) by
137	telephone, promptly confirmed by telecopy or email or in writing.
138	"Expiration Date" means the earlier of the Stated Expiration Date or any date on
139	which a Credit Enhancement or Liquidity Facility expires in accordance with its terms,
140	other than any date that is also a Conversion Date or a Termination Date.
141	"Federal Funds Rate" means, for any day, the interest rate equal to the weighted
142	average of the rates on overnight federal funds transactions with members of the Federal
143	Reserve System arranged by federal funds brokers on that day, as published by the
144	Federal Reserve Bank of New York on the Business Day succeeding that day; provided,
145	that if that day is not a Business Day, then the Federal Funds Rate for that day shall be
146	the rate on such transactions on the preceding Business Day, as so published on the
147	Business Day succeeding that day.
148	"Fixed Interest Period" means each period during which a particular Fixed Rate is
149	in effect with respect to a particular Fixed Rate Bond.
150	"Fixed Rate" means, for a particular Bond, the interest rate determined as
151	provided in Section D.2. of this motion.
152	"Fixed Rate Bond" means a Bond that bears interest at a Fixed Rate.
153	"Fixed Rate Conversion Date" means the date on which interest on a series of the
154	Bonds begins to accrue at a Fixed Rate.
155	"Index Floating Rate" means the LIBOR Index Rate or the SIFMA Index Rate.

156	"Index Floating Rate Bond" means a Bond that bears interest at an Index Floating
157	Rate.
158	"Index Floating Rate Conversion Date" means a LIBOR Index Rate Conversion
159	Date or a SIFMA Index Rate Conversion Date.
160	"Index Floating Rate Period" means a LIBOR Index Rate Period or a SIFMA
161	Index Rate Period.
162	"Initial Period" means, for a series of the Bonds, the period commencing on the
163	Closing Date and ending on the earlier of (1) the succeeding Conversion Date; and (2) the
164	Maturity Date.
165	"Interest Payment Date" means;
166	A. for each Daily Rate Bond and Weekly Rate Bond, the first Business Day
167	of each month and each Conversion Date, other than a Conversion Date between the
168	Daily Interest Period and the Weekly Interest Period;
169	B. for each Index Floating Rate Bond, the first Business Day of each month
170	and each Conversion Date;
171	C. for each Short-Term Rate Bond, the first Business Day after the last day of
172	each Short-Term Interest Period and each Conversion Date;
173	D. for each Long-Term Rate Bond, each Payment Date and each Conversion
174	Date;
175	E. for each Fixed Rate Bond, each Payment Date;
176	F. for each Bond, the Maturity Date; and
177	G. for each Bank Bond, the dates described as such in the Liquidity Facility
178	or any Liquidity Facility Agreement.

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

"LIBOR Index" means, on any Computation Date, the rate for deposits in U.S. 182 183 dollars with a one-month maturity as published by Reuters on Reuters Screen LIBOR01 Page (or published by such other service selected by the county that has been approved or 184 185 nominated by the ICE Benchmark Administration as an authorized vendor for the 186 purpose of publishing London interbank offered rates for U.S. dollar deposits) as of 187 11:00 a.m., London time, on the Computation Date; provided, that if such rate is not 188 available on the Computation Date and/or the county or the Calculation Agent is not able 189 to determine such rate, "LIBOR Index" means the LIBOR Index then in effect during the 190 preceding LIBOR Index Rate Period; or, at the direction of a Finance Director (1) a 191 replacement index based upon the arithmetic mean of the quotations, if any, of the 192 interbank offered rate by first class banks in London or New York for deposits with a one-month maturity; or (2) the Calculation Agent's Federal Funds Rate. The Calculation 193 194 Agent shall give prompt written notice to the county setting forth such change in interest 195 rate, the nature of the circumstances giving rise to such change, and the method of 196 calculating such change if based upon a replacement index. The Calculation Agent's 197 internal records of applicable interest rates shall be determinative in the absence of 198 manifest error.

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

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202	"LIBOR Index Rate Conversion Date" means (1) the date (other than the Closing
203	Date) on which interest on a series of the Bonds begins to accrue at the LIBOR Index
204	Rate; or (2) the date on which the then-current LIBOR Index Rate Period is converted to
205	a new LIBOR Index Rate Period.
206	"LIBOR Index Rate Period" means each period from and including a LIBOR
207	Index Rate Conversion Date to but excluding the earlier of (1) the succeeding Purchase
208	Date; and (2) the Maturity Date.
209	"LIBOR Index Reset Date" means the first day of each month.
210	"Liquidity Facility Agreement" means, with respect to a Liquidity Facility then in
211	effect, the separate agreement, if any, under and pursuant to which the Liquidity Facility
212	is issued.
213	"Liquidity Facility Date" means the date on which a Liquidity Facility is accepted
214	by the Tender Agent and becomes effective, and includes the date any amendment of the
215	automatic termination events, suspension events or conditions to purchase becomes
216	effective, but does not include the date of any renewal or extension of the expiration date
217	of a Liquidity Facility then in effect.
218	"Liquidity Facility Request" has the meaning given in Section F.5. of this motion.
219	"Long-Term Interest Period" means each period during which a particular Long-
220	Term Rate is in effect.
221	"Long-Term Rate" means an interest rate determined for a term of more than 270
222	days as provided in Section C.10. of this motion.
223	"Long-Term Rate Bond" means a Bond that bears interest at a Long-Term Rate.

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224	"Long-Term Rate Conversion Date" means (1) the date (other than the Closing
225	Date) on which interest on a series of the Bonds begins to accrue at the Long-Term Rate;
226	or (2) the date on which the then-current Long-Term Interest Period is converted to a new
227	Long-Term Interest Period.
228	"Long-Term Rate Mandatory Purchase Date" means the first day after the last day
229	of each Long-Term Interest Period.
230	"Long-Term Rate Period" means the period during which a series of the Bonds
231	are Long-Term Rate Bonds.
232	"Maturity Date" means January 1, 2046.
233	"Maximum Rate" means an interest rate equal to the lower of (1) twelve percent
234	(12%) per annum; or (2) the maximum interest rate, if any, permitted by law.
235	"Non-reinstatement Date" means, for a Liquidity Facility that secures one or more
236	series of the Bonds, the date that is seven days (or if the seventh day is not a Business
237	Day, the Business Day preceding the seventh day) after the date on which the Tender
238	Agent receives written notice from the Liquidity Provider to the effect that an event of
239	default under the Liquidity Facility or any related Liquidity Facility Agreement has
240	occurred and, following a draw on the Liquidity Facility and in accordance with the terms
241	of the Liquidity Facility or any related Liquidity Facility Agreement, the amount so
242	drawn will not be reinstated.
243	"Optional Liquidity Payment" has the meaning given in Section I.2. of this
244	motion.

245	"Par Call Date" means, for each Index Floating Rate Bond, each Conversion Date,
246	each Purchase Date and each Business Day within the six calendar months preceding a
247	Conversion Date.
248	"Payment Date" means, for each Long-Term Rate Bond and each Fixed Rate
249	Bond, each date established by the council or the Finance Director on which a payment of
250	principal or interest is due.
251	"Purchase Date" means each date on which a Bond is subject to optional tender
252	for purchase pursuant to Section F.3. of this motion or mandatory tender for purchase
253	pursuant to Section F.4. of this motion.
254	"Purchase Price" means, for each Bond, an amount equal to the principal amount
255	plus, if the Purchase Date is not an Interest Payment Date, accrued and unpaid interest to
256	the Purchase Date.
257	"Rating Agency" means each nationally recognized securities rating agency that
258	provides a rating on the applicable series of the Bonds or portion thereof at the request of
259	the county, including Moody's Investors Service, or its successors and assigns, Standard
260	& Poor's Ratings Services, or its successors and assigns, and Fitch Ratings or its
261	successors and assigns.
262	"Record Date" means, with respect to each Interest Payment Date, (1) for each
263	Daily Rate Bond, Weekly Rate Bond, Index Floating Rate Bond and Short-Term Rate
264	Bond, the Business Day preceding the Interest Payment Date; and (2) for each Long-
265	Term Rate Bond and Fixed Rate Bond, the 15th day of the month preceding the Interest
266	Payment Date, regardless of whether the 15th day of the month is a Business Day.

267	"Remarketing Agent" for one or more series of the Bonds means the Underwriter
268	or such other remarketing agent appointed by the Finance Director.
269	"Remarketing Agreement" means a remarketing agreement entered into by the
270	county and the Remarketing Agent for one or more series of the Bonds, as the agreement
271	may from time to time be amended or supplemented in accordance with its terms and the
272	terms of the Liquidity Facility, if any, and any related Liquidity Facility Agreement.
273	"Required Liquidity Payment" has the meaning given in Section I.1. of this
274	motion.
275	"Required Stated Amount" means, for a series of Bonds, the outstanding principal
276	amount of the Bonds plus (1) accrued interest on the Bonds (A) for Daily Rate Bonds or
277	Weekly Rate Bonds, not less than 37 days at a rate equal to the lower of the Maximum
278	Rate or the maximum rate then applicable to the Bonds; (B) for Long-Term Rate Bonds,
279	not less than the longest period preceding an Interest Payment Date, plus five days, at the
280	Long-Term Rate then in effect; or (C) for Short-Term Rate Bonds, not less than the
281	length of the Short-Term Interest Period then in effect plus five days at the Short Term
282	Rate then in effect; and (B) any additional amount required by a Rating Agency.
283	"Short-Term Interest Period" means each period during which a particular Short-
284	Term Rate is in effect with respect to a particular Short-Term Rate Bond.
285	"Short-Term Rate" means, for a particular Bond, the interest rate determined on a
286	periodic basis as provided in Section C.9. of this motion.
287	"Short-Term Rate Bond" means a Bond that bears interest at a Short-Term Rate.

288	"Short-Term Rate Conversion Date" means the date (other than the Closing Date)
289	on which interest on a series of the Bonds begins to accrue at one or more Short-Term
290	Rates.
291	"Short-Term Rate Mandatory Purchase Date" means the first day after the last day
292	of each Short-Term Interest Period.
293	"SIFMA" means the Securities Industry and Financial Markets Association.
294	"SIFMA Index" means, for any Computation Date, the level of the index that is
295	(1) compiled from the weekly interest rate resets of tax-exempt variable rate issues
296	reported to the Short-term Obligation Rate Transparency ("SHORT") system of the
297	Municipal Securities Rulemaking Board that meet specific criteria established from time
298	to time by SIFMA; and (2) issued on each Wednesday, or if any Wednesday is not a
299	Business Day, the succeeding Business Day. If the SIFMA Index is no longer published,
300	then "SIFMA Index" shall mean the S&P Municipal Bond 7 Day High Grade Rate Index.
301	If the S&P Municipal Bond 7 Day High Grade Rate Index is no longer published, then
302	"SIFMA Index" shall mean the prevailing rate determined by the Calculation Agent for
303	tax-exempt state and local government bonds meeting criteria determined in good faith
304	by the Calculation Agent to be comparable under the circumstances to the criteria used by
305	SIFMA to determine the SIFMA Index immediately prior to the date on which SIFMA
306	ceased publication of the SIFMA Index.
307	"SIFMA Index Rate" means an interest rate determined on each Computation
308	Date equal to the sum of the SIFMA Index plus the Applicable Spread.
309	"SIFMA Index Rate Conversion Date" means (1) the date (other than the Closing
310	Date) on which interest on a series of the Bonds begins to accrue at the SIFMA Index

Rate; or (2) the date on which the then-current SIFMA Index Rate Period is converted toa new SIFMA Index Rate Period.

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

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

317 "Stated Expiration Date" means the date on which a Credit Enhancement or a
318 Liquidity Facility is scheduled to expire in accordance with its terms, as the date may be
319 extended from time to time in accordance with the Credit Enhancement or any related
320 Credit Facility Agreement or the Liquidity Facility or any related Liquidity Facility
321 Agreement.

322 "Tender Agent" for one or more series of the Bonds means the Registrar or such323 other tender agent appointed by the Finance Director.

324 "Termination Date" means (1) for a Credit Enhancement that secures one or more 325 series of the Bonds, the date that is seven days (or if the seventh day is not a Business 326 Day, the Business Day preceding the seventh day) after the date on which the Registrar 327 receives written notice from the Credit Provider that (A) an event of default under the 328 Credit Enhancement or any related Credit Facility Agreement has occurred; and (B) 329 directs the Registrar to effect a mandatory tender for purchase of the Bonds by reason of 330 the event of default; and (2) for a Liquidity Facility that secures one or more series of the 331 Bonds, the date that is seven days (or if the seventh day is not a Business Day, the 332 Business Day preceding the seventh day) after the date on which the Tender Agent 333 receives written notice from the Liquidity Provider that (A) an event of default under the

334	Liquidity Facility or any related Liquidity Facility Agreement has occurred; and (B)			
335	directs the Tender Agent to effect a mandatory tender for purchase of the Bonds by			
336	reason of the event of default.			
337	"Undelivered Bond" means a Bond that is subject to purchase on a Purchase Date			
338	and that is not tendered and delivered for purchase on the Purchase Date but as to which			
339	the Tender Agent holds in the Purchase Fund sufficient funds to pay the Purchase Price			
340	of the Bond.			
341	"Underwriter" means, for each Bond, the initial purchaser of the Bond.			
342	"Weekly Interest Period" means each period during which a particular Weekly			
343	Rate is in effect.			
344	"Weekly Rate" means an interest rate determined on each Wednesday as provided			
345	in Section C.6. of this motion.			
346	"Weekly Rate Bond" means a Bond that bears interest at a Weekly Rate.			
347	"Weekly Rate Conversion Date" means the day (other than the Closing Date) on			
348	which interest on a series of the Bonds begins to accrue at a Weekly Rate.			
349	"Weekly Rate Period" means each period during which a series of the Bonds are			
350	Weekly Rate Bonds.			
351	B. Initial Period. The Initial Period for both series of the Bonds shall be a			
352	Long-Term Interest Period as specified in Attachment F to this motion.			
353	C. Interest Rates.			
354	1. <b>Same Interest Rate Mode</b> . Each series of the Bonds shall at all times be			
355	in the same Interest Rate Mode. Each series of Daily Rate Bonds shall bear interest			
356	accruing at the same Daily Rate, each series of Weekly Rate Bonds shall bear interest			

accruing at the same Weekly Rate, each series of Index Floating Rate Bonds shall bear
interest accruing at the same Index Floating Rate, and each series of Long-Term Rate
Bonds shall bear interest accruing at the same Long-Term Rate.

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

362 3. Determination of Certain Interest Rates. Each Daily Rate, Weekly 363 Rate and Short-Term Rate shall be determined by the Remarketing Agent as the 364 minimum interest rate per annum that, in the reasonable judgment of the Remarketing 365 Agent, would enable the Bonds bearing the interest rate to be sold on the date of 366 determination at a price equal to the principal amount thereof (without regard to accrued 367 interest, if any, thereon), except as otherwise provided in Section C.9. of this motion for 368 Short-Term Rates. Each determination by the Remarketing Agent of the Daily Rate, Weekly Rate, Short-Term Rate, Long-Term Rate and Fixed Rate shall be conclusive and 369 370 binding upon the county, the Registrar, the Tender Agent, the Remarketing Agent, the 371 Beneficial Owners, the Registered Owners, the Liquidity Provider, if any, and the Credit 372 Provider, if any.

4. Failure to Determine Certain Interest Rates. If the Remarketing Agent
fails for any reason to determine the Daily Rate, Weekly Rate, Short-Term Rate or LongTerm Rate for any Daily Rate Period, Weekly Rate Period, Short-Term Interest Period or
Long-Term Rate Period when required hereunder, or a court holds that the Daily Rate,
Weekly Rate, Short-Term Rate or Long-Term Rate for any Daily Rate Period, Weekly
Rate Period, Short-Term Interest Period or Long-Term Rate Period is invalid, illegal or
unenforceable, then the interest rate to be borne by the Bonds for which the interest rate

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380	cannot be determined shall be the Alternate Rate, until the interest rate for the Bonds is		
381	again validly determined by the Remarketing Agent.		
382	5. Daily Rates.		
383	a. Interest Period. Daily Interest Periods commence on each		
384	Business Day and shall extend to, but not include, the succeeding Business Day.		
385	b. <b>Effective Period</b> . The Daily Rate for each Daily Interest Period		
386	shall be effective from and including the commencement date of the Daily Interest Period		
387	and shall remain in effect to, but not including, the succeeding Business Day.		
388	c. <b>Determination Time</b> . Each Daily Rate shall be determined by the		
389	Remarketing Agent not later than 10:00 a.m., New York City time, on the		
390	commencement date of the Daily Interest Period. Notice of each Daily Rate shall be		
391	given by the Remarketing Agent by Electronic Notice to the Registrar, the Tender Agent,		
392	the county, the Liquidity Provider, if any, and the Credit Provider, if any, not later than		
393	10:30 a.m., New York City time, on the date of determination. The Registrar shall		
394	inform each Registered Owner of Daily Rate Bonds of each Daily Rate determined by the		
395	Remarketing Agent upon request.		
396	6. Weekly Rates.		
397	a. Interest Period. Weekly Interest Periods commence on each		
398	Wednesday and end on the following Tuesday; provided, that (1) in the case of a		

400 Interest Period shall commence on the Weekly Rate Conversion Date and end on the

Conversion to a Weekly Rate from another Interest Rate Mode, the initial Weekly

401 succeeding Tuesday; and (2) in the case of a Conversion from a Weekly Rate to a Daily

402 Rate, Index Floating Rate, Short-Term Rate or Long-Term Rate, the last Weekly Interest 403 Period prior to Conversion shall end on the last day preceding the Conversion Date. 404 b. Effective Period. The Weekly Rate for each Weekly Interest 405 Period shall be effective from and including the commencement date of the Weekly 406 Interest Period and shall remain in effect through and including the last day of the 407 Weekly Interest Period. 408 **Determination Time**. Each Weekly Rate shall be determined by c. 409 the Remarketing Agent not later than 10:00 a.m., New York City time, on the 410 commencement date of the Weekly Interest Period. Notice of each Weekly Rate shall be

given by the Remarketing Agent by Electronic Notice to the Registrar, the Tender Agent,
the county, the Liquidity Provider, if any, and the Credit Provider, if any, not later than
10:30 a.m., New York City time, on the date of determination. The Registrar shall
inform each Registered Owner of Weekly Rate Bonds of each Weekly Rate determined
by the Remarketing Agent upon request.

