

ITEM NO:	<u>6h Attach 1</u>
DATE OF MEETING:	<u>November 22, 2016</u>

PORT OF SEATTLE

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RESOLUTION NO. 3729

A RESOLUTION of the Port Commission of the Port of Seattle, authorizing the sale and issuance of limited tax general obligation bonds of the Port in the aggregate principal amount of not to exceed \$150,000,000 for eligible Port purposes, including reimbursement to the Port for a portion of the Port's contribution for the Alaskan Way viaduct replacement program; and authorizing a Designated Port Representative to approve certain matters relating to the bonds.

ADOPTED: \_\_\_\_\_, 2016

Prepared by:

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RESOLUTION NO. 3729  
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RESOLUTION NO. 3729

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WHEREAS, the Port of Seattle (the "Port"), a municipal corporation of the State of Washington, owns and operates a system of marine terminals and properties and Seattle-Tacoma International Airport; and

WHEREAS, the Port is authorized by RCW 53.36.030 and ch. 39.46 to issue general obligation bonds payable from, *inter alia*, regular tax levies of the Port; and

WHEREAS, the Port entered into the Alaskan Way Viaduct Replacement Program Funding Agreement dated August 27, 2013, with the State of Washington, as amended by GCB 1140 Amendment No. 01, dated as of March 31, 2016 (the "Agreement"), to pay contributions for the Alaskan Way viaduct replacement program after receipt of a request for payment from the State of Washington; and

WHEREAS, in 2015, the Port made its first payment of \$120,000,000 under the Agreement; and

WHEREAS, the State of Washington duly requested the second and third payments under the Agreement; and

WHEREAS, on May 31, 2016, the Port made its second payment of \$65,000,000, and on October 31, 2016, the Port made its third payment of \$82,700,000 under the Agreement; and

WHEREAS, the Commission wishes to delegate authority to approve the manner of sale, the sale date, the final principal amounts of the bonds, interest rates, principal maturities,

redemption provisions, and the true interest cost of such bonds to be fixed under such terms and conditions as are approved by this resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE PORT COMMISSION OF THE PORT OF SEATTLE, as follows:

Section 1.     Definitions.   Unless otherwise defined herein, the terms used in this resolution shall have the following meanings:

***Agreement*** means the Alaskan Way Viaduct Replacement Program Funding Agreement by and between the Port and the State of Washington on August 27, 2013, as amended by GCB 1140 Amendment No. 01, dated as of March 31, 2016, and as may be amended from time to time, obligating the Port to pay contributions for the Alaskan Way viaduct replacement program after receipt of a request for payment from the State of Washington.

***Approved Bid*** means the winning bid submitted for the Bonds if the Bonds are sold by Competitive Sale.

***Bond Fund*** means the Port of Seattle Limited Tax General Obligation Bond Redemption Fund, 2017, or similar fund or account created in the office of the Treasurer of the Port by Section 5 of this resolution.

***Bond Purchase Contract*** means, if the Bonds shall be sold by Negotiated Sale, the purchase contract relating to the Bonds between the Port and the Underwriter.

***Bond Register*** means the registration books maintained by the Registrar containing the name and mailing address of the owner of each Bond or nominee of such owner and the principal amount and number of Bonds held by each owner or nominee.

***Bonds*** mean the Port of Seattle Limited Tax General Obligation Bonds, 2017, authorized to be issued in Section 2(a) of this resolution.

**Code** means the Internal Revenue Code of 1986, as amended, and shall include all applicable regulations and rulings relating thereto.

**Commission** means the Commission of the Port as the general legislative body of the Port, or any successor thereto as provided by law.

**Competitive Sale** means the process by which the Bonds are sold through the public solicitation of bids from underwriting firms.

**Designated Port Representative** means the Chief Executive Officer of the Port or the Chief Financial Officer of the Port (or the successor in function to such person(s)) or such other person as may be directed by resolution of the Commission.

**DTC** means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Bonds pursuant to Section 4 hereof.

**Federal Tax Certificate** means the certificate of that name executed and delivered by the Port at the time of issuance and delivery of the Bonds.

**First Interest Payment Date** means July 1, 2017, or such other date specified as such in the Official Notice of Sale or the Bond Purchase Contract.

**Government Obligations** has the meaning given such term in RCW Ch. 39.53, as now or hereafter amended.

**Letter of Representations** means the blanket issuer letter of representations from the Port to DTC.

**Negotiated Sale** means the process by which the Bonds are sold by negotiation to one or more underwriting firms selected by the Designated Port Representative.

**Official Notice of Sale** means, if the Bonds shall be sold by Competitive Sale, a notice of bond sale authorized to be given in Section 12 of this resolution.

**Official Statement** means a final Official Statement delivered to the initial purchasers of the Bonds.

**Port** means the Port of Seattle, a municipal corporation of the State of Washington, as now or hereafter constituted, or the corporation, authority, board, body, commission, department or officer succeeding to the principal functions of the Port or to whom the powers vested in the Port shall be given by law.

**Registered Owner** means the person named as the registered owner of a Bond in the Bond Register.

**Registrar** means, the fiscal agent of the State of Washington appointed by the Treasurer for the purposes of registering and authenticating the Bonds, maintaining the Bond Register and effecting transfer of ownership of the Bonds. The term **Registrar** shall include any successor to the fiscal agent, if any, hereafter appointed by the Treasurer.

**Rule** means the SEC's Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

**SEC** means the United States Securities and Exchange Commission.

**Treasurer** means the Chief Financial Officer of the Port, or any other public officer as may hereafter be designated pursuant to law to have the custody of Port funds.

**Underwriter** means the underwriter(s) of the Bonds if the Bonds are sold by Negotiated Sale or the successful bidder submitting the Approved Bid if the Bonds are sold by Competitive Sale.

**Rules of Interpretation.** In this resolution, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular

article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this resolution;

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) Any headings preceding the text of the several articles and Sections of this resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect; and

(e) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

Section 2. Authorization and Description of Bonds.

(a) *Bonds.* The Port shall issue its limited tax general obligation bonds in order to provide for all or a portion of the cost of eligible Port purposes, including reimbursement of second and third payments of the Port under the Agreement, and pay all or a portion of the costs of issuance (the “Bonds”). The Bonds shall be designated as the “Port of Seattle, Limited Tax General Obligation Bonds, 2017.”

(b) *Bond Terms.* The Bonds shall be issued in the aggregate principal amount of not to exceed \$150,000,000; shall be dated as of the date of their delivery; shall be fully registered as to both principal and interest; shall be in the denomination of \$5,000 or any integral multiple thereof within a maturity, provided that no Bond shall represent more than one maturity; shall be

numbered separately and in the manner and with any additional designation as the Registrar deems necessary for purposes of identification and control; and shall bear interest from their date of delivery until the Bonds bearing such interest have been paid or their payment is duly provided for. The Bonds shall be issued in the aggregate principal amount, shall bear interest at the per annum rates, payable semiannually on January 1 and July 1, commencing on the First Interest Payment Date, and shall mature in the principal amounts, each as set forth in the Official Notice of Sale and Approved Bid or the Bond Purchase Contract and as approved by the Designated Port Representative pursuant to Section 12 of this resolution. The Bonds of any of the maturities may be combined and issued as term bonds, subject to mandatory redemption as provided in the Official Notice of Sale and Approved Bid or the Bond Purchase Contract.

Section 3.     Redemption.

(a)     *Optional Redemption.* The Bonds may be subject to optional redemption on the dates, and under the terms set forth in the Official Notice of Sale and Approved Bid or the Bond Purchase Contract, as approved by the Designated Port Representative pursuant to Section 12.

(b)     *Mandatory Redemption.* The Bonds may be subject to mandatory redemption if and to the extent, if any, set forth in the Official Notice of Sale and Approved Bid or the Bond Purchase Contract and as approved by the Designated Port Representative pursuant to Section 12.