7. 416 LIBOR Index Rates. During each LIBOR Index Rate Period, each series 417 of the Bonds shall bear interest at the LIBOR Index Rate, commencing on and including 418 the first day of the LIBOR Index Rate Period to but excluding the last day of the LIBOR 419 Index Rate Period. Not less than five days prior to the first day of each LIBOR Index 420 Rate Period, the county shall cause to be determined the Conversion Date on which the 421 LIBOR Index Rate Period will end, the Applicable Factor and the Applicable Spread. 422 The Calculation Agent shall determine the LIBOR Index Rate on each Computation Date 423 during the LIBOR Index Rate Period. Each LIBOR Index Rate shall become effective on 424 the LIBOR Index Reset Date succeeding the Computation Date. Interest at the LIBOR

425	Index Rate shall accrue each day during each LIBOR Index Rate Period, commencing on
426	and including the first day of the LIBOR Index Rate Period to but excluding the last day
427	of the LIBOR Index Rate Period. The LIBOR Index Rate shall be rounded upward to the
428	third decimal place. Promptly following the determination of the LIBOR Index Rate,
429	notice of the LIBOR Index Rate shall be given by the Calculation Agent by Electronic
430	Notice to the Registrar (if the Registrar is not the Calculation Agent) and to the county.
431	If the LIBOR Index Rate is not determined by the Calculation Agent on the Computation
432	Date, the interest rate to be borne by the Index Floating Rate Bonds shall be the rate
433	determined on the preceding Computation Date until the Calculation Agent next
434	determines the LIBOR Index Rate.

435 8. SIFMA Index Rates. During each SIFMA Index Rate Period, each series 436 of the Bonds shall bear interest at the SIFMA Index Rate, commencing on and including 437 the first day of the SIFMA Index Rate Period to but excluding the last day of the SIFMA 438 Index Rate Period. Not less than five days prior to the first day of each SIFMA Index 439 Rate Period, the county shall cause to be determined the Conversion Date on which the 440 SIFMA Index Rate Period will end and the Applicable Spread. The Calculation Agent 441 shall determine the SIFMA Index Rate on each Computation Date during the SIFMA 442 Index Rate Period. The SIFMA Index Rate shall become effective on the SIFMA Index 443 Reset Date succeeding the Computation Date (or on the Computation Date if the 444 Computation Date is the SIFMA Index Reset Date). Interest at the SIFMA Index Rate 445 shall accrue until the SIFMA Index Rate is recalculated on the succeeding Computation 446 Date during the SIFMA Index Rate Period. The SIFMA Index Rate shall be rounded 447 upward to the second decimal place. Promptly following the determination of the

448	SIFMA Index Rate, notice of the SIFMA Index Rate shall be given by the Calculation
449	Agent by Electronic Notice to the Registrar (if the Registrar is not the Calculation Agent)
450	and to the county. If the SIFMA Index Rate is not determined by the Calculation Agent
451	on the Computation Date, the interest rate to be borne by the Index Floating Rate Bonds
452	shall be the rate determined on the preceding Computation Date until the Calculation
453	Agent next determines the SIFMA Index Rate.

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# 9. Short-Term Rates.

455 Interest Period. Each Short-Term Interest Period shall be a. 456 determined by the Remarketing Agent not later than 4:00 p.m., New York City time, on 457 the Business Day preceding the Short-Term Interest Period; provided, that each Short-458 Term Interest Period (1) shall be from 1 to 270 days in length, but (A) if a Liquidity 459 Facility is in effect, shall not exceed the number of days of interest coverage provided by 460 the Liquidity Facility minus five days and shall not extend beyond the date that is seven 461 days before the Stated Expiration Date of the Liquidity Facility; and (B) shall not exceed 462 the number of days remaining prior to a Conversion Date; (2) shall commence on a 463 Business Day (except that in the case of a Conversion to a Short-Term Rate, the initial 464 Short-Term Rate shall commence on the Conversion Date); and (c) shall end on a day 465 preceding a Business Day or the day preceding the Maturity Date. The Remarketing 466 Agent may, in the reasonable exercise of its judgment, determine one or more Short-467 Term Interest Periods that result in a Short-Term Rate on the Bonds that is higher than 468 would be borne by the Bonds with a shorter Short-Term Interest Period to increase the 469 likelihood of achieving the lowest net interest cost during the term of the Bonds. The 470 determination of each Short-Term Interest Period by the Remarketing Agent shall be

471	based upon the relative market yields of the Bonds and other securities that bear interest
472	at a variable rate or at fixed rates that, in the reasonable exercise of the judgment of the
473	Remarketing Agent, are otherwise comparable to the Bonds, or any fact or circumstance
474	relating to the Bonds or affecting the market for the Bonds or affecting other comparable
475	securities in a manner that, in the reasonable exercise of the judgment of the Remarketing
476	Agent, will affect the market for the Bonds. The Remarketing Agent, in its discretion,
477	may consider such information and resources as it deems appropriate in making the
478	determinations described in this paragraph. The Bonds of each series of Short-Term Rate
479	Bonds may bear interest for different Short-Term Interest Periods and at different Short-
480	Term Rates; provided that all Bonds of each series of Short-Term Rate Bonds with the
481	same Short-Term Interest Period shall bear interest accruing at the same Short-Term
482	Rate.

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

c. Determination Time. Each Short-Term Rate shall be determined
by the Remarketing Agent not later than 4:00 p.m., New York City time, on the Business
Day preceding the commencement date of the Short-Term Interest Period. Notice of each
Short-Term Rate shall be given by the Remarketing Agent by Electronic Notice to the
Registrar, the Tender Agent, the county, the Liquidity Provider, if any, and the Credit
Provider, if any, not later than 5:00 p.m., New York City time, on the date of

determination. The Registrar shall inform each Registered Owner of Short-Term RateBonds of each Short-Term Rate determined by the Remarketing Agent upon request.

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10. Long-Term Rates.

496 Interest Period. Each Long-Term Interest Period shall commence a. on the Closing Date or a Long-Term Rate Conversion Date and end on a day that is more 497 498 than 270 days after the Closing Date or the Long-Term Rate Conversion Date and which 499 is the day preceding a Conversion Date or the Maturity Date; provided, that if a Credit 500 Enhancement or Liquidity Facility is in effect, no Long-Term Interest Period shall extend 501 beyond the date that is seven days before the Stated Expiration Date of the Credit 502 Enhancement or Liquidity Facility. The term of each Long-Term Interest Period shall be 503 specified in writing by the county to the Remarketing Agent, the Registrar, the Tender 504 Agent, the Credit Provider, if any, and the Liquidity Provider, if any, not less than five 505 days prior to its commencement.

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

c. Determination Time. Each Long-Term Rate shall be determined
by the Remarketing Agent not later than 4:00 p.m., New York City time, on the Business
Day preceding the commencement date of the Long-Term Interest Period. Notice of each
Long-Term Rate shall be given by the Remarketing Agent by Electronic Notice to the
Registrar, the Tender Agent, the county, the Liquidity Provider, if any, and the Credit
Provider, if any, not later than 5:00 p.m., New York City time, on the date of

516	determination. The Registrar shall inform each Registered Owner of Long-Term Rate			
517	Bonds of each Long-Term Rate determined by the Remarketing Agent upon request.			
518	d. <b>Remarketing</b> . The Long-Term Rate for each Long-Term Interest			
519	Period shall be determined by the Remarketing Agent as the minimum interest rate per			
520	annum that, in the reasonable judgment of the Remarketing Agent, would enable the			
521	Bonds bearing the interest rate to be sold on the date of determination at a price equal to			
522	the principal amount thereof (without regard to accrued interest, if any, thereon).			
523	Notwithstanding the foregoing, the Long-Term Rate for a Long-Term Interest Period may			
524	be the interest rate per annum that, in the reasonable judgment of the Remarketing Agent,			
525	would enable the Bonds bearing the interest rate to be sold on the date of determination at			
526	a price that will result in the lowest net interest cost, after taking into account any			
527	premium or discount at which the Bonds are sold by the Remarketing Agent, provided			
528	that in connection with any sale at a premium or discount:			
529	(1) The county consents in writing to the sale of the Bonds by			
530	the Remarketing Agent at the premium or discount;			
531	(2) In the case of Bonds to be sold at a discount, the county			
532	agrees to transfer to the Tender Agent on the commencement date of the Long-Term			
533	Interest Period, in immediately available funds, for deposit in the County Purchase			
534	Account, an amount equal to the discount;			
535	(3) In the case of Bonds to be sold at a premium, the			
536	Remarketing Agent transfers to the Registrar for deposit in the Junior Lien Bond Fund an			
537	amount equal to any premium remaining after payment of costs of the remarketing;			

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538	(4) On or prior to the date of determination of the Long-Term
539	Rate, the county causes to be delivered to the Registrar and the Remarketing Agent notice
540	that Bond Counsel expects to be able to give, on or prior to the commencement date of
541	the Long-Term Interest Period, an opinion to the effect that the Conversion will not, in
542	and of itself, cause the interest on the Bonds to be includable in gross income for federal
543	income tax purposes; and
544	(5) On or prior to the commencement date of the Long-Term
545	Interest Period, the county causes to be delivered to the Registrar and the Remarketing
546	Agent an opinion of Bond Counsel to the effect that the Conversion will not, in and of
547	itself, cause the interest on the Bonds to be includable in gross income for federal income
548	tax purposes.
549	11. <b>Bank Bonds</b> . Notwithstanding anything herein to the contrary, (a) each
550	Bank Bond shall bear interest at the Bank Rate in accordance with the Liquidity Facility
551	or the Liquidity Facility Agreement (as calculated by the Liquidity Provider in
552	accordance with the Liquidity Facility or the Liquidity Facility Agreement and advised
553	by the Liquidity Provider to the Registrar) for each day from and including the day the
554	Bank Bond becomes a Bank Bond to and excluding the day the Bank Bond ceases to be a
555	Bank Bond or is paid in full or is surrendered to the Registrar for cancellation; (b) interest
556	on each Bank Bond shall be calculated on the basis of a 365-day year or a 360-day year
557	in accordance with the Liquidity Facility or the Liquidity Facility Agreement and the
558	actual number of days elapsed; and (c) interest on each Bank Bond shall be payable on
559	the dates and in the manner specified in the Liquidity Facility or the Liquidity Facility
560	Agreement. A Bank Bond shall cease to be a Bank Bond only (1) if the Bank Bond is

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561	remarketed and transferred or otherwise released by the Tender Agent upon authorization	
562	of the Liquidity Provider; or (2) if the Bank Bond otherwise ceases to be a Bank Bond in	
563	accordance with the terms of the Liquidity Facility or the Liquidity Facility Agreement	
564	and the county, the Remarketing Agent, the Tender Agent and the Registrar have	
565	received written notice to that effect from the Liquidity Provider.	
566	D. Conversions.	
567	1. <b>Conversions to Interest Rate Modes other than the Fixed Rate</b> . At the	
568	option of the county, the interest rate to be borne by all (but not less than all) of a series	
569	of the Bonds (other than Fixed Rate Bonds) may be converted to a Daily Rate, Weekly	
570	Rate, Index Floating Rate, Short-Term Rate or Long-Term Rate, as follows:	
571	a. <b>Conversion Date</b> . The Conversion Date shall be (1) for Daily	
572	Rate Bonds, Weekly Rate Bonds, Short-Term Rate Bonds and Long-Term Rate Bonds,	
573	an Interest Payment Date; (2) for Index Floating Rate Bonds, a Par Call Date; and (3) for	
574	Long-Term Rate Bonds, a Long-Term Rate Mandatory Purchase Date or a date on which	
575	the Long-Term Rate Bonds are subject to redemption at the option of the county. Interest	
576	shall accrue on Bonds at the new interest rate commencing on the Conversion Date,	
577	whether or not a Business Day. Any action required to be taken on the Conversion Date,	
578	if the day is not a Business Day, may be taken on the succeeding Business Day as if it	
579	had occurred on the Conversion Date.	
580	b. Notice of Intent to Convert. The county shall give Electronic	
581	Notice of its intent to effect each Conversion to the Remarketing Agent, the Tender	
582	Agent, the Registrar, the Liquidity Provider, if any, and the Credit Provider, if any, not	
583	less than five days (or such shorter period as shall be acceptable to the applicable parties)	

prior to the date on which the Registrar is required to provide notice to the RegisteredOwners.

586 c. Notice of Conversion. The Registrar shall give Electronic Notice, confirmed by first class mail, of each Conversion of Bonds to each Registered Owner not 587 588 less than 15 days prior to the proposed Conversion Date at their addresses as they appear 589 on the Bond Register as of the date notice of the intent to effect Conversion is received 590 by the Registrar from the county. The notice shall include the information required for a mandatory tender for purchase specified in Section E.4. of this motion. 591 592 d. **Conditions to Conversion.** 593 (1)Notwithstanding delivery by the county of notice of its. intent to effect a Conversion, the Conversion shall not take effect if: 594 595 (A) the county withdraws the notice not later than the Business Day preceding the date on which the interest rate for the new Interest Rate 596 597 Mode is to be determined; (B) 598 the Calculation Agent or the Remarketing Agent, as applicable, fails to determine, when required, the interest rate for the new Interest Rate 599 600 Mode: (C) 601 the notice of Conversion required to be given to Registered Owners is not given when required; 602 603 the county fails to deliver to the Registrar, the (D) 604 Remarketing Agent, the Credit Provider, if any, and the Liquidity Provider, if any, on or before the Conversion Date, an opinion of Bond Counsel to the effect that the Conversion 605

606	is authorized hereby and will not, in and of itself, cause the interest on the Bonds to be			
607	includable in gross income for federal income tax purposes;			
608		(E)	sufficie	nt funds are not available by 12:00 p.m.,
609	New York City time, on the Conversion Date to purchase all of the Bonds required to be			
610	purchased on the Conversion Date; or			
611		(F)	not all o	of the Bonds required to be marketed on the
612	Conversion Date are remarketed in the new Interest Rate Mode.			
613	(2)	In any	of such e	events,
614		(A)	the Con	version Date shall not occur, whether or not
615	notice of the Conversion has been given to the Registered Owners;			
616		(B)	the Bon	ds:
617			i. t	hat are Daily Rate Bonds shall continue to
618	bear interest at a Daily Rate;			
619		•	ii. t	hat are Weekly Rate Bonds shall continue
620	to bear interest at a Weekly F	Rate;		
621			iii. t	hat are Index Floating Rate Bonds shall
622	bear interest at the Delayed F	Remarke	eting Rate	2;
623			iv. t	hat are Short-Term Rate Bonds shall
624	continue to bear interest at a	Short-T	erm Rate	until the Bonds have been remarketed; and
625			v. t	hat are Long-Term Rate Bonds shall
626	continue to bear interest at a	Long-T	erm Rate	until the Bonds have been remarketed; and

627 (C) the mandatory tender for purchase of the Bonds on 628 the Conversion Date shall not occur, whether or not notice of the Conversion has been given to the Registered Owners. 629 630 Withdrawal of Notice of Conversion. Notice of withdrawal of a e. 631 notice of Conversion shall be given by the county to the Registrar, the Remarketing 632 Agent, the Tender Agent, the Calculation Agent, if any, the Credit Provider, if any, and 633 Liquidity Provider, if any, by telephone, promptly confirmed in writing, and shall 634 thereafter be promptly given to the Registered Owners by the Registrar by Electronic 635 Notice, confirmed by first class mail. 2. Conversions to the Fixed Rate. At the option of the county, the interest 636 637 rate to be borne by all (but not less than all) of a series of the Bonds (other than Fixed 638 Rate Bonds) may be converted to a Fixed Rate, as follows: Fixed Rate Conversion Date. The Fixed Rate Conversion Date 639 a. shall be (1) for Daily Rate Bonds, Weekly Rate Bonds, Short-Term Rate Bonds and 640 641 Long-Term Rate Bonds, an Interest Payment Date; (2) for Index Floating Rate Bonds, a 642 Par Call Date; and (3) for Long-Term Rate Bonds, a Long-Term Rate Mandatory 643 Purchase Date or a date on which the Long-Term Rate Bonds are subject to redemption at 644 the option of the county. Interest shall accrue on Fixed Rate Bonds on the Fixed Rate 645 Conversion Date, whether or not a Business Day. Any action required to be taken on the 646 Fixed Rate Conversion Date, if the day is not a Business Day, may be taken on the 647 succeeding Business Day as if it had occurred on the Fixed Rate Conversion Date. b. 648 Notice of Intent to Convert. The county shall give Electronic 649 Notice of its intent to effect a Conversion to the Fixed Rate to the Remarketing Agent.

650	the Tender Agent, the Registrar, the Liquidity Provider, if any, and the Credit Provider, if
651	any, not less than five days (or such shorter period as shall be acceptable to the applicable
652	parties) prior to the date on which the Registrar is required to provide notice to the
653	Registered Owners.