(c)     *Selection of Bonds for Redemption.* The manner of selection of Bonds for redemption shall be set forth in the Official Statement relating to the issuance and sale of the Bonds and as approved by the Designated Port Representative pursuant to Section 12.

(d)     *Notice of Redemption.* Written notice of any redemption of Bonds prior to maturity (which notice, in the case of an optional redemption, may be conditional) shall be given by the Registrar on behalf of the Port by first class mail, postage prepaid, not less than 20 days



nor more than 60 days before the date fixed for redemption to the Registered Owners of Bonds that are to be redeemed at their last addresses shown on the Bond Register. This requirement shall be deemed complied with when notice is mailed to the Registered Owners at their last addresses shown on the Bond Register, whether or not such notice is actually received by the Registered Owner.

So long as the Bonds are in book-entry only form, notice of redemption shall be given to beneficial owners of bonds to be redeemed in accordance with the operational arrangements then in effect at DTC, and neither the Port nor the Registrar shall be obligated or responsible to confirm that any notice of redemption is, in fact, provided to beneficial owners.

Each notice of redemption prepared and given by the Registrar to Registered Owners of Bonds shall contain the following information: (1) the date fixed for redemption, (2) the redemption price, (3) if fewer than all outstanding Bonds are to be redeemed, the identification by maturity (and, in the case of partial redemption, the principal amounts) of the Bonds to be redeemed, (4) that (unless the notice of redemption is a conditional notice, in which case the notice shall state that such Bond will become due and payable and interest shall cease to accrue on the date fixed for redemption if and to the extent that the specified condition or conditions have been satisfied as of the date fixed for the redemption of Bonds) on the date fixed for redemption the redemption price will become due and payable upon each Bond or portion called for redemption, and that interest shall cease to accrue from the date fixed for redemption, (5) that the Bonds are to be surrendered for payment at the principal office of the Registrar, (6) the CUSIP numbers of all Bonds being redeemed, (7) the dated date of the Bonds being redeemed, (8) the rate of interest for each Bond being redeemed, (9) the date of the notice, and (10) any other information deemed necessary by the Registrar to identify the Bonds being redeemed.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(e) *Effect of Redemption.* Unless the Port has revoked a notice of optional redemption prior to the date fixed for redemption (or unless the Port provided a conditional notice and the conditions for redemption set forth therein are not satisfied prior to the date fixed for redemption), the Port shall transfer to the Registrar amounts that, in addition to other money, if any, held by the Registrar, will be sufficient to redeem, on the date fixed for redemption, all the Bonds to be redeemed. If and to the extent that the specified condition or conditions have been satisfied as of the date fixed for redemption for such Bond, interest on each such Bond shall cease to accrue.

(f) *Amendment of Notice Provisions.* The foregoing notice provisions of this section, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

(g) *Purchase.* The Port reserves the right to purchase any of the Bonds offered to the Port at any price deemed reasonable by the Designated Port Representative at any time. To the extent the Port purchases for cancellation or optionally redeems any Bonds that are term bonds, the Port may reduce the mandatory sinking fund requirements of such Bonds of the same maturity, in like aggregate principal amount for the year as specified in the final Official Statement.

Section 4. Registration, Exchange and Payments.

(a) *Registrar/Bond Register.* The Port hereby specifies and adopts the system of registration and transfer for the Bonds approved by the Washington State Finance Committee from time to time through the appointment of state fiscal agents. The Port shall cause a bond register to be maintained by the Registrar. So long as any Bonds remain outstanding, the Registrar shall make all necessary provisions to permit the exchange and registration of transfer of Bonds at its principal corporate trust office. The Registrar may be removed at any time at the option of the Designated Port Representative upon prior notice to the Registrar, DTC, each party entitled to receive notice pursuant to an ongoing disclosure undertaking pursuant to Section 11 of this resolution and a successor Registrar appointed by the Designated Port Representative. No resignation or removal of the Registrar shall be effective until a successor shall have been appointed and until the successor Registrar shall have accepted the duties of the Registrar hereunder. The Registrar is authorized, on behalf of the Port, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this resolution and to carry out all of the Registrar's powers and duties under this resolution. The Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Bonds.