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

d. 661 Determination of Fixed Rate. All Fixed Rate Bonds of a series 662 shall have the same Maturity Date and bear interest at the same Fixed Rate on and after 663 the Fixed Rate Conversion Date unless on the date the Remarketing Agent determines the 664 Fixed Rate the Remarketing Agent also determines, in the reasonable exercise of its 665 judgment, that the Fixed Rate Bonds would bear a lower effective net interest cost if the 666 Fixed Rate Bonds were serial bonds or serial bonds and term bonds. In that case, the Fixed Rate Bonds may be serial bonds or serial bonds and term bonds with different 667 668 Maturity Dates or mandatory sinking fund redemption dates and bearing separate Fixed 669 Rates for each Maturity Date. The Fixed Rate shall be the minimum interest rate per 670 annum that, in the reasonable judgment of the Remarketing Agent, would enable the 671 Fixed Rate Bonds to be sold on the date of determination at a price equal to the principal 672 amount thereof (without regard to accrued interest, if any, thereon). Not less than five

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673	days prior to the Fixed Rate Conversion Date, the Remarketing Agent shall provide			
674	Electronic Notice of the schedule of principal amounts per Maturity Date, mandatory			
675	sinking fund redemption dates and amounts and each Fixed Rate to the Registrar, the			
676	county, the Liquidity Provider, if any, and the Credit Provider, if any.			
677	e. <b>Conditions to Conversion</b> . Notwithstanding delivery by the			
678	county of notice of its intent to effect a Conversion to a Fixed Rate, the Conversion to the			
679	Fixed Rate shall not take effect if:			
680	(1) the county withdraws the notice not later than the Business			
681	Day preceding the date on which the Fixed Rate is to be determined;			
682	(2) the Remarketing Agent fails to determine the Fixed Rate;			
683	(3) the notice of Conversion required to be given to Registered			
684	Owners is not given when required;			
685	(4) the county fails to deliver to the Registrar, the Remarketing			
686	Agent, the Credit Provider, if any, and the Liquidity Provider, if any, on or before the			
687	Fixed Rate Conversion Date, an opinion of Bond Counsel to the effect that the			
688	Conversion is authorized hereby and will not, in and of itself, cause the interest on the			
689	Bonds to be includable in gross income for federal income tax purposes; or			
690	(5) sufficient funds are not available by 12:00 p.m., New York			
691	City time, on the Fixed Rate Conversion Date to purchase all of the Bonds required to be			
692	purchased on the Fixed Rate Conversion Date.			
693	In any of such events,			
694	(1) the Fixed Rate Conversion Date shall not occur, whether or			
695	not notice of the Conversion has been given to the Registered Owners;			

696	(2) the Bonds:
697	(A) that are Daily Rate Bonds shall continue to bear
698	interest at a Daily Rate;
699	(B) that are Weekly Rate Bonds shall continue to bear
700	interest at a Weekly Rate;
701	(C) that are Index Floating Rate Bonds shall bear
702	interest at the Delayed Remarketing Rate;
703	(D) that are Short-Term Rate Bonds shall continue to
704	bear interest at a Short-Term Rate until the Bonds have been remarketed;
705	(E) that are Long-Term Rate Bonds shall continue to
706	bear interest at a Long-Term Rate until all the Bonds have been remarketed; and
707	(3) the mandatory tender for purchase of the Bonds on the
708	Fixed Rate Conversion Date shall not occur, whether or not notice of the Conversion has
709	been given to the Registered Owners.
710	f. Withdrawal of Notice of Conversion. Notice of withdrawal of a
711	notice of Conversion shall be given by the county to the Registrar, the Remarketing
712	Agent, the Tender Agent, the Liquidity Provider, if any, and the Credit Provider, if any,
713	by telephone, promptly confirmed in writing, and shall thereafter be promptly given to
714	the Registered Owners by the Registrar by Electronic Notice, confirmed by first class
715	mail.
716	g. Sales at Premium or Discount. Notwithstanding the foregoing,
717	the Fixed Rate may be the interest rate or rates per annum that, in the reasonable
718	judgment of the Remarketing Agent, would enable the Fixed Rate Bonds bearing such

719	interest rate or rates to be sold on the date of determination at a price or prices that will
720	result in the lowest net interest cost, after taking into account any premium or discount at
721	which the Fixed Rate Bonds are sold by the Remarketing Agent, provided that in
722	connection with any such sale at a premium or discount:
723	(1) The county consents in writing to the sale of such the Fixed
724	Rate Bonds by the Remarketing Agent at such premium or discount;
725	(2) In the case of Fixed Rate Bonds to be sold at a discount, the
726	county agrees to transfer to the Tender Agent on the Fixed Rate Conversion Date, in
727	immediately available funds, for deposit in the County Purchase Account, an amount
728	equal to such discount;
729	(3) In the case of Fixed Rate Bonds to be sold at a premium,
730	the Remarketing Agent transfers to the Registrar for deposit in the Junior Lien Bond
731	Fund an amount equal to any premium remaining after payment of costs of the
732	remarketing;
733	(4) On or prior to the date of determination of the Fixed Rate,
734	the county causes to be delivered to the Registrar and the Remarketing Agent notice that
735	Bond Counsel expects to be able to give, on or prior to the Fixed Rate Conversion Date,
736	an opinion to the effect that such Conversion will not, in and of itself, cause the interest
737	on the Fixed Rate Bonds to be includable in gross income for federal income tax
738	purposes; and
739	(5) On or prior to the Fixed Rate Conversion Date, the county
740	causes to be delivered to the Registrar and the Remarketing Agent an opinion of Bond

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741 Counsel to the effect that such Conversion will not, in and of itself, cause the interest on742 the Fixed Rate Bonds to be includable in gross income for federal income tax purposes.

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**Redemption of Bonds.** 

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

Weekly Rate Bonds. Weekly Rate Bonds are subject to redemption prior
to the Maturity Date at the option of the county on any Business Day, in whole or in part,
at a redemption price equal to the principal amount of the Weekly Rate Bonds to be
redeemed, plus interest accrued thereon to the date fixed for redemption, without
premium.

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

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

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

6. **Long-Term Interest Period More Than Five Years**. Long-Term Rate Bonds in a Long-Term Interest Period of more than five years are subject to redemption prior to the Maturity Date at the option of the county on any date on or after the fifth anniversary of the Long-Term Rate Conversion Date, in whole or in part, at a redemption price equal to the principal amount of the Long-Term Rate Bonds to be redeemed, plus interest accrued thereon to the date fixed for redemption, without premium.

775 7. **Fixed Rate Bonds**. Fixed Rate Bonds with a Fixed Interest Period of 776 more than five years are subject to redemption prior to the Maturity Date at the option of 777 the county on any date on or after the fifth anniversary of the Fixed Rate Conversion 778 Date, in whole or in part, at a redemption price equal to the principal amount of the Fixed 779 Rate Bonds to be redeemed, plus interest accrued thereon to the date fixed for 780 redemption, without premium.

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### Alternative Provisions for Long-Term Rate Bonds and Fixed Rate

Bonds. Notwithstanding the foregoing, if the county delivers to the Registrar and the
Remarketing Agent prior to any Conversion Date or Purchase Date for one or more series
of Bonds that are Long-Term Rate Bonds or that are being converted to Fixed Rate
Bonds (a) a notice containing alternative redemption periods and/or redemption prices for
the Long-Term Rate Bonds or Fixed Rate Bonds or converting mandatory sinking fund

787	redemption dates and amounts to serial maturity dates and amounts (or vice versa); and
788	(b) an opinion of Bond Counsel addressed to the Registrar and the Remarketing Agent to
789	the effect that such modifications will not, in and of themselves, cause the interest on the
790	Long-Term Rate Bonds or Fixed Rate Bonds to be includable in gross income for federal
791	income tax purposes, then on and after such Conversion Date, the Long-Term Rate
792	Bonds or Fixed Rate Bonds may be subject to redemption by the county and/or shall
793	mature pursuant to the alternative redemption provisions and/or maturity schedule set
794	forth in that notice.
795	9. <b>Bank Bonds</b> . Bank Bonds are subject to redemption, at a redemption
796	price equal to the principal amount of the Bank Bonds to be redeemed, plus interest
797	accrued thereon to the date fixed for redemption, without premium, on the dates, in the
798	amounts and in the manner set forth in the Liquidity Facility or the related Liquidity
799	Facility Agreement.
800	10. <b>Rights of Credit Provider</b> . At any time a Credit Enhancement is in
801	effect, the Bonds secured by such Credit Enhancement may not be redeemed at the option
802	of the county unless the county has obtained the prior written consent of the Credit
803	Provider or has deposited with the Registrar not less than one Business Day prior to the
804	day fixed for such redemption an amount sufficient to reimburse the Credit Provider for

money to be drawn to redeem such Bonds. At any time a Credit Enhancement is in
effect, the redemption price of Bonds secured by such Credit Enhancement shall be paid
from the proceeds of a draw on such Credit Enhancement; provided, that if the notice of
optional redemption was not conditional (or if the county otherwise agrees to redeem
such Bonds) and if the Credit Provider fails to honor such draw, the amount provided by

the county to the Registrar for such purpose shall be applied to redeem such Bonds on thedate fixed for redemption.

812 11. Selection of Bonds for Redemption. Bonds of each series that are Bank
813 Bonds shall be selected for redemption at the option of the county prior to the selection of
814 other Bonds of such series for redemption.

815 12. Notice of Redemption. Notice of redemption of Daily Rate Bonds, 816 Weekly Rate Bonds, Index Floating Rate Bonds and Short-Term Rate Bonds shall be 817 given not less than 15 nor more than 60 days prior to the date fixed for redemption to the 818 Registered Owners thereof by Electronic Notice, confirmed by first class mail. Notice of 819 redemption of Long-Term Rate Bonds and Fixed Rate Bonds shall be given not less than 820 20 nor more than 60 days prior the date fixed for redemption to the Registered Owners 821 thereof by Electronic Notice, confirmed by first class mail. Notwithstanding the 822 foregoing, notice of redemption of Index Floating Rate Bonds during a Delayed 823 Remarketing Period may be given not less than five days prior to the date fixed for 824 redemption, and notice of redemption of Bank Bonds shall be given as provided in the 825 Liquidity Facility or any related Liquidity Facility Agreement.

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### F. Tender and Purchase of Bonds.

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

833	a. To hold all Daily Rate Bonds, Weekly Rate Bonds, Index Floating
834	Rate Bonds, Short-Term Rate Bonds and Long-Term Rate Bonds delivered to it for
835	purchase hereunder as agent and bailee of, and in escrow for the exclusive benefit of, the
836	respective Registered Owners that have delivered such Bonds until money representing
837	the Purchase Price of such Bonds has been delivered to or for the account of or to the
838	order of such Registered Owners;
839	b. To hold all money, other than proceeds of draws on the Liquidity
840	Facility, delivered to it hereunder for the purchase of Bonds as agent and bailee of, and in
841	escrow for the exclusive benefit of, the person or entity which has delivered such money
842	until the Bonds purchased with such money have been delivered to or for the account of
843	such person or entity;
844	c. To hold all money delivered to it hereunder from draws on any
845	Liquidity Facility for the purchase of Daily Rate Bonds, Weekly Rate Bonds, Index
846	Floating Rate Bonds, Short-Term Rate Bonds and Long-Term Rate Bonds as agent and
847	bailee of, and in escrow for the exclusive benefit of, the Registered Owners who deliver
848	Bonds to it for purchase until the Bonds purchased with such money have been delivered
849	to or for the account of the Liquidity Provider;
850	d. To keep such books and records as is consistent with prudent
851	industry practice and, upon reasonable advance notice, to make such books and records
852	available for inspection by the county, the Registrar, the Remarketing Agent, the Credit
853	Provider, if any, and the Liquidity Provider, if any; and

2.

854		e.	To perform the foregoing duties and obligations subject to and in
855	accordance wi	ith the p	provisions hereof relating thereto and to perform such other duties
856	and responsib	ilities as	s are provided herein to be performed by the Tender Agent.

- The Tender Agent in performing its duties as set forth herein shall have the rights and immunities, including exculpations and indemnifications, of the Registrar as may be set forth herein to the same extent and as fully for all intents and purposes as though such rights and immunities had been set forth at length with respect to the Tender Agent.
- 861

### Qualifications of Tender Agent.

862 a. The Tender Agent shall be duly organized under the laws of the 863 United States of America or any state or territory thereof and be (1) a commercial bank 864 and trust company; or (2) a national banking association, have a combined capital stock, surplus and undivided profits of not less than \$50,000,000 and be authorized by law to 865 866 perform all duties imposed upon it hereby. At all times during which the Bonds are not 867 held in book-entry only form, the Tender Agent shall have an office or agency in New 868 York, New York. The Tender Agent may at any time resign and be discharged of the 869 duties and obligations created hereby by giving not less than 60 days' notice to the 870 county, the Registrar, the Liquidity Provider, if any, and the Remarketing Agent, 871 provided that such resignation shall not take effect until the appointment and acceptance 872 of a successor Tender Agent. The Tender Agent may be removed at any time by the 873 county upon written notice to the Tender Agent, the Registrar, the Liquidity Provider, if 874 any, and the Remarketing Agent, provided that such removal shall not take effect until the appointment of, and the acceptance of appointment by, a successor Tender Agent. 875 876 Successor Tender Agents may be appointed from time to time by the county and with the

written approval of each Liquidity Provider, if any, such approval not to be unreasonablywithheld.

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

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

891 d. Any successor Tender Agent appointed hereunder shall signify its 892 acceptance of such appointment by executing and delivering to the county, the Registrar, the Liquidity Provider, if any, the Remarketing Agent and its predecessor Tender Agent a 893 894 written acceptance thereof, and thereupon (1) the successor Tender Agent, without 895 further act, deed or conveyance, shall become vested with all the money, estates, 896 properties, rights, powers, trusts, duties and obligations of such predecessor Tender 897 Agent, with like effect as if originally named Tender Agent herein; and (2) the 898 predecessor Tender Agent shall pay over, transfer, assign and deliver to the successor 899 Tender Agent all right, title and interest of the Tender Agent in and to all money and all

900	other property (including Bank Bonds) held by the Tender Agent subject to and in
901	accordance herewith; but nevertheless, at the request of the county, the successor Tender
902	Agent, any Remarketing Agent or the Liquidity Provider, the predecessor Tender Agent
903	shall execute and deliver any and all instruments of conveyance or further assurance and
904	do such other things as may reasonably be required for more fully and certainly vesting in
905	and confirming to the successor Tender Agent all right, title and interest of the
906	predecessor Tender Agent in and to all money and all other property (including Bank
907	Bonds) held by it hereunder. Upon request of the successor Tender Agent, the county
908	shall execute and deliver any and all instruments as may be reasonably required for more
909	fully and certainly vesting in and confirming to the successor Tender Agent all money,
910	estates, properties, rights, powers, trusts, duties and obligations of the predecessor Tender
911	Agent. Upon acceptance by a successor Tender Agent as provided herein, the county
912	shall give Electronic Notice of the succession of such Tender Agent, confirmed by first
913	class mail, to the Registered Owners at the addresses shown on the Bond Register. If the
914	county fails to deliver the notice within 15 days after the acceptance of appointment by
915	the successor Tender Agent, the Registrar shall cause the notice to be delivered to the
916	Registered Owners within 30 days after such acceptance at the expense of the county.
917	e. Any entity into which the Tender Agent may be merged or
918	converted or with which it may be consolidated or any company resulting from any
919	merger, conversion or consolidation to which it shall be a party or any entity to which the
920	Tender Agent may sell or transfer all or substantially all of its trust or trust-related
921	business, provided such entity is eligible hereunder, shall be the successor to such Tender
922	Agent, without the execution or filing of any paper or any further act, anything herein to

923	the contrary notwithstanding. Upon any such merger, consolidation or sale, the successor
924	Tender Agent shall notify the county, the Remarketing Agent, the Registrar and the
925	Liquidity Provider and, thereafter, shall deliver to the Registered Owners at the addresses
926	appearing on the Bond Register notice of the succession of such Tender Agent to the
927	duties of the Tender Agent hereunder.
928	2. <b>Optional Tender for Purchase of Daily Rate Bonds and Weekly Rate</b>
929	Bonds.
930	a. A Registered Owner or Beneficial Owner may opt to tender Daily
931	Rate Bonds, or portions thereof in Authorized Denominations, for purchase at the
932	Purchase Price payable to the Registered Owner (and not the Beneficial Owner) in
933	immediately available funds on any Business Day upon delivery of Electronic Notice or
934	written notice of tender to the Tender Agent and the Remarketing Agent not later than
935	11:00 a.m., New York City time, on the designated Purchase Date.
936	b. A Registered Owner or Beneficial Owner may opt to tender
937	Weekly Rate Bonds, or portions thereof in Authorized Denominations, for purchase at the
938	Purchase Price payable to the Registered Owner (and not the Beneficial Owner) in
939	immediately available funds on any Business Day upon delivery of Electronic Notice or
940	written notice of tender to the Tender Agent and the Remarketing Agent not later than
941	5:00 p.m., New York City time, on a Business Day not less than seven days prior to the
942	designated Purchase Date.
943	c. Each notice of optional tender for purchase:

944	(1) Shall be delivered to the Tender Agent and the
945	Remarketing Agent at their respective designated offices and be in form satisfactory to
946	the Tender Agent and the Remarketing Agent;
947	(2) Shall state (A) the principal amount of the Daily Rate Bond
948	or Weekly Rate Bond or portion thereof in an Authorized Denomination being tendered
949	and the CUSIP number of the Daily Rate Bond or Weekly Rate Bond; (B) that the
950	Registered Owner or the Beneficial Owner irrevocably demands purchase of the Daily
951	Rate Bond or Weekly Rate Bond or portion thereof; (C) the Purchase Date on which such
952	Daily Rate Bond or Weekly Rate Bond or portion thereof is to be purchased; and (D)
953	payment instructions with respect to the Purchase Price; and
954	(3) Shall constitute upon delivery (A) an irrevocable offer to
955	sell the Daily Rate Bond or Weekly Rate Bond or portion thereof on the Purchase Date,
956	to any purchaser selected by the Remarketing Agent, at a price equal to the Purchase
957	Price; (B) an irrevocable authorization and instruction to the Tender Agent to effect
958	transfer of the Daily Rate Bond or Weekly Rate Bond or portion thereof upon receipt by
959	the Tender Agent of funds sufficient to pay the Purchase Price thereof on the Purchase
960	Date; (C) an irrevocable authorization and instruction to the Tender Agent to effect the
961	exchange of the Daily Rate Bond or Weekly Rate Bond for one or more Daily Rate
962	Bonds or Weekly Rate Bonds in an equal aggregate principal amount so as to facilitate
963	the sale of the Daily Rate Bond or Weekly Rate Bond or portion thereof; and (D) an
964	acknowledgment that the Registered Owner and the Beneficial Owner will have no
965	further rights with respect to the Daily Rate Bond or Weekly Rate Bond or portion
966	thereof upon deposit of an amount equal to the Purchase Price thereof with the Tender

967	Agent on the Purchase Date, except for the right of the Registered Owner (and not the
968	Beneficial Owner) to receive the Purchase Price upon surrender of the Daily Rate Bond
969	or Weekly Rate Bond or portion thereof to the Tender Agent.
970	d. The determination of the Tender Agent and the Remarketing Agent
971	as to whether a notice of tender has been properly delivered shall be conclusive and
972	binding upon the Registered Owner and the Beneficial Owner. The Tender Agent or the
973	Remarketing Agent may waive any irregularity or nonconformity in any notice of tender.
974	e. The right of each Registered Owner or Beneficial Owner to tender
975	a Daily Rate Bond or Weekly Rate Bond for optional purchase shall terminate on the
976	Conversion Date to an Interest Rate Mode that is not a Daily Rate Period or Weekly Rate
977	Period.
978	f. The Tender Agent shall promptly return to the Registered Owner
979	or Beneficial Owner any notice of optional tender for purchase that is incomplete or
980	improperly completed or not delivered within the time required delivering the notice, and
981	shall promptly return to the Registered Owner the Daily Rate Bond or Weekly Rate Bond
982	delivered therewith upon surrender of the receipt, if any, issued therefor.
983	2. Mandatory Tender for Purchase of Bonds.
984	a. Each series of the Bonds shall be subject to mandatory tender for
985	purchase by the Tender Agent at the Purchase Price on each of the following Purchase
986	Dates:
987	(1) Each Conversion Date (unless the Conversion Date is
988	already a Purchase Date, in which case no separate mandatory tender for purchase shall
989	occur), except for a Conversion between the Daily Rate Period and Weekly Rate Period;

990	(2) Each County Elective Purchase Date.
991	(3) Each Short-Term Rate Mandatory Purchase Date;
992	(4) Each Long-Term Rate Mandatory Purchase Date;
993	(5) The fifth day preceding each Expiration Date (unless, on or
994	prior to the fifth day preceding the Expiration Date, the Expiration Date is extended);
995	(6) Each Credit Facility Date and Liquidity Facility Date;
996	(7) Each Termination Date;
997	(8) The date the county elects to terminate the Credit
998	Enhancement or Liquidity Facility prior to its expiration; and
999	(9) Each Non-reinstatement Date.
1000	b. In addition to any other requirements set forth herein, each notice
1001	of mandatory tender for purchase of a series of Bonds shall:
1002	(1) Specify the proposed Purchase Date and the event that
1003	gives rise to the proposed Purchase Date;
1004	(2) State that the Bonds shall be subject to mandatory tender
1005	for purchase on the proposed Purchase Date;
1006	(3) State that Registered Owners and Beneficial Owners may
1007	not elect to retain Bonds subject to mandatory tender for purchase;
1008	(4) State that all Bonds subject to mandatory tender for
1009	purchase are required to be delivered to the designated office of the Tender Agent not
1010	later than 1:00 p.m., New York City time, on the Purchase Date;
1011	(5) State that if the Registered Owner of any Bond subject to
1012	mandatory tender for purchase fails to deliver the Bond to the Tender Agent for purchase

1013 on the Purchase Date, and if the Tender Agent is in receipt of funds sufficient to pay the 1014 Purchase Price, the Bond shall nevertheless be deemed purchased on the Purchase Date 1015 and ownership of the Bond will be transferred to the purchaser thereof; 1016 State that any Registered Owner that fails to deliver any (6)1017 Bond subject to mandatory tender for purchase will have no further rights thereunder or 1018 hereunder except the right to receive the Purchase Price upon presentation and surrender 1019 of the Bond to the Tender Agent, and that the Registrar will place a stop transfer against 1020 the Bond on the Bond Register; 1021 (7)State that the Bonds will be purchased if money sufficient 1022 to effect such purchase has been provided from (A) the remarketing of the Bonds by the 1023 Remarketing Agent; (B) the Liquidity Facility, if any; or (C) funds provided by the 1024 county; (8)1025 In the case of mandatory tender for purchase on any proposed Conversion Date, state that such Conversion and such mandatory tender will 1026 1027 not occur if the conditions precedent to the Conversion are not satisfied, and summarize such conditions; 1028 (9)1029 In the case of mandatory tender for purchase on the fifth 1030 day preceding an Expiration Date, state that such mandatory tender will not occur, if, on

1031 or prior to the fifth day preceding the Expiration Date, the Expiration Date is extended;1032 and

1033 (10) In the case of mandatory tender for purchase on a Credit
1034 Facility Date or Liquidity Facility Date, state that such mandatory tender will not occur if

the conditions precedent to the effectiveness of the Credit Enhancement or LiquidityFacility are not satisfied, and summarize such conditions.

1037 c. Except as otherwise expressly provided herein with respect to 1038 notice of mandatory tender for purchase of Bonds on a proposed Conversion Date, Credit 1039 Facility Date or Liquidity Facility Date, (1) the Registrar shall give Electronic Notice of 1040 mandatory tender for purchase of Bonds to the Tender Agent, the Remarketing Agent, the 1041 Credit Provider, if any, and the Liquidity Provider, if any, not less than five days (or such 1042 shorter period as shall be acceptable to the applicable parties) prior to the date on which 1043 the Registrar is required to provide notice to the Registered Owners; and (2) the Registrar 1044 shall give Electronic Notice, confirmed by first class mail, of mandatory tender for 1045 purchase of Bonds to each Registered Owner not less than 15 days prior to each proposed 1046 Purchase Date at their addresses as they appear on the Bond Register as of the date the 1047 notice is prepared.

1048 d. If, following the giving of notice of mandatory tender for purchase 1049 of Bonds, an event occurs that, in accordance with the terms hereof causes such 1050 mandatory tender for purchase not to occur, then (1) the Registrar shall so notify the 1051 Registered Owners at their addresses as they appear on the Bond Register on the date of 1052 the notice, by Electronic Notice, confirmed by first class mail, as soon as practicable; and 1053 (2) the Tender Agent shall return to the Registered Owners any Bonds tendered to the 1054 Tender Agent in connection with such mandatory tender for purchase. 1055 e. Daily Rate Bonds and Weekly Rate Bonds, on any Business Day designated by the county, and Index Floating Rate Bonds, on any Par Call Date 1056

1057 designated by the county, in each case with the consent of the Liquidity Provider, if any

(each, a "County Elective Purchase Date"), are subject to mandatory tender for purchase 1058 1059 at the Purchase Price. Each County Elective Purchase Date shall be a Business Day not 1060 earlier than the 10th day following the second Business Day after receipt by the Tender Agent of such designation. If on a County Elective Purchase Date sufficient remarketing 1061 1062 proceeds or other amounts provided by the county are not available to pay the Purchase 1063 Price of all Bonds subject to mandatory tender for purchase, then the designation of the 1064 County Elective Purchase Date shall be deemed rescinded, and the county shall have no 1065 obligation to purchase the Bonds tendered or deemed tendered for purchase on the 1066 County Elective Purchase Date. The Registrar shall give Electronic Notice of such 1067 rescission to the Registered Owners, the county, the Tender Agent, the Remarketing 1068 Agent and the Liquidity Provider as soon as practicable and in any event not later than 1069 the succeeding Business Day, confirmed by first class mail.

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### Purchase of Bonds by Tender Agent.

1071 Bonds to be purchased by the Tender Agent pursuant to an a. 1072 optional tender for purchase or mandatory tender for purchase shall be delivered by the 1073 Registered Owners to the Tender Agent (together with necessary assignments and 1074 endorsements) not later than 1:00 p.m., New York City time, on the Purchase Date. 1075 b. Bonds to be purchased by the Tender Agent pursuant to an 1076 optional tender for purchase or mandatory tender for purchase for which notice has been 1077 duly delivered but that are not delivered for purchase on or prior to the Purchase Date, 1078 and for which there has been irrevocably deposited in escrow with the Registrar or the 1079 Tender Agent an amount sufficient to pay the Purchase Price, shall be deemed to have 1080 been tendered to the Tender Agent for purchase, and Registered Owners shall not be

entitled to any payment (including any interest to accrue on or after the Purchase Date)
other than the Purchase Price, and such Bonds shall not be entitled to any benefits hereof,
except for payment of the Purchase Price out of the money deposited in the Purchase
Fund for such payment.

1085 c. For each series of the Bonds subject to optional tender for purchase 1086 or mandatory tender for purchase, the Tender Agent shall establish a special trust fund to 1087 be designated the "Purchase Fund," and, within the Purchase Fund, the Tender Agent 1088 shall establish four separate accounts to be designated the Remarketing Account, the 1089 Liquidity Account, the County Purchase Account and the Undelivered Bond Payment 1090 Account. Only the Tender Agent shall have any right of withdrawal from the Purchase 1091 Fund, and the Purchase Fund and such right of withdrawal shall be for the sole and 1092 exclusive benefit of the Registered Owners of the Bonds subject to purchase on Purchase 1093 Dates (and the Liquidity Provider, to the extent required to reimburse the Liquidity 1094 Provider), and the county shall have no legal, beneficial or equitable interest in the 1095 Purchase Fund. Money in the Purchase Fund shall be held uninvested. Money in the 1096 Purchase Fund shall not be commingled with money held for any other series of bonds of 1097 the county, and money in a particular account of the Purchase Fund shall not be 1098 commingled with money in any other account of the Purchase Fund. 1099 (1)Any money received by the Tender Agent from

remarketing Bonds on a Purchase Date shall be deposited in the Remarketing Account of
the Purchase Fund and applied to pay the Purchase Price of Bonds or to pay or reimburse
the Liquidity Provider for the payment thereof.

1103	(2) Any money received by the Tender Agent from the
1104	Liquidity Provider for the purchase of Bonds on a Purchase Date shall be deposited in the
1105	Liquidity Account of the Purchase Fund and applied in accordance with Section F.5. of
1106	this motion. Notwithstanding anything herein to the contrary, the Tender Agent shall not
1107	draw on the Liquidity Facility to pay the Purchase Price of Bank Bonds or of Bonds held
1108	by the county.
1109	(3) Any money received by the Tender Agent from the county
1110	for the purchase of Bonds on a Purchase Date shall be deposited in the County Purchase
1111	Account of the Purchase Fund and applied to pay or reimburse the Liquidity Provider for
1112	the payment thereof.
1113	d. Upon receipt of notice of an optional tender for purchase of Daily
1114	Rate Bonds duly delivered, the Tender Agent shall provide telephonic notice to the
1115	county, the Remarketing Agent and the Liquidity Provider not later than 11:15 a.m., New
1116	York City time, on the Purchase Date, of the principal amount of Daily Rate Bonds
1117	tendered and the Purchase Price, and the Tender Agent shall promptly confirm such
1118	telephonic notice by Electronic Notice.
1119	e. Upon receipt of notice of an optional tender for purchase of
1120	Weekly Rate Bonds duly delivered, the Tender Agent shall provide Electronic Notice to
1121	the county, the Remarketing Agent and the Liquidity Provider not later than 5:00 p.m.,
1122	New York City time, on the next Business Day, of the principal amount of Weekly Rate
1123	Bonds to be tendered and the Purchase Price.
1124	f. Simultaneously with the giving of notice of any mandatory tender
1125	for purchase of Bonds, the Registrar shall give Electronic Notice to the Tender Agent, the

1126 Remarketing Agent and the Liquidity Provider, if any, specifying the Purchase Date,1127 principal amount and Purchase Price.

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

1134 (1)If a Liquidity Facility is in effect on the Purchase Date, then (A) not later than 12:15 p.m., New York City time, on the Purchase Date, the Tender 1135 1136 Agent shall request (a "Liquidity Facility Request") the purchase by the Liquidity 1137 Provider under the Liquidity Facility, or the funding by the Liquidity Provider under the 1138 Liquidity Facility of money for the purchase, of unremarketed Bonds having a Purchase 1139 Price equal to the amount of such excess (by submitting to the Liquidity Provider in 1140 accordance with the Liquidity Facility all such documents as are required for that 1141 purpose); and (B) not later than 2:45 p.m., New York City time, on the Purchase Date, 1142 the Tender Agent shall deposit the proceeds of the Liquidity Facility Request in the 1143 Liquidity Account of the Purchase Fund; or 1144 (2)If a Liquidity Facility is not in effect on the Purchase Date and the county is obligated to make Required Liquidity Payments or otherwise elects in 1145 1146 its sole discretion to make Optional Liquidity Payments to provide funds for such 1147 payment, then (A) not later than 12:30 p.m., New York City time, on the Purchase Date, 1148 the Tender Agent shall notify the county that the amount of such excess is payable by the

1149	county to the Tender Agent not later than 2:30 p.m., New York City time, on the
1150	Purchase Date; and (B) not later than 2:30 p.m., New York City time, on such Purchase
1151	Date, the Tender Agent shall deposit the amount received from the county for such
1152	purpose in the County Purchase Account of the Purchase Fund.
1153	h. Not later than 3:00 p.m., New York City time, on each Purchase
1154	Date, the Tender Agent shall pay the Purchase Price of Bonds to be purchased on the
1155	Purchase Date to the Registered Owners (and not the Beneficial Owners) thereof (upon
1156	surrender thereof for payment of the Purchase Price), from the following sources and in
1157	the following order of priority:
1158	(1) Money on deposit in the Remarketing Account of the
1159	Purchase Fund (representing the proceeds of the remarketing delivered by the
1160	Remarketing Agent);
1161	(2) If a Liquidity Facility is in effect on the Purchase Date,
1162	money on deposit in the Liquidity Account of the Purchase Fund (representing the
1163	proceeds of a Liquidity Facility Request under the Liquidity Facility); and
1164	(3) If a Liquidity Facility is not in effect on the Purchase Date,
1165	money on deposit in the County Purchase Account of the Purchase Fund (representing
1166	amounts paid by the county to the Tender Agent for the purchase of such Bonds).
1167	i. Any money remaining in the Remarketing Account, the Liquidity
1168	Account or the County Purchase Account of the Purchase Fund and representing (but not
1169	exceeding) the Purchase Price of Bonds subject to purchase on the Purchase Date but not
1170	tendered and delivered for purchase on the Purchase Date (after making the payments
1171	from the Purchase Fund described above) shall be transferred by the Tender Agent to the

1172	Undelivered Bond Payment Account of the Purchase Fund not later than 3:30 p.m., New
1173	York City time, on the Purchase Date and retained therein, subject to application as
1174	described below. Any money remaining in the Remarketing Account, the Liquidity
1175	Account and the County Purchase Account of the Purchase Fund on the Purchase Date
1176	after the payments from the Purchase Fund and the transfer to the Undelivered Bond
1177	Payment Account described above shall be wire transferred by the Tender Agent, in
1178	immediately available funds, prior to the close of business on the Purchase Date, to the
1179	Remarketing Agent, the Liquidity Provider and the county, respectively.
1180	j. Money transferred to the Undelivered Bond Payment Account of
1181	the Purchase Fund on any Purchase Date shall be applied, on or after the Purchase Date,
1182	by the Tender Agent to pay the Purchase Price of Undelivered Bonds in respect of which
1183	they were so transferred, upon the surrender of such Bonds to the Tender Agent for such
1184	purpose.
1185	k. There are hereby pledged to secure the payment of the Purchase
1186	Price of Bonds tendered or deemed tendered for purchase all of the Required Liquidity
1187	Payments and other amounts held in the Purchase Fund, subject only to the provisions
1188	hereof permitting the application thereof for the purposes and on the terms and conditions
1189	set forth herein.
1190	6. <b>Insufficient Funds for Payment of the Purchase Price</b> .
1191	a. If the funds available for the purchase of Bonds subject to optional
1192	tender for purchase or mandatory tender for purchase on a Purchase Date are insufficient
1193	to purchase all of the Bonds (including Undelivered Bonds), then no purchase of any
1194	Bonds shall occur on the Purchase Date and, on the Purchase Date, the Tender Agent
	E2

1195	shall (1) return to the Registered Owners all of the Bonds that were tendered; (2) return
1196	all money received by the Tender Agent for the purchase of the Bonds to the respective
1197	persons that provided such money (in the respective amounts in which such money was
1198	so provided); and (3) notify the Registrar of the foregoing.

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

1201 If a Credit Enhancement or Liquidity Facility is in effect, and the c. 1202 Credit Provider or Liquidity Provider has failed to honor its payment obligations under 1203 the Credit Enhancement or Liquidity Facility, 25% of the Registered Owners of the 1204 Bonds secured by the Credit Enhancement or Liquidity Facility (excluding Bank Bonds 1205 and Bonds held by the county) shall have the right at any time, by an instrument or 1206 instruments in writing executed and delivered to the Registrar, to direct the method and 1207 place of conducting all proceedings to be taken in connection with the enforcement of the 1208 terms and conditions of the Credit Enhancement or Liquidity Facility, or any other 1209 proceedings thereunder; provided, that such direction is in accordance with applicable 1210 law and satisfactory evidence of the ownership of each Bond is provided to the Registrar.