(b) *Registered Ownership.* The Port and the Registrar, each in its discretion, may deem and treat the Registered Owner of each Bond as the absolute owner thereof for all purposes (except as provided in an ongoing disclosure undertaking pursuant to Section 11 of this resolution), and neither the Port nor the Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in Section 4(h) hereof, but such Bond may be transferred as herein provided. All such payments made as described in Section 4(h) shall be valid and shall satisfy and discharge the liability of the Port upon such Bond to the extent of the amount or amounts so paid.

(c) *DTC Acceptance/Letter of Representations.* To induce DTC to accept the Bonds as eligible for deposit at DTC, the Port has executed and delivered to DTC a Letter of Representations.

Neither the Port nor the Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees (or any successor depository) with respect to the Bonds in respect of the accuracy of any records maintained by DTC (or any successor depository) or any DTC participant, the payment by DTC (or any successor depository) or any DTC participant of any amount in respect of the principal of or interest on Bonds, any notice which is permitted or required to be given to Registered Owners under this resolution (except such notices as shall be required to be given by the Port to the Registrar or to DTC (or any successor depository), or any consent given or other action taken by DTC (or any successor depository) as the Registered Owner. For so long as any Bonds are held in fully immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes hereunder, and all references herein to the Registered Owners shall mean DTC (or any successor depository) or its nominee and shall not mean the owners of any beneficial interest in such Bonds.

If any Bond shall be duly presented for payment and funds have not been duly provided by the Port on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Bond until such Bond is paid.

(d) *Use of Depository.*

(1) The Bonds shall be registered initially in the name of "Cede & Co.," as nominee of DTC, with one Bond for each of the maturity dates for the Bonds in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such immobilized Bonds, or any portions thereof, may not thereafter be transferred

except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the Designated Port Representative pursuant to subsection (2) below or such substitute depository's successor; or (C) to any person as provided in subsection (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Designated Port Representative to discontinue the system of book-entry transfers through DTC or its successor (or any substitute depository or its successor), the Designated Port Representative may hereafter appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (A) or (B) of subsection (1) above, the Registrar shall, upon receipt of all outstanding Bonds, together with a written request on behalf of the Designated Port Representative, issue a single new Bond for each maturity of the Bonds then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the Designated Port Representative.

(4) In the event that (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (B) the Designated Port Representative determines that it is in the best interest of the beneficial owners of the Bonds that such owners be able to obtain such Bonds in the form of Bond certificates, the ownership of such Bonds may then be transferred to any persons or entities as herein provided, and shall no longer be held in fully immobilized form. The Designated Port Representative shall deliver a written request to the Registrar, together with a supply of

definitive Bonds, to issue Bonds as herein provided in any authorized denomination. Upon receipt by the Registrar of all then outstanding Bonds together with a written request on behalf of the Designated Port Representative to the Registrar, new Bonds shall be issued in the appropriate denominations and registered in the names of such persons or entities as are requested in such written request.

(e) *Registration of Transfer of Ownership or Exchange; Change in Denominations.*

The transfer of any Bond may be registered and Bonds may be exchanged, but no transfer of any such Bond shall be valid unless such Bond is surrendered to the Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Bond (or Bonds at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and canceled Bond. Any Bond may be surrendered to the Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same date, maturity and interest rate, in any authorized denomination or denominations. The Registrar shall not be obligated to register the transfer or to exchange any Bond during the 15 days preceding the date any such Bond is to be redeemed.

(f) *Registrar's Ownership of Bonds.* The Registrar may become the Registered Owner of any Bond with the same rights it would have if it were not the Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to

act as member of, or in any other capacity with respect to, any committee formed to protect the right of the Registered Owners of Bonds.