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### Delayed Remarketing Period.

a. During a Delayed Remarketing Period, the Remarketing Agent shall continue to remarket the series of Index Floating Rate Bonds subject to purchase. The Remarketing Agent shall provide notice to the county and the Registrar no later than the Business Day after determining that all of the series of Index Floating Rate Bonds can be remarketed. Upon receipt of such notice from the Remarketing Agent, the county shall direct the Registrar to provide notice to the Registered Owners that the Index

1218	Floating Rate Bonds will be subject to mandatory tender for purchase on a Business Day
1219	no later than the Business Day following the day such notice is given to the Registrar.
1220	The Registrar shall give Electronic Notice, confirmed by first class mail, of the
1221	mandatory tender for purchase of the Index Floating Rate Bonds to the Registered
1222	Owners at their addresses as they appear on the Bond Register as of the date such
1223	direction is received by the Registrar. The notice shall include the information required
1224	for a mandatory tender for purchase specified in Section F.4. of this motion.
1225	b. During a Delayed Remarketing Period:
1226	(1) Interest on the Index Floating Rate Bonds shall accrue at
1227	the Delayed Remarketing Rate and be payable on each Interest Payment Date;
1228	(2) The Index Floating Rate Bonds shall continue to be subject
1229	to optional redemption by the county;
1230	(3) The county may effect a Conversion of the Index Floating
1231	Rate Bonds to a new Interest Rate Mode; and
1232	(4) The county may designate a County Elective Purchase Date
1233	for the Index Floating Rate Bonds.
1234	G. Remarketing of Bonds.
1235	1. Remarketing Agent.
1236	a. One or more Remarketing Agents may be appointed for one or
1237	more series of the Bonds from time to time by the Finance Director with the prior written
1238	consent of the Liquidity Provider, if any (which consent shall not be unreasonably
1239	withheld). Each Remarketing Agent shall designate its office and signify its acceptance
1240	of the duties and obligations imposed upon it as described herein by a written instrument

1241	of acceptance delivered to the county, the Registrar and the Liquidity Provider, or by
1242	executing and delivering a Remarketing Agreement, in either case under which the
1243	Remarketing Agent will agree, particularly:
1244	(1) To hold all money delivered to it hereunder for the
1245	purchase of Bonds as a fiduciary for the exclusive benefit of the person or persons that
1246	shall have so delivered such money until the Bonds purchased with such money shall
1247	have been delivered to or for the account of such person or persons;
1248	(2) To keep such books and records as are consistent with
1249	prudent industry practice and to make such books and records available for inspection by
1250	the county and the Registrar at all reasonable times;
1251	(3) To determine each Daily Rate, Weekly Rate, Short-Term
1252	Rate, Long-Term Rate, Fixed Rate and Applicable Spread and to give notice of such rates
1253	or spread in accordance with the provisions hereof;
1254	(4) To offer for sale and use its best efforts subject to the terms
1255	of the Remarketing Agreement to find purchasers for the Bonds tendered or deemed
1256	tendered for purchase, any such sale to be made at the Purchase Price or at such other
1257	price as may be permitted under the terms hereof;
1258	(5) To deliver to the Tender Agent all Bonds held by it in
1259	accordance with the terms hereof and of the Remarketing Agreement; and
1260	(6) To perform such other duties and responsibilities as are
1261	provided herein to be performed by the Remarketing Agent.
1262	b. One or more firms may serve as co-Remarketing Agents hereunder
1263	provided that each co-Remarketing Agent satisfies the requirements hereof. If co-

Remarketing Agents have been appointed and are performing the duties of Remarketing Agent hereunder, all references herein to the Remarketing Agent shall be deemed to refer to all the Remarketing Agents acting jointly; provided, that the Remarketing Agreement may provide that one firm may perform certain specified duties hereunder in its sole capacity.

1269 c. Except as may otherwise be provided in a Remarketing 1270 Agreement, each Remarketing Agent may in good faith hold any Bonds or any other 1271 form of indebtedness issued by the county; own, accept or negotiate any drafts, bills of 1272 exchange, acceptances or obligations thereof; and make disbursements therefor and enter 1273 into any commercial or business arrangement therewith; all without any liability on the 1274 part of the Remarketing Agent for any real or apparent conflict of interest by reason of 1275 any such actions.

2. 1276 Qualifications of Remarketing Agent. Each Remarketing Agent shall be 1277 authorized by law to perform all of the duties imposed upon it hereunder. The 1278 Remarketing Agent may at any time resign and be discharged of the duties and obligations of the Remarketing Agent described herein by giving not less than 30 days' 1279 notice to the county, the Registrar, the Tender Agent, the Liquidity Provider and the 1280 1281 Credit Provider, if any, and each Rating Agency. The Remarketing Agent may be 1282 removed at any time upon written notice by the county to the Remarketing Agent, the 1283 Tender Agent, the Registrar, the Liquidity Provider and the Credit Provider, if any, and each Rating Agency. 1284

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3. Sale of Bonds by Remarketing Agent.

1286	a. Upon receipt by the Remarketing Agent of (1) notice of optional
1287	tender for purchase of Daily Rate Bonds or Weekly Rate Bonds; or (2) notice of
1288	mandatory tender for purchase of a series of Bonds, the Remarketing Agent shall offer
1289	for sale and use its best efforts subject to the terms of the Remarketing Agreement to find
1290	purchasers for the Bonds tendered or deemed tendered for purchase, any such sale to be
1291	made at the Purchase Price or at such other price as may be permitted under the terms
1292	hereof; provided, that so long as a Credit Enhancement or Liquidity Facility is in effect,
1293	the Remarketing Agent shall not knowingly offer for sale or sell any Daily Rate Bonds or
1294	Weekly Rate Bonds to the county; and provided further, that the Remarketing Agent shall
1295	not offer for sale or use its best efforts to find purchasers for the Bonds tendered or
1296	deemed tendered for purchase that are subject to mandatory tender for purchase:
1297	(1) on the fifth day preceding each Expiration Date (unless, on
1298	or prior to the fifth day preceding the Expiration Date, the Expiration Date is extended);
1299	(2) on the Termination Date; or
1300	(3) on the Non-reinstatement Date.
1301	b. The Remarketing Agent shall pay or direct the purchasers to pay
1302	the proceeds of all purchases of Bonds made, solicited and arranged by the Remarketing
1303	Agent, to the Tender Agent (for deposit in the Remarketing Account of the Purchase
1304	Fund), not later than 12:00 p.m., New York City time, on the Purchase Date, in
1305	immediately available funds.
1306	c. Not later than 4:30 p.m., New York City time, on the Business Day
1307	preceding each Purchase Date (other than a Purchase Date for Daily Rate Bonds subject
1308	to optional tender for purchase), the Remarketing Agent shall give telephonic notice to
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1309	the Tender Agent, promptly confirmed by Electronic Notice, specifying: (1) the principal
1310	amount and Purchase Price of Bonds subject to purchase on the Purchase Date for which
1311	the Remarketing Agent has received indications of interest from prospective purchasers;
1312	and (2) the principal amount and Purchase Price of Bonds subject to purchase on the
1313	Purchase Date for which the Remarketing Agent has not received indications of interest
1314	from prospective purchasers.
1315	d. Except as otherwise expressly provided herein, the Remarketing
1316	Agent shall offer for sale and use its best efforts subject to the terms of the Remarketing
1317	Agreement to find purchasers for the Bank Bonds, any such sale to be made at the
1318	Purchase Price or at such other price as may be permitted under the terms hereof, the
1319	interest component of the Purchase Price being calculated at the rate that would be borne
1320	by the Bank Bonds if the Bank Bonds were not Bank Bonds. In connection with each
1321	remarketing of Bank Bonds by the Remarketing Agent:
1322	(1) The Remarketing Agent shall (A) provide to the county, the
1323	Registrar, the Tender Agent and the Liquidity Provider not less than one Business Day's
1324	prior notice of such remarketing; and (B) pay, or cause to be paid to the Liquidity
1325	Provider, by wire transfer of immediately available funds, the proceeds of such
1326	remarketing;
1327	(2) The county shall (A) in consultation with the Liquidity
1328	Provider, calculate the amount of money payable to the Liquidity Provider pursuant to the
1329	Liquidity Facility or the related Liquidity Facility Agreement by reason of, and on the
1330	date of, such remarketing ("the Remarketing Payment Amount"); and (B) pay to the
1331	Liquidity Provider, on the date of such remarketing, by wire transfer of immediately

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1332 available funds, the amount of money which, when added to the proceeds of such remarketing being delivered to the Liquidity Provider on the date of such remarketing. 1333 equals the Remarketing Payment Amount; 1334 The Tender Agent shall confirm with the Liquidity 1335 (3)1336 Provider the receipt by the Liquidity Provider of the Remarketing Payment Amount, the reinstatement of the obligation of the Liquidity Provider to make funds available under 1337 the Liquidity Facility and the authorization of the Liquidity Provider to release the Bank 1338 1339 Bonds or its security interest therein; and 1340 (4)After, and only after, receipt by the Tender Agent of confirmation by the Liquidity Provider of the reinstatement of the obligation of the 1341 1342 Liquidity Provider under the Liquidity Facility to purchase or make funds available for the purchase of Bank Bonds following the remarketing of such Bank Bonds and 1343 authorization by the Liquidity Provider of such transfer or such authentication and 1344 1345 delivery, the Tender Agent shall (A) if the Bonds are held in book-entry only form, cause the ownership interest in such Bank Bonds to be transferred to or for the benefit of such 1346 1347 purchaser or purchasers designated by the Remarketing Agent; and (B) if the Bonds are 1348 not held in book-entry only form, cause the Registrar to authenticate Bonds in lieu of 1349 such Bank Bonds and to deliver the same to or upon the instruction of the Remarketing 1350 Agent. 1351 The Remarketing Agent shall offer for sale and use its best efforts e. subject to the terms of the Remarketing Agreement to find purchasers for (1) any Bonds 1352 1353 subject to purchase on a Purchase Date that have been purchased with money provided by

the county to the Tender Agent for such purpose; and (2) any Bonds that have been

1355 purchased by the county pursuant to the Liquidity Facility or the related Liquidity 1356 Facility Agreement and have not been surrendered by the county for cancellation. 4. **Delivery of Bonds**. 1357 1358 Upon application of available money to purchase Bonds on a a. 1359 Purchase Date (and/or to the transfer thereof to the Undelivered Bond Payment Account of the Purchase Fund on a Purchase Date), the Tender Agent shall cause the Registrar to 1360 1361 register the transfer of Bonds so purchased in the names of the purchasers in accordance 1362 with information provided by the Remarketing Agent for such purpose and to make

Bonds available for delivery against payment therefor.b. Upon application of money drawn on a Liquidity Facility to

1365 purchase Bonds on a Purchase Date (and/or to the transfer thereof to the Undelivered 1366 Bond Payment Account of the Purchase Fund on a Purchase Date), the Bonds so purchased shall constitute Bank Bonds unless and until such Bonds cease to be Bank 1367 Bonds. If the Bonds are held in book-entry only form, the ownership interest in such 1368 1369 Bank Bonds shall be transferred on the books of DTC to or for the account of the Tender 1370 Agent or a participant acting on behalf of the Tender Agent and the Tender Agent shall, 1371 and shall cause such participant to, mark its own books and records to reflect the 1372 beneficial ownership of such Bank Bonds by the Liquidity Provider. If the Bonds are no 1373 longer held in book-entry only form, such Bank Bonds shall be delivered by the Tender 1374 Agent to the Registrar for registration of transfer and shall be registered by the Registrar 1375 in the name of the Liquidity Facility Provider, or any nominee of the Liquidity Facility Provider, and delivered by the Registrar to the Tender Agent and held by the Tender 1376 Agent as bailee and custodian of the Liquidity Facility Provider. The Tender Agent shall 1377

1378	release and redeliver or transfer Bank Bonds that have been remarketed by the
1379	Remarketing Agent. Any other disposition of Bank Bonds shall be made only at the
1380	written direction or with the prior written consent of the Liquidity Facility Provider.
1381	c. Upon application of money provided by the county to purchase
1382	Bonds on a Purchase Date (and/or to the transfer thereof to the Undelivered Bond
1383	Payment Account of the Purchase Fund on a Purchase Date), the Bonds so purchased
1384	shall be registered in the name of the county and shall, at the direction of the county, be
1385	delivered to the Registrar for cancellation (and canceled by the Registrar) or delivered to
1386	the Tender Agent for the account of the county and remarketed.
1387	H. Credit Facilities and Liquidity Facilities.
1388	1. Credit Facilities.
1389	a. <b>Delivery of a Credit Enhancement</b> . The county may, at its sole
1390	option, maintain or deliver a Credit Enhancement or otherwise make funds available to
1391	the Registrar pursuant to a Credit Enhancement to provide for the payment of principal of
1392	and interest on one or more series of the Bonds or portions thereof. Any Credit
1393	Enhancement that secures payment of one or more series of Daily Rate Bonds, Weekly
1394	Rate Bonds or Short-Term Rate Bonds shall be equal to the Required Stated Amount with
1395	a term of not less than 360 days after the Credit Facility Date. In each case where a
1396	Credit Enhancement is to be delivered to the Registrar (including the delivery of a new
1397	Credit Enhancement in substitution for an existing Credit Enhancement), the Credit
1398	Enhancement shall become effective only if the Bonds to be secured thereby have been
1399	successfully purchased and remarketed on the Purchase Date. Upon delivery of a Credit
1400	Enhancement, together with the Supporting Credit Facility Documents described below,

the Registrar shall accept the Credit Enhancement and, upon such acceptance, the Credit
Enhancement shall be the Credit Enhancement and the issuer of the Credit Enhancement
shall be the Credit Provider for all purposes hereof.

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

1408 Notice of Delivery of Credit Enhancement; Conditional c. 1409 Mandatory Tender for Purchase of Bonds. The county shall give Electronic Notice of 1410 the proposed delivery of a Credit Enhancement and the proposed Credit Facility Date to 1411 the Registrar, the Tender Agent, the Remarketing Agent, the Credit Provider, if any, and 1412 the Liquidity Provider, if any, not less than five days (or such shorter period as shall be 1413 acceptable to the applicable parties) prior to the date on which the Registrar is required to 1414 provide notice to the Registered Owners. The Registrar shall give Electronic Notice, 1415 confirmed by first class mail, of the proposed delivery of a Credit Enhancement and the 1416 proposed Credit Facility Date to each Registered Owner not less than 15 days prior to the 1417 proposed Credit Facility Date at their addresses as they appear on the Bond Register as of the date of notice of the proposed delivery of a Credit Enhancement is received by the 1418 1419 Registrar from the county. The notice shall include the information required for a 1420 mandatory tender for purchase specified in Section F.4. of this motion. The notice shall 1421 also state that the mandatory tender for purchase will not occur if, on or prior to the 1422 proposed Credit Facility Date, the Tender Agent does not receive the Credit 1423 Enhancement, together with the Supporting Credit Facility Documents. If, because the

1424	conditions to the mandatory tender for purchase are not satisfied, no mandatory tender for
1425	purchase occurs on the proposed Credit Facility Date, (1) the Tender Agent give notice
1426	thereof to the Registrar; (2) the Registrar shall give Electronic Notice thereof, confirmed
1427	by first class mail, to the Registered Owners at their addresses as they appear on the Bond
1428	Register as of the date of such notice; and (3) the Tender Agent shall return to the
1429	Registered Owners any Bonds tendered to the Tender Agent in connection with such
1430	mandatory tender for purchase.
1431	d. <b>Expiration and Termination</b> . The county may elect at any time,
1432	in accordance with the terms of a Credit Enhancement or related Credit Facility
1433	Agreement (1) to permit the Credit Enhancement to expire without delivering a substitute
1434	Credit Enhancement; or (2) to terminate the Credit Enhancement prior to its Expiration
1435	Date.
1436	e. Supporting Credit Facility Documents. In connection with the
1437	delivery of a Credit Enhancement after the Closing Date, the county shall deliver, or shall
1438	cause to be delivered, the following documents ("the Supporting Credit Facility
1439	Documents"):
1440	(1) written consent of the Liquidity Provider, if any, if the
1441	Liquidity Provider is a separate entity from the Credit Provider;
1442	(2) written evidence from each Rating Agency of the rating to
1443	be assigned by the Rating Agency to the Bonds following the delivery of the Credit
1444	Enhancement;
1445	(3) a written opinion of counsel to the Credit Provider,
1446	addressed to the Registrar and the Tender Agent, to the effect that the Credit

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1447	Enhancement is the legal, valid and binding obligation of the Credit Provider, enforceable
1448	against the Credit Provider in accordance with its terms (subject to customary exceptions
1449	relating to bankruptcy, insolvency and rights of creditors generally and to specific
1450	performance and equitable remedies);
1451	(4) an opinion of Bond Counsel to the effect that the delivery
1452	of the Credit Enhancement will not, in and of itself, cause interest on the Bonds to be
1453	secured thereby to be includable in gross income for federal income tax purposes; and
1454	(5) if applicable, the written acknowledgment of the Credit
1455	Provider of the Credit Enhancement then in effect that all conditions precedent to
1456	termination of the Credit Enhancement then in effect that are set forth in the Credit
1457	Enhancement then in effect or in any related Credit Facility Agreement have been
1458	fulfilled (or provision satisfactory to the Credit Provider has been made for such
1459	fulfillment).
1460	f. The Registrar shall hold and maintain each Credit Enhancement
1461	for the benefit of the Registered Owners of Bonds secured thereby until the Credit
1462	Enhancement expires in accordance with its terms, is earlier terminated by the county or
1463	is replaced by a substitute Credit Enhancement. Subject to the provisions hereof, the
1464	Registrar shall enforce all terms, covenants and conditions of each Credit Enhancement,
1465	including payment when due of any draws on the Credit Enhancement and the provisions
1466	relating to the payment of draws on, and reinstatement of amounts that may be drawn on,
1467	the Credit Enhancement, and will not consent to, agree to or permit any amendment or
1468	modification of the Credit Enhancement that would materially adversely affect the rights
1469	or security of the Registered Owners of the Bonds secured thereby. The Registrar shall

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be entitled to rely on a written opinion of counsel or an officer's certificate as to whether 1470 1471 an amendment or modification of the Credit Enhancement would materially adversely affect the rights or security of the Registered Owners secured thereby. If at any time 1472 during the term of a Credit Enhancement any successor Registrar is appointed and 1473 qualified hereunder, the resigning or removed Registrar shall request that the Credit 1474 1475 Provider transfer the Credit Enhancement to the successor Registrar. If the resigning or removed Registrar fails to make this request, the successor Registrar shall do so and shall 1476 delay accepting appointment hereunder until the Credit Provider assents to such request. 1477 1478 When a Credit Enhancement expires in accordance with its terms, is terminated by the 1479 county or is replaced by a substitute Credit Enhancement, the Registrar shall immediately surrender the Credit Enhancement to the Credit Provider; provided, that the Registrar 1480 shall not surrender the Credit Enhancement until all draws permitted on the Credit 1481 1482 Enhancement in accordance with its terms that are required hereby have been funded. The Registrar shall not terminate or reduce the amount available 1483 g. under a Credit Enhancement except by reason of (1) the redemption, cancellation and/or 1484 1485 defeasance of Bonds secured thereby; (2) the Conversion of Bonds secured thereby to an Interest Rate Mode that is not covered by the Credit Enhancement; or (3) a substitute 1486 1487 Credit Enhancement is delivered and becomes effective. h. While a Credit Enhancement is in effect, the Registrar shall draw 1488 1489 on the Credit Enhancement in accordance with its terms so as to receive thereunder not 1490 later than 1:00 p.m., New York City time, on each Interest Payment Date and principal payment date, an amount, in immediately available funds, equal to the amount of interest 1491 1492 and principal payable on the Bonds secured thereby on the Interest Payment Date and

1493	principal payment date. If the Credit Provider fails to fund a conforming draw on the
1494	Credit Enhancement, the Registrar shall promptly notify the county, demand payment by
1495	the county, and pay when due the amount of interest and principal payable on the Bonds
1496	secured thereby on the Interest Payment Date and principal payment date from amounts
1497	on deposit in the Junior Lien Bond Fund in accordance with the terms hereof. Proceeds
1498	of draws on the Credit Enhancement shall be deposited in the Credit Facility Fund and
1499	shall be applied to pay principal of and interest on the Bonds secured thereby prior to the
1500	application of any other funds held by the Registrar therefor. Notwithstanding the
1501	foregoing, (1) if the Credit Provider and the Liquidity Provider are the same entity, the
1502	Registrar shall not draw on the Credit Enhancement to make any payments on Bank
1503	Bonds; and (2) in no event shall the Registrar draw on the Credit Enhancement to make
1504	any payments on Bonds held by the county.

i. 1505 While a Credit Enhancement is in effect, the Registrar shall establish, maintain and hold in trust a special fund designated as the "Credit Facility 1506 1507 Fund" for the benefit of the Registered Owners of Bonds secured thereby. The Registrar 1508 shall deposit in the Credit Facility Fund all money from draws on the Credit 1509 Enhancement for the purpose of paying when due the principal of and interest on Bonds 1510 secured thereby. Money in the Credit Facility Fund shall be held uninvested, separate 1511 and apart from all other funds and accounts and shall not be commingled with any other 1512 money. Money in the Credit Facility Fund shall be withdrawn by the Registrar from the 1513 Credit Facility Fund and applied to the payment of the principal of and interest on Bonds 1514 secured thereby on each Interest Payment Date and principal payment date.

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1515	j. Whenever the consent of the Registered Owners is required, the
1516	consent of each Credit Provider shall also be required unless otherwise expressly
1517	provided herein. Each Credit Provider shall be deemed to be the Registered Owner of all
1518	Bonds secured by the Credit Enhancement for purposes of granting consent.
1519	k. All provisions herein relating to the rights of each Credit Provider
1520	shall be of no force and effect if (1) there is no Credit Enhancement in effect and all
1521	amounts payable to the Credit Provider under the Credit Enhancement or any related
1522	Credit Facility Agreement have been satisfied; or (2) a Credit Provider Failure has
1523	occurred and is continuing.
1524	2. Liquidity Facilities.
1525	a. <b>Delivery of a Liquidity Facility</b> . The county may, in its sole
1526	option, maintain or deliver a Liquidity Facility or otherwise make funds available to the
1527	Tender Agent pursuant to a Liquidity Facility to provide for the purchase of one or more
1528	series of the Bonds upon their optional tender for purchase or mandatory tender for
1529	purchase. Any Liquidity Facility that secures payment of the Purchase Price of one or
1530	more series of Daily Rate Bonds, Weekly Rate Bonds or Short-Term Rate Bonds shall be
1531	in an amount equal to the Required Stated Amount with a term of not less than 360 days
1532	after the Liquidity Facility Date. In each case where a Liquidity Facility is to be
1533	delivered to the Tender Agent (including the delivery of a new Liquidity Facility in
1534	substitution for an existing Liquidity Facility), the Liquidity Facility shall become
1535	effective only if the Bonds to be secured thereby have been successfully purchased and
1536	remarketed on the Purchase Date. Upon delivery of a Liquidity Facility, together with
1537	the Supporting Liquidity Facility Documents described below, the Tender Agent shall

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accept the Liquidity Facility and, upon such acceptance, the Liquidity Facility shall be
the Liquidity Facility and the issuer of the Liquidity Facility shall be the Liquidity
Provider for all purposes hereof.

b. 1541 Mandatory Tender for Purchase of Bonds in Connection with 1542 **Delivery of a Liquidity Facility**. If a Liquidity Facility is delivered and accepted, the 1543 Bonds to be secured thereby shall be subject to mandatory tender for purchase on the 1544 Liquidity Facility Date. If an existing Liquidity Facility is in effect on the Liquidity 1545 Facility Date, funds for the purchase of the Bonds tendered on the Liquidity Facility Date shall be made available in accordance with the terms of the Liquidity Facility then in 1546 1547 effect and not the substitute Liquidity Facility to be delivered on the Liquidity Facility 1548 Date.

c. Notice of Delivery of a Liquidity Facility, Conditional

Mandatory Tender of Bonds. The county shall give Electronic Notice of the proposed 1550 1551 delivery of a Liquidity Facility and the proposed Liquidity Facility Date to the Registrar, 1552 the Tender Agent, the Remarketing Agent, the Credit Provider, if any, and the Liquidity 1553 Provider, if any, not less than five days (or such shorter period as shall be acceptable to the applicable parties) prior to the date on which the Registrar is required to provide 1554 notice to the Registered Owners. The Registrar shall give Electronic Notice, confirmed 1555 1556 by first class mail, of the proposed delivery of a Liquidity Facility and the proposed 1557 Liquidity Facility Date to each Registered Owner not less than 15 days prior to the proposed Liquidity Facility Date at their addresses as they appear on the Bond Register as 1558 of the date of notice of the proposed delivery of a Liquidity Facility is received by the 1559 Registrar from the county. The notice shall include the information required for a 1560

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1561	mandatory tender for purchase specified in Section F.4. of this motion. The notice shall
1562	also state that the mandatory tender for purchase will not occur if, on or prior to the
1563	proposed Liquidity Facility Date, the Tender Agent does not receive the Liquidity
1564	Facility, together with the Supporting Liquidity Facility Documents. If, because the
1565	conditions to the mandatory tender for purchase are not satisfied, no mandatory tender for
1566	purchase occurs on the proposed Liquidity Facility Date, (1) the Tender Agent give
1567	notice thereof to the Registrar; (2) the Registrar shall give Electronic Notice thereof,
1568	confirmed by first class mail, to the Registered Owners at their addresses as they appear
1569	on the Bond Register as of the date of such notice; and (3) the Tender Agent shall return
1570	to the Registered Owners any Bonds tendered to the Tender Agent in connection with
1571	such mandatory tender for purchase.
1572	d. <b>Expiration and Termination</b> . The county may elect at any time,
1573	in accordance with the terms of a Liquidity Facility or related Liquidity Facility
1574	Agreement, (1) to permit the Liquidity Facility to expire without delivering a substitute
1575	Liquidity Facility; or (2) to terminate the Liquidity Facility prior to its Expiration Date.
1576	e. <b>Supporting Liquidity Facility Documents</b> . In connection with
1577	the delivery of a Liquidity Facility after the Closing Date, the county shall deliver, or
1578	shall cause to be delivered, the following documents ("the Supporting Liquidity Facility
1579	Documents"):
1580	(1) written evidence from each Rating Agency of the rating to
1581	be assigned by the Rating Agency to the Bonds following the delivery of the Liquidity

1582 Facility;

1583	(2) a written opinion of counsel to the Liquidity Provider,
1584	addressed to the Registrar and the Tender Agent, to the effect that the Liquidity Facility is
1585	the legal, valid and binding obligation of the Liquidity Provider, enforceable against the
1586	Liquidity Provider in accordance with its terms (subject to customary exceptions relating
1587	to bankruptcy, insolvency and rights of creditors generally and to specific performance
1588	and equitable remedies);
1589	(3) an opinion of Bond Counsel to the effect that the delivery
1590	of the Liquidity Facility will not, in and of itself, cause interest on the Bonds to be
1591	secured thereby to be includable in gross income for federal income tax purposes; and
1592	(4) if applicable, the written acknowledgment of the Liquidity
1593	Provider of the Liquidity Facility then in effect that all conditions precedent to
1594	termination of the Liquidity Facility then in effect that are set forth in the Liquidity
1595	Facility then in effect or in any related Liquidity Facility Agreement have been fulfilled
1596	(or provision satisfactory to the Liquidity Provider has been made for such fulfillment).
1597	f. The Tender Agent shall not terminate or reduce the amount
1598	available under a Liquidity Facility except by reason of (1) the redemption, cancellation
1599	and/or defeasance of Bonds secured thereby; (2) the Conversion of Bonds secured
1600	thereby to an Interest Rate Mode that is not covered by the Liquidity Facility; or (3) a
1601	substitute Liquidity Facility is delivered and becomes effective.
1602	I. Required Liquidity Payments and Optional Liquidity Payments.
1603	1. <b>Required Liquidity Payments</b> . The county shall duly and punctually pay
1604	or cause to be paid to the Tender Agent, for deposit in the County Purchase Account of
1605	the Purchase Fund, as and when due, and in the amounts required to provide money for

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1606	the payment of the Purchase Price of Bonds tendered or deemed tendered for purchase
1607	and not remarketed pursuant to the terms hereof on the following Purchase Dates:
1608	a. each Purchase Date for Daily Rate Bonds if a Liquidity Facility is
1609	not in effect;
1610	b. each Purchase Date for Weekly Rate Bonds if a Liquidity Facility
1611	is not in effect;
1612	c. each Short-Term Rate Mandatory Purchase Date if a Liquidity
1613	Facility is not in effect with respect to such Short-Term Rate Bonds; and
1614	d. each Long-Term Rate Mandatory Purchase Date if a Liquidity
1615	Facility is not in effect.
1616	Collectively, subsection 1.a. through d. of this section are referred to as the "Required

1617 Liquidity Payments."

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

1625 3. The failure of the county to make a Required Liquidity Payment as and 1626 when due shall constitute a default. The failure of the county to make an Optional 1627 Liquidity Payment as and when needed shall not constitute a default.

1628	J. Ratification of Notice of Sale, Acceptance of Bids, and Authorization
1629	of Bonds. The issuance of the Bonds, designated as the county's Junior Lien Sewer
1630	Revenue Bonds, Series 2015A, in the aggregate principal amount of \$50,000,000, and
1631	Junior Lien Sewer Revenue Bonds, Series 2015B, in the aggregate principal amount of
1632	\$50,000,000, as Junior Lien Obligations, to pay all or a portion of the principal of and
1633	interest on the Commercial Paper Notes and to pay the costs of issuing the Bonds, and the
1634	other terms and conditions thereof set forth in the Notice, are hereby ratified and
1635	confirmed.
1636	The offer to purchase the Series A Bonds, as set forth in the bid of Morgan
1637	Stanley & Co. LLC attached as Attachment B to this motion, is hereby accepted. All
1638	other bids that have been received for the Series A Bonds are attached as Attachment C to
1639	this motion. The offer to purchase the Series B Bonds, as set forth in the bid of Morgan
1640	Stanley & Co. LLC attached as Attachment D to this motion, is hereby accepted. All
1641	other bids that have been received for the Series B Bonds are attached as Attachment E to
1642	this motion. The Bonds shall be dated their date of issue and delivery, shall be subject to
1643	mandatory tender for purchase upon expiration of the Initial Period, and shall bear
1644	interest at the rate for the Initial Period, all as specified in Attachment F to this motion.
1645	The Bonds shall be in the form attached as Attachment G to this motion. The Bonds shall
1646	be issued as Tax-Exempt Bonds. The Bonds shall conform in all respects to the terms
1647	and conditions specified in the Notice, the Bond Ordinance and this motion.
1648	K. Satisfaction of Parity Conditions. In accordance with the provisions of
1649	the ordinances authorizing the issuance of the currently outstanding obligations of the

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1650 System, which permit the issuance of Junior Lien Obligations upon compliance with the 1651 conditions set forth therein, the council hereby finds and determines, as follows: 1652 1. The Bonds are issued for a lawful purpose of the county related to the System. 1653 2. There is no default in the payment of the principal of or interest on any 1654 1655 Parity Bonds, Parity Lien Obligations, Junior Lien Obligations, Subordinate Lien Obligations, the Public Works Trust Fund Loans or the SRF Loans. 1656 3. 1657 The county will have on file on the Closing Date a certificate of the 1658 Finance Director showing that Net Revenue in any 12 consecutive months out of the most 1659 recent 18 months preceding the Closing Date, based on financial statements of the System prepared by the county and after deducting therefrom the Senior Lien Payments 1660 1661 required in each calendar year during the life of the Bonds, is at least equal to 1.10 times 1662 the Annual Debt Service for the Bonds and all then outstanding Junior Lien Obligations 1663 in each year during the life of the Bonds. 1664 The applicable conditions for the issuance of Junior Lien Obligations having been

1665 complied with in connection with the issuance of the Bonds, the pledge contained in the 1666 Bond Ordinance of Revenue of the System to pay and secure the payment of the Bonds 1667 will constitute a lien and charge on Revenue of the System equal in rank with the lien and 1668 charge on the Revenue of the System to pay and secure the payment of the Outstanding 1669 Junior Lien Obligations.

1670 L. Designation as Refunding Candidates. The Bonds are hereby
1671 designated as "Refunding Candidates" for purposes of Ordinance 18116.

74

1672	M. <b>Continuing Disclosure Undertaking</b> . In accordance with Section 25 of
1673	the Bond Ordinance, the county will enter into an undertaking for continuing disclosure
1674	for the Bonds in substantially the form described in the Official Statement for the Bonds.
1675	N. Further Authority. The county officials and their agents, attorneys and
1676	representatives are hereby authorized and directed to do everything necessary for the
1677	prompt issuance and delivery of the Bonds and for the proper use and application of the
1678	proceeds of sale of the Bonds.

1679 O. **Severability**. If any provision in this motion is declared by any court of 1680 competent jurisdiction to be contrary to law, then that provision shall be null and void

and shall be deemed separable from the remaining provisions of this motion and shall in

1682 no way affect the validity of the other provisions of this motion or of the Bonds.

1683

Motion 14459 was introduced on 11/16/2015 and passed as amended by the Metropolitan King County Council on 11/16/2015, by the following vote:

Yes: 8 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Lambert, Mr. Dunn, Mr. McDermott, Mr. Dembowski and Mr. Upthegrove No: 0 Excused: 1 - Ms. Hague

KING COUNTY COUNCIL KING COUNTY, WASHINGTON Larry Phillips, Chair

ATTEST:

Anne Noris, Clerk of the Council

Attachments: A. Official Notice of Sale, B. Winning Bid for Series A Bonds, C. All Remaining Bids for Series A Bonds, D. Winning Bid for Series B Bonds, E. All Remaining Bonds for Series B Bonds, F. Description of the Bonds, G. Form of Bond

# ATTACHMENT A

### **OFFICIAL NOTICE OF SALE**

#### **KING COUNTY, WASHINGTON**

# \$50,000,000 JUNIOR LIEN SEWER REVENUE BONDS SERIES 2015A

# \$50,000,000 JUNIOR LIEN SEWER REVENUE BONDS SERIES 2015B

Separate electronic bids for the King County, Washington, Junior Lien Sewer Revenue Bonds, Series 2015A (the "2015A Bonds"), and Junior Lien Sewer Revenue Bonds, Series 2015B (the "2015B Bonds") (together, the "Bonds"), of King County, Washington (the "County"), will be received via the PARITY Electronic Bidding System ("Parity") in the manner described below on

#### NOVEMBER 16, 2015, AT 9:00 A.M., PACIFIC TIME,

or at such later date or time as may be established by the Director of the Finance and Business Operations Division of the King County Department of Executive Services (the "Finance Director") and communicated through Parity and i-Deal Prospectus, as described under "Modification, Postponement, Cancellation."

All bids received with respect to the Bonds will be considered by the Metropolitan King County Council (the "County Council") at its regularly scheduled meeting on the day bids are received. If the County accepts a bid for either series of the Bonds, the Bonds of such series will be awarded to the successful bidder for such series and the terms of the bid will be approved by the County Council at such meeting.

Each series of the Bonds will be sold on an all-or-none basis. Bidders who choose to bid on more than one series of the Bonds must submit a separate bid for each series. Bids for each series of the Bonds must be submitted electronically via Parity in accordance with its Rules of Participation and this notice, and no bid received after the time for receiving bids specified above will be considered. For further information about Parity, potential bidders may contact Parity at (212) 849-5021.