(g) *Registration Covenant.* The Port covenants that, until all of the Bonds have been surrendered and canceled, it will maintain a system for recording the ownership of the Bonds that complies with the provisions of Section 149 of the Code.

(h) *Place and Medium of Payment.* Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be calculated on the basis of a 360-day year, consisting of twelve 30-day months. For so long as all Bonds are in fully immobilized form, payments of principal and interest shall be made as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations.

In the event that the Bonds are no longer in fully immobilized form, interest on the Bonds shall be paid by check mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register on the 15th day of the month preceding the interest payment date, and principal and premium, if any, of the Bonds shall be payable by check upon presentation and surrender of such Bonds by the Registered Owners at the principal office of the Registrar; provided, however, that if so requested in writing prior to the opening of business on the 15th day of the month preceding any interest payment date by the Registered Owner of at least \$1,000,000 aggregate principal amount of Bonds, interest will be paid thereafter by wire transfer on the date due to an account with a bank located within the United States.

Section 5. Bond Fund. A special fund of the Port designated the “Port of Seattle Limited Tax General Obligation Bond Redemption Fund, 2017” (the “Bond Fund”) is hereby authorized to be created in the office of the Treasurer of the Port for the purpose of paying and securing the payment of the Bonds. The Bond Fund may be maintained as a single account or

multiple accounts at the option of the Port and may be re-designated in accordance with the accounting procedures then followed by the Port. The Bond Fund shall be held separate and apart from all other funds and accounts of the Port and shall be a trust fund for the owners, from time to time, of the Bonds. The taxes levied for the purpose of paying principal of and interest on the Bonds and other legally available funds to be used to pay the Bonds shall be deposited in the Bond Fund no later than the date such funds are required for the payment of principal of and interest on the Bonds.

The Port hereby further irrevocably covenants that it will budget and make annual levies of ad valorem taxes upon all of the taxable property within the boundaries of the Port subject to taxation within and as a part of the tax levy permitted to be levied by the Port without a vote of the electors, in amounts sufficient (together with other legally available funds) to pay the principal of and interest on the Bonds as the same shall become due. The full faith, credit and resources of the Port are hereby irrevocably pledged for the annual levy and collection of such taxes and for the prompt payment of such principal and interest. The Bonds are general obligations of the Port.

Section 6.     Defeasance. In the event that money and/or noncallable Government Obligations that are direct or indirect obligations of the United States or obligations unconditionally guaranteed by the United States maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of the Bonds authorized hereunder in accordance with their terms, are set aside in a special account of the Port to effect such redemption and retirement, and such moneys and the principal of and interest on such obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the Bond Fund of the Port for the payment of the principal of and interest on the Bonds so provided for, and such Bonds



shall cease to be entitled to any lien, benefit or security of this resolution except for the right to receive the moneys so set aside and pledged, and such Bonds shall be deemed not to be outstanding hereunder.

The Registrar shall provide notice of defeasance of Bonds to registered owners and to each party entitled to receive notice pursuant an ongoing disclosure undertaking pursuant to Section 11.

Section 7.     Tax Covenants.

(a)     *The Bonds.* The Port shall comply with the terms of the Federal Tax Certificate.

(b)     *No Designation Under Section 265(b) of the Code.* The Bonds are not “qualified tax-exempt obligations” under Section 265(b)(3) of the Code for banks, thrift institutions and other financial institutions.

Section 8.     Lost, Stolen or Destroyed Bonds. In case any Bond or Bonds shall be lost, stolen or destroyed, the Registrar may execute and deliver a new Bond or Bonds of like maturity, date, number and tenor to the Registered Owner thereof upon the owner’s paying the expenses and charges of the Port in connection therewith and upon his/her filing with the Port evidence satisfactory to the Port that such Bond was actually lost, stolen or destroyed and of his/her ownership thereof, and upon furnishing the Port with indemnity satisfactory to the Port.