*Modification, Postponement, Cancellation.* The County may modify the terms of this Official Notice of Sale prior to the time for receipt of bids, or postpone or cancel the sale of the Bonds, at its discretion. Any such modification, postponement, or cancellation will be provided to Parity and i-Deal Prospectus on or before November 13, 2015, except when infeasible due to emergency or unforeseen events or circumstances. As an accommodation to bidders, telephone, facsimile, or electronic notice of such modification, postponement, or cancellation will be given to any bidder requesting such notice from the County's financial advisor (the "Financial Advisor") at the address and phone number provided under "Contact Information" below. Failure of any bidder to receive such notice will not affect the legality of the sale.

A copy of the County's Preliminary Official Statement (with this Official Notice of Sale), dated November 6, 2015, and further information regarding the details of the Bonds may be obtained from i-Deal Prospectus, a service of i-Deal LLC, at *www.i-dealprospectus.com*, or upon request

v

14459

to the Finance and Business Operations Division or the Financial Advisor. See "Contact Information."

### **Contact Information**

Finance and Business Operations Division

Nigel Lewis King County (206) 296-1168 nigel.lewis@kingcounty.gov

Financial Advisor

Rob Shelley Piper Jaffray/Seattle-Northwest Division Office: (206) 628-2879 Day of Sale: (206) 601-2249 *robert.e.shelley@pjc.com* 

Bond Counsel

Marc Greenough Foster Pepper PLLC (206) 447-7888 greem@foster.com

# **DESCRIPTION OF THE BONDS**

The Bonds will be dated the date of their initial delivery. The Bonds of each series will be issued initially as Long-Term Rate Bonds and will bear interest from the Closing Date, payable on November 16, 2016 (the "Long-Term Rate Mandatory Purchase Date"), at the rates shown on the cover page of the Official Statement, computed on the basis of a 360-day year of twelve 30-day months. The Initial Period will commence on the Closing Date and end on the Long-Term Rate Mandatory Purchase Date.

The Bonds of each series will be fully registered as to both principal and interest and will be in the denomination of \$5,000 or any integral multiple thereof. The Bonds initially will be registered in the name of Cede & Co., as the nominee of The Depository Trust Company ("DTC"). Each Bond registered in the name of DTC or its nominee will be held fully immobilized in book-entry only form by DTC in accordance with the provisions of the Letter of Representations. Purchasers will not receive certificates representing their interest in the Bonds purchased. For so long as the Bonds are registered in the name of DTC or its nominee, DTC will be deemed to be the Registered Owner, and all references to Registered Owners will mean DTC and not the Beneficial Owners. The principal of and interest on the Bonds are payable by the fiscal agent for the State of Washington (the "Registrar"), currently U.S. Bank National Association, to DTC, which in turn is obligated to remit such principal and interest to DTC participants for subsequent disbursement to Beneficial Owners of the Bonds.

#### Mandatory Tender of the Bonds

The Bonds are subject to mandatory tender for purchase on the Long-Term Rate Mandatory Purchase Date. No Liquidity Facility secures the payment of the Purchase Price of the Bonds on the Long-Term Rate Mandatory Purchase Date. The failure of the County to pay the Purchase Price of the Bonds as and when due on the Long-Term Rate Mandatory Purchase Date constitutes a default.

#### **Conversion of the Interest Rate Mode**

Upon satisfaction of the conditions described in the Preliminary Official Statement, all (but not less than all) of the Bonds of a series may be converted on the Long-Term Rate Mandatory Purchase Date to bear interest at the Daily Rate, the Weekly Rate, an Index Floating Rate, the Short-Term Rate, another Long-Term Rate, or the Fixed Rate.

#### No Redemption of the Bonds

The Bonds are not subject to redemption prior to the Long-Term Rate Mandatory Purchase Date.

# **Open Market Purchase of the Bonds**

The County has reserved the right and option to purchase any or all of the Bonds in the open market or offered to the County at any time at any price acceptable to the County plus accrued interest to the date of purchase.

#### Security

The Bonds are obligations only of the Junior Lien Bond Fund and are secured by a lien and charge on Revenue of the System junior, subordinate, and inferior to Operating and Maintenance Expenses; junior, subordinate, and inferior to the lien and charge on such Revenue of the System for the payments required to be made into the Parity Bond Fund and the accounts therein; junior, subordinate, and inferior to the lien and charge on such Revenue of the System for the payments required to be made into the Parity Lien Obligation Fund and the accounts therein; equal to the lien and charge on such Revenue of the System to pay and secure the payment of the outstanding Junior Lien Obligations and any Additional Junior Lien Obligations; and superior to all other liens and charges of any kind or nature. The Bonds are not obligations of the State of Washington (the "State") or any political subdivision thereof other than the County. Neither the full faith and credit nor the taxing power of the County or the State or any political subdivision thereof is pledged to the payment of the Bonds. Payment of the Bonds is not secured by any debt service reserve.

The County always has made principal and interest payments on outstanding bonds and notes when due.

### **BIDDING INFORMATION AND AWARD**

#### **Bidding Information**

Bidders are invited to submit bids for the purchase of either or both series of the Bonds fixing the interest rate that the Bonds will bear for the Initial Period. The interest rate bid for each series of the Bonds must be in a multiple of 1/8 or 1/20 of 1%. No more than one rate of interest may be fixed for a series of the Bonds. In addition, bidders must specify interest rates no greater than 2.00% for the Bonds of each series. Bids must be without condition and may be submitted only electronically via Parity.

No bid will be considered for the Bonds of a series that is less than an amount equal to 100% of the par value of the Bonds of that series, or for less than the entire offering of the Bonds of that series.

Bidders are requested to provide a list of any syndicate members with their bids or within 24 hours after submitting their bids. The County strongly encourages the inclusion of women and minority business enterprise firms in bidding syndicates.

## **Bidding Process**

By submitting an electronic bid for either series of the Bonds, each bidder thereby agrees to the following terms and conditions:

- (i) If any provision in this Official Notice of Sale conflicts with information or terms provided or required by Parity, this Official Notice of Sale, including any modification or postponement communicated as described under "Modification, Postponement, Cancellation," will control.
- (ii) Bids may be submitted only via Parity. The bidder is solely responsible for making necessary arrangements to access Parity for purposes of submitting a bid timely and in compliance with the requirements of this Official Notice of Sale.
- (iii) The County has no duty or obligation to provide or assure access to Parity, and will not be responsible for the proper operation of Parity, or have any liability for any delays or interruptions or any damages caused by the use or attempted use of Parity.
- (iv) The County is using Parity as a communication mechanism, and not as an agent of the County.
- (v) Upon acceptance of a bid by the County, this Official Notice of Sale and the information that is electronically transmitted through Parity will form a contract between the bidder and the County.

If all bids for either series of the Bonds are rejected, the Finance Director may fix a new date and time for the receipt of bids for such series of the Bonds by giving notice as described under "Modification, Postponement, Cancellation" on or before the day prior to such new date and time.

### **Good Faith Deposit**

The successful bidder for each series of the Bonds is required to deliver a good faith deposit in the amount of \$500,000 by federal funds wire transfer to the Treasury Section of the Finance and Business Operations Division by no later than 90 minutes following the successful bidder's receipt of the verbal award. Wiring instructions will be provided to the successful bidder for each series of the Bonds at the time of the verbal award.

The good faith deposit of the successful bidder for each series of the Bonds will be retained by the County as security for the performance of such bid, and will be applied to the purchase price of such series of the Bonds on the delivery of such series of the Bonds to the successful bidder. Pending delivery of each series of the Bonds, the good faith deposit for such series of the Bonds may be invested for the sole benefit of the County.

If the Bonds of a series are ready for delivery and the successful bidder for the Bonds fails to complete the purchase of such series of the Bonds within 30 days following the acceptance of its bid, the good faith deposit will be forfeited to the County as liquidated damages and not as a

penalty, and, in that event, the County Council may accept the next best bid or call for additional bids.

#### Insurance

Bids for the Bonds may not be conditioned upon obtaining insurance or any other credit enhancement. If the Bonds of either series qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of a bidder, any purchase of such insurance or commitment therefor will be at the sole option and expense of the bidder and any increased costs of issuance of such series of the Bonds resulting by reason of such insurance will be paid by such bidder, unless otherwise paid. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued will not in any way relieve the successful bidder of its contractual obligations arising from the acceptance of its bid for such series of the Bonds.

If the successful bidder for a series of the Bonds purchases insurance for the Bonds, the County may require the successful bidder to furnish to the County and Bond Counsel a certificate in form and substance acceptable to Bond Counsel confirming that the insurance premium is less than the present value (calculated using the same yield as the yield on the insured Bonds) of the interest cost savings represented by the comparative differences between interest amounts that would have been payable on the insured Bonds at interest rates on the insured Bonds issued with and without the insurance on the insured Bonds.

## Award

Each series of the Bonds will be sold to the bidder making a bid for such series of the Bonds that conforms to the terms of the offering and that, on the basis of the lowest net interest cost, is the best bid. For the purpose of comparing bids only, each bid must state the net interest cost of the bid, which will be equal to the total interest cost to the Long-Term Rate Mandatory Purchase Date plus any premium and minus any discount, divided by the bond year dollars.

If there are two or more equal bids for a series of the Bonds and those bids are the best bids received, the Finance Director will determine which bid will be presented to the County Council for its consideration. The County reserves the right to reject any or all bids submitted and to waive any formality in the bidding or bidding process. If all bids for an offering are rejected, such series of the Bonds may be re-advertised for sale in the manner provided by law and as described above.

#### **Issue Price Information**

Upon award of the Bonds, the successful bidder for each series of the Bonds must advise the County and Bond Counsel of the initial reoffering price to the public of such series of the Bonds (the "Initial Reoffering Price"). Simultaneously with or before delivery of each series of the Bonds, the successful bidder for each series of the Bonds is required to furnish to the County and Bond Counsel a certificate in form and substance acceptable to Bond Counsel:

- (i) confirming the Initial Reoffering Price for such series of the Bonds;
- (ii) certifying that a *bona fide* initial public offering of such series of the Bonds was made on the date of sale of the Bonds (the "Sale Date");
- (iii) certifying facts establishing the successful bidder's reasonable expectations, as of the Sale Date, that the Initial Reoffering Price for such series of the Bonds would be the first

price at which at least 10% of the par amount of such series of the Bonds would be sold to the public, excluding bond houses, brokers, and other intermediaries, including, without limitation, the successful bidder and any selling group of which the successful bidder is a part, directly or indirectly (the "Public"); and

(iv) certifying that the Initial Reoffering Price for such series of the Bonds was in fact the first price at which at least 10% of the principal amount of such series of the Bonds was sold to the Public.

# Delivery

The County will deliver the Bonds (consisting of one certificate for each series of the Bonds) to DTC in New York, New York, or to the Registrar on behalf of DTC by Fast Automated Securities Transfer, prior to the date of closing. Closing will occur within 30 days after the Sale Date. Settlement will be in federal funds available in Seattle, Washington, on the date of delivery of the Bonds (the "Date of Issue"). Delivery is expected to be November 24, 2015.

If, prior to the delivery of a series of the Bonds, the interest receivable by the owners of the Bonds becomes includable in gross income for federal income tax purposes, or becomes subject to federal income tax other than as described in the Preliminary Official Statement, the successful bidder, at its option, may be relieved of its obligation to purchase such series of the Bonds, and in that case the good faith deposit accompanying its bid will be returned without interest.

#### **Legal Matters**

The approving legal opinion of Foster Pepper PLLC, Seattle, Washington, Bond Counsel, will be provided to the Purchaser of each series of the Bonds at the time of the delivery of the Bonds. Bond Counsel's opinion will express no opinion concerning the accuracy, completeness, or sufficiency of the Preliminary Official Statement or other offering material relating to the Bonds, nor will there be an opinion of Bond Counsel relating to the undertaking of the County to provide ongoing disclosure pursuant to Securities and Exchange Commission ("SEC") Rule 15c2–12 ("Rule 15c2-12"). A no-litigation certificate will be included in the closing papers of the Bonds.

### **CUSIP** Numbers

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on the Bonds nor any error with respect thereto will constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of this Official Notice of Sale.

The successful bidder for each series of the Bonds is responsible for obtaining the CUSIP number for such series of the Bonds. The charge of the CUSIP Service Bureau will be paid by each successful bidder.

## **OTHER INFORMATION**

### **Ongoing Disclosure Undertaking**

To assist bidders in complying with paragraph (b)(5) of Rule 15c2-12, the County will undertake to provide certain annual financial information and notices of the occurrence of certain events. A description of this undertaking is set forth in the Preliminary Official Statement under "Continuing Disclosure Undertaking" and will also be set forth in the final Official Statement.

### **Preliminary Official Statement**

The Preliminary Official Statement is in a form that the County expects to deem final for the purpose of paragraph (b)(1) of Rule 15c2-12, but is subject to revision, amendment, and completion in a final Official Statement, which the County will deliver, at the County's expense, to each Purchaser through its designated representative not later than seven business days after the County's acceptance of such Purchaser's bid, in sufficient quantities to permit such Purchaser to comply with Rule 15c2-12.

By submitting the successful bid, such Purchaser agrees:

- to provide to the Finance and Business Operations Division, in writing, within 24 hours after the acceptance of the bid, pricing and other related information, including the Initial Reoffering Price of such series of the Bonds, necessary for completion of the final Official Statement;
- (ii) to disseminate to all members of the underwriting syndicate, if any, copies of the final Official Statement, including any amendments or supplements prepared by the County;
- (iii) to take any and all actions necessary to comply with applicable rules of the SEC and the Municipal Securities Rulemaking Board ("MSRB") governing the offering, sale, and delivery of such series of the Bonds to the ultimate purchasers, including the delivery of a final Official Statement to each investor who purchases such series of the Bonds; and
- (iv) to file the final Official Statement or cause it to be filed with the MSRB within one business day following its receipt from the County.

## **Official Statement**

At closing, the County will furnish a certificate of an official or officials of the County, stating that, to the best knowledge of such official(s) and relying on the opinion of Bond Counsel where appropriate, as of the date of the Official Statement and as of the Date of Issue of the Bonds:

- (i) the information (including financial information) regarding the County contained in the Official Statement was and is true and correct in all material respects and did not and does not contain any untrue statement of a material fact or omit any statement or information which is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (however, the County will make no representation regarding Bond Counsel's form of opinion or the information provided by DTC, U.S. Bank National Association, or any entity providing bond insurance or other credit facility); and
- (ii) the descriptions and statements, including financial data, of or pertaining to other bodies and their activities contained in the Official Statement have been obtained from sources

that the County believes to be reliable and the County has no reason to believe that they are untrue in any material respect.

DATED at Seattle, Washington, this 6th day of November, 2015.

By: \_\_\_\_\_/s/ Ken Guy\_\_\_\_\_

Ken Guy Director of Finance and Business Operations Division Department of Executive Services

Attachment B

Upcoming Calendar Overview Result Excel

# Morgan Stanley & Co, LLC - New York , NY's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015A

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,794,500.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date         Amount \$         Coupon %         Yield %         Dollar Price           11/16/2016         50,000M         2.0000         0.3690         101.589           Bid:         101.589000         9794,500.00         9794,500.00           Net Interest Cost:         \$183,277.78         9.374886           Time Last Bid Received On:11/16/2015 8:59:05 PST         9.374886					
Bid:         101.589000           Premium:         \$794,500.00           Net Interest Cost:         \$183,277.78           NIC:         0.374886	Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
Premium:         \$794,500.00           Net Interest Cost:         \$183,277.78           NIC:         0.374886	11/16/2016	50,000M	2.0000	0.3690	101.589
Net Interest Cost:         \$183,277.78           NIC:         0.374886	Bid:			1	01.589000
NIC: 0.374886	Premium:			\$7	794,500.00
	Net Interest	Cost:		\$1	83,277.78
Time Last Bid Received On:11/16/2015 8:59:05 PST	NIC:				0.374886
	Time Last B	id Receive	d On:11/16	/2015 8:	59:05 PST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder:Morgan Stanley & Co, LLC, New York , NYContact:Jenna RussottoTitle:Vice PresidentTelephone:212-761-1573Fax:212-507-1378

Issuer Name: King County

Company Name:

Accepted By:

Accepted By:

Date:

\_\_\_\_\_ Date:

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14459

# \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015A

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price	Call Date
11/16/2016	50,000M	2.0000	0.3690	101.589	

Accrued Interest: \$0.00

# Gross Production: \$50,794,500.00

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PARITY Result Screen

Attachment C

09:18:03 a.m. PDST Upcoming Calendar Overview Compare Summary

# Bid Results

# King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015A

The following bids were submitted using *PARITY*<sup>®</sup> and displayed ranked by lowest NIC. Click on the name of each bidder to see the respective bids.