Section 9. Form of Bonds and Registration Certificate. The Bonds shall be in substantially the following form:

[DTC Legend]

UNITED STATES OF AMERICA

NO. \_\_\_\_\_

\$ \_\_\_\_\_

STATE OF WASHINGTON

PORT OF SEATTLE

LIMITED TAX GENERAL OBLIGATION BOND, 2017

Maturity Date:

CUSIP No. \_\_\_\_\_

Interest Rate:

Registered Owner: CEDE & Co.

Principal Amount:

THE PORT OF SEATTLE, a municipal corporation organized and existing under and by virtue of the laws of the State of Washington (the "Port"), promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above the Principal Amount indicated above and to pay interest thereon from the Bond Fund from \_\_\_\_\_, 2017, or the most recent date to which interest has been paid or duly provided for or until payment of this bond at the Interest Rate set forth above, payable on \_\_\_\_\_, and semiannually thereafter on the first days of each January and July. The principal of, premium, if any, and interest on this bond are payable in lawful money of the United States of America. Principal and interest on this bond shall be paid as provided in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the Port to The Depository Trust Company ("DTC"). The Port has specified and adopted the registration system for the bonds of this issue specified by the State Finance Committee, and the fiscal agent of the State will act as the registrar, authenticating agent and paying agent (the "Registrar"). Capitalized terms used in this bond which are not specifically defined have the meanings given such terms in the Resolution No. 3729 of the Port Commission (the "Bond Resolution").

This bond is one of a series of bonds of the Port in the aggregate principal amount of \$ \_\_\_\_\_, of like date, tenor and effect, except as to number, amount, rate of interest and date of maturity and is issued pursuant to the Bond Resolution to provide for all or a portion of the cost of eligible Port purposes.

The bonds of this issue maturing on and prior to \_\_\_\_\_ are not subject to redemption in advance of their scheduled maturity. [The bonds of this issue maturing on and after \_\_\_\_\_ are subject to redemption at the option of the Port on and after \_\_\_\_\_][in whole or in part on any date, and if in part, with maturities to be selected by the

Port at the price of par plus accrued interest to the date fixed for redemption][as described in the [Official Notice of Sale and Approved Bid][Bond Purchase Contract] for the bonds of this issue].

[Unless previously redeemed pursuant to the foregoing optional redemption provisions, the bonds of this issue maturing in the year \_\_\_\_ are subject to mandatory redemption on \_\_\_\_\_ of the following years at a price of par plus accrued interest to the date fixed for redemption:

Year	Amount
*	\$

\* Final maturity]

The bonds of this issue are not private activity bonds and are not “qualified tax-exempt obligations” eligible for investment by financial institutions within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.

The Port hereby covenants and agrees with the owner and holder of this bond that it will keep and perform all the covenants of this bond and the Bond Resolution.

The Port has irrevocably covenanted in the Bond Resolution that it will budget and make annual levies of ad valorem taxes upon all of the taxable property within the boundaries of the Port subject to taxation within and as a part of the tax levy permitted to be levied by the Port without a vote of the electors, in amounts sufficient (together with other legally available funds) to pay the principal of and interest on the bonds of this issue as the same shall become due. The full faith, credit and resources of the Port are irrevocably pledged for the annual levy and collection of such taxes and for the prompt payment of such principal and interest. The bonds of this issue are general obligations of the Port. The pledge of tax levies may be discharged prior to maturity of the bonds of this by making provision for the payment thereof on the terms and conditions set forth in the Bond Resolution.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Registrar.

It is hereby certified and declared that this bond and the bonds of this issue are issued pursuant to and in strict compliance with the Constitution and laws of the State of Washington and resolutions of the Port and that all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, been done and performed.

IN WITNESS WHEREOF, the Port of Seattle has caused this bond to be executed by the manual or facsimile signatures of the President and Secretary of the Port Commission, and the corporate seal of the Port to be impressed, imprinted or otherwise reproduced hereon as of the \_\_\_\_ day of \_\_\_\_\_, 2017.

PORT OF SEATTLE

By \_\_\_\_\_ /s/\_\_\_\_\_  
President, Port Commission

[SEAL]

ATTEST:

\_\_\_\_\_/s/\_\_\_\_\_  
Secretary, Port Commission

The Certificate of Authentication printed on the Bonds shall be substantially in the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication: \_\_\_\_\_

This bond is one of the bonds described in the within mentioned Bond Resolution and is one of the Limited Tax General Obligation Bonds, 2017 of the Port of Seattle, dated \_\_\_\_\_, 2017.

WASHINGTON STATE FISCAL AGENT,  
Registrar

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

Section 10. Execution. The Bonds shall be executed on behalf of the Port with the manual or facsimile signature of the President of its Commission, shall be attested by the manual or facsimile signature of the Secretary thereof and shall have the seal of the Port impressed, imprinted or otherwise reproduced thereon.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this resolution.

In case either of the officers of the Port who shall have executed the Bonds shall cease to be such officer or officers of the Port before the Bonds so signed shall have been authenticated or delivered by the Registrar, or issued by the Port, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the Port as though those who signed the same had continued to be such officers of the Port. Any Bond may also be signed and attested on behalf of the Port by such persons as at the actual date of execution of such Bond shall be the proper officers of the Port although at the original date of such Bond any such person shall not have been such officer.

Section 11. Ongoing Disclosure. The Designated Port Representative is authorized to, in his or her discretion, execute and deliver an agreement for ongoing disclosure providing for an undertaking by the Port to assist the Underwriter in complying with Rule 15c2-12 promulgated by the SEC.

Section 12. Sale of Bonds. The Commission has determined that it would be in the best interest of the Port to delegate to the Designated Port Representative for a limited time the authority to approve the manner of sale, date of sale, final interest rates, maturity dates, aggregate principal amount, principal amounts and prices of each maturity, redemption rights (provided that the Bonds shall not be subject to optional redemption in less than five years from the date of issue), and other terms and conditions of the Bonds. The Designated Port Representative is hereby authorized to approve with respect to Bonds, the manner of sale, the

date of sale, the final interest rates, maturity dates, aggregate principal amount, principal amounts of each maturity and redemption rights (provided that the Bonds shall not be subject to optional redemption in less than five years from the date of issue) for the Bonds in the manner provided hereafter (A) so long as the aggregate principal amount of the Bonds issued pursuant to this resolution does not exceed \$150,000,000 and (B) so long as the true interest cost for the Bonds does not exceed 5.0% per annum.

Initially, the Designated Port Representative is hereby authorized to determine whether the Bonds shall be sold by Negotiated Sale or by a Competitive Sale. If the Bonds are sold by Negotiated Sale, the Designated Port Representative shall select one or more underwriting firms from the Port's current team to underwrite the Bonds. Upon the selection of one or more underwriters, the Designated Port Representative shall negotiate the terms of sale for the Bonds, including the terms described in this section, which shall be set forth in the Bond Purchase Contract. If the Bonds are sold by Competitive Sale, all bids submitted for the purchase of Bonds shall be as set forth in the applicable Official Notice of Sale or otherwise as established by the Designated Port Representative, which will be furnished upon request made to the Designated Port Representative. Such bids may be accompanied by a surety bond or by a wire transfer or a cashier's or certified check, as a good faith deposit, made payable to the order of the Port. The Port reserves the right to reject any and all bids and to waive any irregularity or informality in any bid.

Subject to the terms and conditions set forth in this section, the Designated Port Representative is hereby authorized to accept an Approved Bid or to execute a Bond Purchase Contract, upon his or her approval of the final interest rates, maturity dates, aggregate principal amount, principal maturities and redemption rights set forth therein. Following the execution of an Official Notice of Sale and Approved Bid or the Bond Purchase Contract, the Designated Port

Representative shall provide a report to the Commission, describing the final terms of the Bonds approved pursuant to the authority delegated in this section.