	Amount Awarded (M)	Bidder Name	NIC	Bid Amount
Reoffering	50,000	Morgan Stanley & Co, LLC	0.374886	50,000M
	. A monor monormal source on a construction of the source of	Wells Fargo Bank, National Association	0.401477	50,000M
	2. And an entropy of a state density of the order. Is "A difference dual to "."	J.P. Morgan Securities LLC	0.405227	50,000M
	a 1997 - Andrew Martine, and Andrew Martine (1997) 1997 - Andrew Martine, and Andrew Martine (1997) 1997 - Andrew Martine, and Andrew Martine (1997)	RBC Capital Markets	0.435341	50,000M
	ana an an an an an a second second second	Goldman, Sachs & Co.	0.497614	50,000M
		Bank of America Merrill Lynch	0.533409	50,000M
		- x		
Awarded Totals	50,000M			300,000M
Issue Size	50,000M			
		Save		

\*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

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14459

Upcoming Calendar Overview Result Excel

# Wells Fargo Bank, National Association - Charlotte , NC's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015A

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,781,500.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
11/16/2016	50,000M	2.0000	0.3700	101.588
Bid:			1	01.563000
Premium:			\$7	781,500.00
Net Interest		\$1	196,277.78	
NIC:				0.401477
Time Last Bid Received On:11/16/2015 8:57:10 PS				

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder:Wells Fargo Bank, National Association, Charlotte, NCContact:Andrew MaffucciTitle:Vice PresidentTelephone:704-410-4066Fax:704-383-0065

Issuer Name: King County

Company Name: \_\_\_\_

Accepted By:

Accepted By:

Date:

Date:

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Upcoming Calendar Overview Result Excel

# J.P. Morgan Securities LLC - New York , NY's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015A

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,413,000.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Amount \$	Coupon %	Yield %	Dollar Price
50,000M	1.2500	0.4000	100.827
1		1	00.826000
Premium:			13,000.00
Net Interest Cost:			198,111.11
			0.405227
Time Last Bid Received On:11/16/2015			
	50,000M Cost:	50,000M 1.2500 Cost:	1 \$2 Cost: \$7

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder:J.P. Morgan Securities LLC, New York , NYContact:Brian GonorTitle:Vice PresidentTelephone:212-834-7224Fax:917-456-3554

Issuer Name: King County

Company Name:

Accepted By:

Accepted By:

Date:

Date:

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1 .	Upcoming Calendar	 Overview	Result	Excel
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# RBC Capital Markets - New York , NY's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015A

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,520,500.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
11/16/2016	50,000M	1.5000	0.4300	101.041
Bid:			1	01.041000
Premium:			\$5	520,500.00
Net Interest	Cost:		\$2	212,833.33
NIC:				0.435341
Time Last Bid Received On:11/16/2015 8:56:27 PS				

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder:RBC Capital Markets, New York , NYContact:craig laraiaTitle:managing directorTelephone:212-618-2019...Fax:212-428-2369

Issuer Name: King County

Company Name:

Accepted By:

Accepted By:

Date:

\_\_\_\_\_ Date:

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14459

Upcoming Calendar	
	Result Excel

# Goldman, Sachs & Co. - New York , NY's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015A

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,734,500.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
11/16/2016	50,000M	2.0000	0.4800	101.479
Bid:			1	01.469000
Premium:			\$7	34,500.00
Net Interest		\$2	43,277.78	
NIC:				0.497614
Time Last B	59:27 PST			

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder:Goldman, Sachs & Co., New York , NYContact:Bervan YehTitle:VPTelephone:212-902-6588Fax:212-902-3065

Issuer Name: King County

Company Name:

Accepted By:

Accepted By:

Date:

\_\_\_\_\_ Date:

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Page 1 of 1

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Upcoming Calendar	Overview	Result Excel	3
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# Bank of America Merrill Lynch - New York , NY's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015A

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,717,000.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

T	Company of the second se		1	1	
Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price	
11/16/2016	50,000M	2.0000	0.5000	101.459	
Bid:				01.434000	
Premium: Net Interest Cost:			\$717,000.00		
			\$260,777.78		
NIC:			0.533409		
Time Last Bid Received On:11/16/2				59:01 PST	

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder:Bank of America Merrill Lynch, New York , NYContact:Jim BrewerTitle:DirectorTelephone:212-449-5544Fax:646-736-6960

Issuer Name: King County

Company Name:

Accepted By:

Accepted By:

Date:

Date:

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Attachment D

Upcoming Calendar Overview Result Excel

# Morgan Stanley & Co, LLC - New York , NY's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015B

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,794,500.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
11/16/2016	11/16/2016 50,000M 2.0000 0.369			
Bid:	1	01.589000		
Premium:	\$7	794,500.00		
Net Interest	Net Interest Cost:			
NIC:	0.374886			
Time Last Bid Received On:11/16/2015 8:58:46 P				

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder:Morgan Stanley & Co, LLC, New York , NYContact:Jenna RussottoTitle:Vice PresidentTelephone:212-761-1573Fax:212-507-1378

Issuer Name: King County

Company Name:

Accepted By:

Accepted By:

Date:

\_\_\_ Date:

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Result

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# Morgan Stanley & Co, LLC's Reoffering Scale King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015B

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price	Call Date
11/16/2016	50,000M	2.0000	0.3690	101.589	

Accrued Interest: \$0.00

# Gross Production: \$50,794,500.00

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PARITY Result Screen

Attachment E

09:18:23 a.m. PDST Upcoming Calendar Overview Compare Summary

# **Bid Results**

# King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015B

The following bids were submitted using *PARITY*<sup>®</sup> and displayed ranked by lowest NIC. Click on the name of each bidder to see the respective bids.

	Amount Awarded (M)	Bidder Name	NIC	Bid Amount
Reoffering	50,000	Morgan Stanley & Co, LLC	0.374886	50,000M
		Wells Fargo Bank, National Association	0.401477	50,000M
	a a a a a a a a a a a a a a a a a a a	J.P. Morgan Securities LLC	0.405227	50,000M
	a mana mana kara kara kara na kara na kara kara	Goldman, Sachs & Co.	0.437273	50,000M
		RBC Capital Markets	0.443523	50,000M
	, and the second se	Bank of America Merrill Lynch	0.533409	50,000M
		Citigroup Global Markets Inc.	0.558977	50,000M
	a se an ann an an Annaich an an ann an Annaich ann an Annaich an Annaich an Annaich ann a' bhail ann an Annaich a	TD Securities	0.578409	50,000M
-				
Awarded Totals	50,000M			400,000M
Issue Size	50,000M			
		(Save)		

\*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

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Upcoming Calendar	Overview	Result Excel

# Wells Fargo Bank, National Association - Charlotte , NC's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015B

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,781,500.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
11/16/2016	50,000M	2.0000	0.3700	101.588
Bid:			1	01.563000
Premium:		\$781,500.00 \$196,277.78		
Net Interest				
NIC: Time Last Bid Received On:11/16/2015				0.401477
				56:51 PST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder:Wells Fargo Bank, National Association, Charlotte , NCContact:Andrew MaffucciTitle:Vice PresidentTelephone:704-410-4066Fax:704-383-0065

Issuer Name: King County

Company Name:

Accepted By:

Accepted By:

Date:

Date:

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Upcoming Calendar Overview Result	EXCEL
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# J.P. Morgan Securities LLC - New York , NY's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015B

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,413,000.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date	Yield %	Dollar Price		
11/16/2016	50,000M	1.2500	0.4000	100.827
Bid: 100.8260				
Premium:	13,000.00			
Net Interest Cost:				98,111.11
NIC: 0.405227				
Time Last Bid Received On:11/16/2015 8:58:23 PST				

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder:J.P. Morgan Securities LLC, New York , NYContact:Brian GonorTitle:Vice PresidentTelephone:212-834-7224Fax:917-456-3554

Issuer Name: King County

Company Name:

Accepted By:

Accepted By:

Date:

Date:

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Upcoming	Calendar		Overview	Result	Excel
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# Goldman, Sachs & Co. - New York , NY's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015B

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,764,000.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date	Amount \$	Dollar Price				
11/16/2016	1/16/2016 50,000M 2.0000 0.420					
Bid:	01.528000					
Premium:	\$7	764,000.00				
Net Interest Cost:				\$213,777.78		
NIC: 0.4						
Time Last Bid Received On:11/16/2015 8:59:06 F						

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder:Goldman, Sachs & Co., New York , NYContact:Lori CiraoloTitle:VPTelephone:212-902-3451Fax:212-493-0479

Issuer Name: King County

Company Name: \_\_\_\_

Accepted By:

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Date:

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# RBC Capital Markets - New York , NY's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015B

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,516,500.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
11/16/2016	50,000M	1.5000	0.4380	101.033
Bid:			1	01.033000
Premium:		\$5	516,500.00	
Net Interest	Cost:		\$2	216,833.33
NIC:			0.443523	
Time Last B	/2015 8:	49:11 PST		

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder:RBC Capital Markets, New York , NYContact:craig laraiaTitle:managing directorTelephone:212-618-2019Fax:212-428-2369

Issuer Name: King County

Company Name:

Accepted By:

Accepted By:

Date:

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# Bank of America Merrill Lynch - New York , NY's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015B

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,717,000.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price	
11/16/2016	50,000M	2.0000	0.5000	101.459	
Bid:			1	01.434000	
Premium:			\$717,000.00		
Net Interest	\$260,777.78				
NIC:			0.533409		
Time Last Bid Received On:11/16/2015 8:58:17 PST					

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder:Bank of America Merrill Lynch, New York , NYContact:Jim BrewerTitle:DirectorTelephone:212-449-5544Fax:646-736-6960

Issuer Name: King County

Company Name:

Accepted By:

Accepted By:

Date:

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	THE R. LEWIS CO. S. LANSING MICH.	1	dentities to consider the state			

# Citigroup Global Markets Inc. - New York , NY's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015B

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,704,500.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price
11/16/2016	50,000M	2.0000	0.5000	101.459
Bid:			1	01.409000
Premium:			\$7	704,500.00
Net Interest Cost: \$273,277.7				
NIC: 0.5				
Time Last Bid Received On:11/16/2015 8:59:44 PST				

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder:Citigroup Global Markets Inc., New York , NYContact:Mark MatthewsTitle:DirectorTelephone:212-723-7101Fax:212-723-8823

Issuer Name: King County

Company Name:

Accepted By:

Accepted By:

Date:

Date:

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# TD Securities - New York , NY's Bid King County \$50,000,000 Junior Lien Sewer Revenue Bonds, Series 2015B

For the aggregate principal amount of \$50,000,000.00, we will pay you \$50,695,000.00, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate:

Maturity Date Amount \$		Coupon %	Yield %	Dollar Price
11/16/2016	50,000M	2.0000	0.5500	101.410
Bid: 101.390000				
Premium: \$695,000.00				
Net Interest Cost: \$282,777.78				
NIC: 0.578409				
Time Last Bid Received On:11/16/2015 8:57:33 PST				

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: TD Securities, New York , NY Contact: Chris Dimon Title: Telephone:212-827-7171 Fax:

Issuer Name: King County

Company Name:

Accepted By:

Accepted By:

Date:

Date:

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# ATTACHMENT F

# **DESCRIPTION OF THE BONDS**

(a)	Principal Amount (Series A):	\$50,000,000
(b)	Purchase Price (Series A):	<pre>\$ (\$ per \$100), representing the stated principal amount of the Series A Bonds, plus a premium of \$, minus an underwriter's discount of \$</pre>
(c)	Interest Rate (Series A):	<u>%</u> .
(d)	Principal Amount (Series B):	\$50,000,000
(e)	Purchase Price (Series B):	<pre>\$ (\$ per \$100), representing the stated principal amount of the Series B Bonds, plus a premium of \$, minus an underwriter's discount of \$</pre>
(f)	Interest Rate (Series B):	%.
(g)	Initial Period:	Long-Term Interest Period commencing November 24, 2015, and ending November 16, 2016.
(h)	Interest Payment Date:	November 16, 2016.

51482880.1

## ATTACHMENT G FORM OF BOND

#### No. R-

\$50,000,000

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the County or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), **ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL** inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

#### **UNITED STATES OF AMERICA**

### **STATE OF WASHINGTON**

#### KING COUNTY

#### JUNIOR LIEN SEWER REVENUE BOND, SERIES 2015[A/B]

Maturity Date: January 1, 2046

CUSIP No.:

**Registered Owner:** 

**Principal Amount:** 

# FIFTY MILLION AND NO/100 DOLLARS

CEDE & CO.

KING COUNTY, WASHINGTON (the "County"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date specified above, the Principal Amount specified above (except upon conversion to bear interest at the Fixed Rate as provided in the Bond Legislation referred to herein) and to pay interest thereon (computed as provided in the Bond Legislation) from the date of this bond, or the most recent date to which interest has been paid or duly provided for, until payment of this bond, at the interest rates and on the dates determined as provided in the Bond Legislation.

Principal of and premium, if any, and interest on this bond are payable in lawful money of the United States of America. So long as this bond is registered in the name of The Depository Trust Company ("DTC") or its nominee, principal of and premium, if any, and interest on this bond are payable in the manner set forth in the Blanket Issuer Letter of Representations from the County to DTC. If this bond is no longer registered in the name of the Securities Depository, interest on this bond is payable by electronic transfer on the interest payment date, or by check or draft of the fiscal agent of the State of Washington (as the same may be designated by the State from time to time, the "Registrar") mailed on the interest payment date to the Registered Owner at the address appearing on the Bond Register on the Record Date, and principal of and premium, if any, on this bond are payable upon presentation and surrender of this bond by the Registered Owner to the Registrar. The County is not required to make

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electronic transfers except pursuant to a request by a Registered Owner in writing received on or prior to the Record Date and at the sole expense of the Registered Owner.

This bond is issued to provide funds necessary to pay a portion of the principal of and interest on the County's outstanding Sewer Revenue Bond Anticipation Notes, Commercial Paper Series A, and to pay the costs of issuing this bond and the County's Junior Lien Sewer Revenue Bond, Series 2015[A/B] (together, the "Bonds").

The Bonds are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington, the County Charter and applicable ordinances duly adopted by the County, including Ordinance 18141, and Motion \_\_\_\_\_\_ of the County Council (together, the "Bond Legislation"). Capitalized terms used in this bond and not defined herein have the meanings given such terms in the Bond Legislation.

This bond is issued initially as a Long-Term Rate Bond bearing interest payable on November 16, 2016 (a "Long-Term Rate Mandatory Purchase Date"), computed on the basis of a 360-day year of twelve 30-day months. The Bonds are subject to mandatory tender for purchase by the Tender Agent (initially, the Registrar), at a price equal to the principal amount of the Bonds (the "Purchase Price") on the Long-Term Rate Mandatory Purchase Date. Thereafter, at the option of the County, upon the satisfaction of certain conditions set forth in the Bond Legislation, this bond may be converted to bear interest at the Daily Rate, the Weekly Rate, an Index Floating Rate, the Short-Term Rate, another Long-Term Rate or the Fixed Rate, and this bond may become subject to optional and mandatory tender for purchase and optional redemption. Upon conversion to bear interest at the Fixed Rate, this bond may be converted to serial bonds or serial and term bonds subject to mandatory sinking fund redemption.

If the funds available for the purchase of this bond on the Long-Term Mandatory Purchase Date are insufficient to purchase this bond, then no purchase of this bond will occur on the Long-Term Mandatory Purchase Date, the Tender Agent is required to return this bond to the Registered Owner on the Long-Term Mandatory Purchase Date, and this bond will continue to bear interest at the applicable Long-Term Rate until the date that this bond has been purchased. The failure of the County to pay the Purchase Price of this bond as and when due on the Long-Term Rate Mandatory Purchase Date constitutes a default.

This bond is an obligation only of the Junior Lien Bond Fund. The amounts covenanted in the Bond Legislation to be paid out of Revenue of the System into the Junior Lien Bond Fund and the accounts therein constitute a lien and charge on Revenue of the System junior, subordinate and inferior to Operating and Maintenance Expenses; junior, subordinate and inferior to the lien and charge on such Revenue of the System for the payments required to be made into the Parity Bond Fund and the accounts therein; junior, subordinate and inferior to the lien and charge on such Revenue of the System for the payments required to be made into the Parity Bond Fund and the accounts therein; junior, subordinate and inferior to the lien and charge on such Revenue of the System for the payments required to be made into the Parity Lien Obligation Fund and the accounts therein; equal to the lien and charge on such Revenue of the System to pay and secure the payment of the outstanding Junior Lien Obligations; and any Additional Junior Lien Obligations; and superior to all other liens and charges of any kind or nature, including, inter alia, the lien and charge on such Revenue of the System to pay and secure the payment of Multi-Modal LTGO/Sewer Revenue Bonds, Subordinate Lien Obligations, SRF Loans and Public Works Trust Fund Loans.

This bond is not a general obligation of the county. Neither the full faith and credit nor the taxing power of the county or the State or any political subdivision thereof is pledged to the payment of this bond.

The County hereby covenants and agrees with the Registered Owner of this bond that it will keep and perform all the covenants of this bond and of the Bond Legislation to be by it kept and performed. The County has obligated and bound itself to set aside and pay into the Junior Lien Bond Fund out of Revenue of the System amounts sufficient, together with income from the investment of money in the Junior Lien Bond Fund and any other money on deposit in the Junior Lien Bond Fund and legally available, to pay the Bonds as the same become due and payable.

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

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

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

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

IN WITNESS WHEREOF, the County has caused this bond to be executed by the manual or facsimile signature of the County Executive, to be attested by the manual or facsimile signature of the Clerk of the County Council, and the seal of the County to be impressed or imprinted hereon, all as of , 2015.



KING COUNTY, WASHINGTON

Bv

King County Executive

ATTEST:

Clerk of the County Council

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Date of Authentication: , 2015.

### CERTIFICATE OF AUTHENTICATION

This is the fully registered Junior Lien Revenue Bond, Series 2015[A/B], of King County, Washington, dated \_\_\_\_\_\_, 2015, described in the within mentioned Bond Legislation.

## WASHINGTON STATE FISCAL AGENT as Registrar

By \_\_\_\_\_ Authorized Signer

#### ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(Please insert Social Security Number or Taxpayer Identification Number of Transferee)

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

the within mentioned bond and hereby irrevocably constitutes and appoints

or its successor to transfer the same on the Bond Register with full power of substitution in the premises.

Dated: \_\_\_\_\_, 20\_\_\_.

NOTE: The signature on this Assignment must correspond with the name of the Registered Owner as it appears on the front of the within mentioned bond in every particular, without alteration or enlargement or any change whatever.

SIGNATURE GUARANTEED:

NOTICE: Signatures must be guaranteed pursuant to law.

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