The authority granted to the Designated Port Representative by this section shall expire on May 31, 2017. If an Official Notice of Sale and Approved Bid or Bond Purchase Contract for the Bonds has not been approved and/or executed within such period, the authorization for the issuance of the Bonds shall be rescinded, and the Bonds shall not be issued nor their sale approved unless such Bonds shall have been re-authorized by resolution of the Commission. The resolution reauthorizing the issuance and sale of the Bonds may be in the form of a new resolution repealing this resolution or may be in the form of an amendatory resolution approving a bond purchase contract or establishing terms and conditions for the authority delegated under this section.

Upon the adoption of this resolution, the proper officials of the Port including the Designated Port Representative, are authorized and directed to undertake all other actions necessary for the prompt execution and delivery of the Bonds to the Underwriter and further to execute all closing certificates and documents required to effect the closing and delivery of the Bonds in accordance with the terms of the Official Notice of Sale and Approved Bid or the Bond Purchase Contract.

The Designated Port Representative is authorized to deem final and to approve for purposes of the Rule, on behalf of the Port, any Preliminary Official Statement and Official Statement and any supplement thereto relating to the issuance and sale of the Bonds and the distribution of the Bonds pursuant thereto with such changes, if any, as may be deemed by him/her to be appropriate.

The Designated Port Representative and other Port officials, agents and representatives are hereby authorized and directed to do everything necessary for the prompt issuance, execution

and delivery of the Bonds to the Underwriter and for the proper application and use of the proceeds of sale of the Bonds. In furtherance of the foregoing, the Designated Port Representative is authorized to approve and enter into agreements for the payment of costs of issuance, including Underwriter's discount, the fees and expenses specified in the Official Notice of Sale and Approved Bid or the Bond Purchase Contract, including fees and expenses of Underwriter, if any, and other retained services, including bond counsel, disclosure counsel, rating agencies, fiscal agent, financial advisory services, and other expenses customarily incurred in connection with issuance and sale of bonds.

Section 13. Application of Bond Proceeds. The net proceeds of the Bonds (exclusive of any amounts that may be designated by the Designated Port Representative in a closing certificate to be allocated to pay costs of issuance), together with other available funds of the Port in the amount specified by the Designated Port Representative, shall be held by the Port and used at the direction of the Designated Port Representative for eligible Port purposes, including payment of a portion of the Port's contributions pursuant to the Agreement. The Treasurer shall invest the net proceeds of the Bonds until expended in such obligations as may now or hereafter be permitted to port districts of the State of Washington by law and that will mature prior to the date on which such money shall be needed. Earnings on such investments, except as may be required to pay rebatable arbitrage pursuant to the Federal Tax Certificate, may be used for Port purposes or transferred to the Bond Fund for the uses and purposes therein provided.

Section 14. Severability. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the Port shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants



and agreements in this resolution and shall in no way affect the validity of the other provisions of this resolution or of any Bonds.

Section 15. Effective Date. This resolution shall be effective immediately upon its adoption.

ADOPTED by the Commission of the Port of Seattle at a meeting thereof, held this \_\_\_\_ day of \_\_\_\_\_, 2016, and duly authenticated in open session by the signatures of the Commissioners present and voting in favor thereof.

PORT OF SEATTLE

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Commissioners

CERTIFICATE

I, the undersigned, Secretary of the Port Commission (the "Commission") of the Port of Seattle (the "Port"), DO HEREBY CERTIFY:

1. That the attached resolution numbered 3729 (the "Resolution") is a true and correct copy of a resolution of the Port, as finally adopted at a meeting of the Commission held on the \_\_\_\_ day of \_\_\_\_\_, 2016, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum of the Commission was present throughout the meeting and a legally sufficient number of members of the Commission voted in the proper manner for the adoption of said Resolution; that all other requirements and proceedings incident to the proper adoption of said Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Secretary