

PORT OF SEATTLE

RESOLUTION NO. 3621

- A RESOLUTION of the Port Commission of the Port of Seattle, authorizing the issuance and sale of CFC Revenue Bond Anticipation Note, 2009 in the principal amount of not to exceed \$100,000,000 for the purpose of providing interim financing of the costs of designing, constructing and equipping a consolidated rental car facility; providing the form, terms, conditions, covenants and maturity of the note; authorizing the sale of the note; providing for the disposition of the proceeds of sale of the note to pay for such acquisition and for costs of issuing the note and for other costs and fees and interest expense.

ADOPTED: _____, 2009

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A RESOLUTION of the Port Commission of the Port of Seattle, authorizing the issuance and sale of CFC Revenue Bond Anticipation Note, 2009 in the principal amount of not to exceed \$100,000,000 for the purpose of providing interim financing of the costs of designing, constructing and equipping a consolidated rental car facility; providing the form, terms, conditions, covenants and maturity of the note; authorizing the sale of the note; providing for the disposition of the proceeds of sale of the note to pay for such acquisition, for costs of issuing the note and for other costs and fees and interest expense.

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

WHEREAS, pursuant to the terms of Resolution No. 3059, as amended and restated pursuant to Resolution No. 3577 (the "Master Resolution"), the Port has outstanding multiple series of senior lien revenue bonds, intermediate lien revenue bonds, and subordinate lien revenue bonds; and

WHEREAS, the Master Resolution authorizes the Port to issue "Special Facility Bonds" payable from the income of operation of Special Facilities (as such terms are defined in the Master Resolution); and

WHEREAS, pursuant to RCW 14.08.120(7), the Port is authorized to impose a customer facility charge (a "Customer Facility Charge") upon customers of rental car companies accessing the Airport for the purposes of financing, designing, constructing, operating, and maintaining consolidated rental car facilities and common use transportation equipment and facilities that are used to transport the customer between the consolidated car rental facilities and other Airport facilities; and

WHEREAS, pursuant to RCW 14.08.120(7), the Port is further authorized to require rental car companies to collect the Customer Facility Charge and remit the Customer Facility Charge at the direction of the Port no more often than once per month; and

WHEREAS, the Customer Facility Charge may not exceed the reasonable costs of financing, designing, constructing, operating, and maintaining the consolidated car rental facilities and common use transportation equipment and facilities and may not be used for any other purpose; and

WHEREAS, pursuant to Resolution No. 3542, adopted by the Port Commission on June 14, 2005, the Port has imposed a Customer Facility Charge initially in the amount of \$4.00 per Transaction Day (as such term was defined in Resolution No. 3542) in order to finance, design, construct, operate and maintain a consolidated rental car facility and common use transportation equipment and facilities; and

WHEREAS, the Port is designing and planning for the construction and equipping of a consolidated rental car facility (hereinafter defined as the “Consolidated Rental Car Facility”), a portion of which, together with a portion of the Common Transportation System (hereinafter defined), is hereby designated as a “Special Facility” (as such term is defined in the Master Resolution and further defined herein), the costs of which shall be paid from Customer Facility Charges as “Special Revenue”; and

WHEREAS, the Port has entered into Consolidated Rental Car Facility Lease Agreements for Seattle-Tacoma International Airport, between the Port and several rental car companies (collectively, the “Operators”), each having substantially similar terms (collectively, the “Rental Car Facility Lease”), under which the Port will lease the Consolidated Rental Car Facility to the Operators; and

WHEREAS, the Operators are required, pursuant to Section 6.2 of their respective Rental Car Facility Lease, to collect Customer Facility Charges and remit such charges to the Port to pay costs permitted under RCW 14.08.120(7); and

WHEREAS, the Port intends to pledge the Customer Facility Charge to pay special facility revenue bonds issued to finance the Special Facility portion of the Consolidated Rental Car Facility, including the notes authorized herein; and

WHEREAS, in order to establish a line of credit to finance a portion of the cost of the Special Facility, the Commission deems it to be in the best interest of the Port to issue and sell a short-term obligation to evidence the line of credit in the form of a CFC revenue bond anticipation note in the principal amount of not to exceed \$100,000,000 (the "Note"); and

WHEREAS, the Port intends to refinance the Note with the proceeds of one or more series of special facility revenue bonds or refunding bond anticipation notes or other lawfully available revenues; and

WHEREAS, the Port has deemed acceptable the proposal received from U.S. Bank National Association (the "Bank") and now wishes to authorize the sale of the Note to the Bank on the terms and conditions in this resolution;

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

Section 1. Definitions. (a) *Definitions.* The following words, terms and phrases shall have the following meanings, unless the context or use indicates another meaning or intent:

Accreted Value means (1) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the initial principal amount of such Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or

(2) with respect to Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Bonds plus the amount of discounted principal which has accreted since the date of issue. In each case the Accreted Value shall be determined in accordance with the provisions of this resolution or the Series Resolution authorizing the issuance of such Bonds.

Additional Purposes mean any purposes permitted under Chapter 14.08.120(7) Revised Code of Washington, as amended from time to time.

Advance means each drawing under the Note.

Airport means the Seattle-Tacoma International Airport. The term ***Airport*** includes the Consolidated Rental Car Facility Site.

The ***Amount Due*** (for purposes of the Rate Covenant) in each Fiscal Year shall be equal to (a) Scheduled Debt Service, plus (b) amounts required to be deposited in order to restore any prior Fiscal Year's deficiency in a Debt Service Reserve Account that is not otherwise corrected within 30 days after the last day of the prior Fiscal Year plus (c) any other amounts due to any Credit Facility Issuer with respect to payments made for maturing principal (or subject to mandatory redemption) of and/or interest due on Bonds, but excluding from the foregoing (i) payments made or to be made from proceeds of refunding debt and capitalized debt service and (ii) money on hand in the CFC Note Account or in a Debt Service Account.

Annual Debt Service means the total amount of Debt Service in any Fiscal Year for the Note and/or any series of Bonds outstanding.

Available Commitment means, on the date of determination thereof, an amount equal to the amount by which the Commitment exceeds the sum of all then outstanding Advances.

Average Annual Debt Service means the aggregate amount of all remaining Annual Debt Service divided by the remaining number of full years until final maturity of the Note and all Bonds Outstanding at the time of calculation or 30 years from the date of issuance of the Note, whichever is longer.

Balloon Maturity Bonds mean any Bonds that are so designated in this resolution or the Series Resolution pursuant to which such Bonds are issued. The Note and commercial paper (obligations with a maturity of not more than 270 days from the date of issuance) shall be deemed to be Balloon Maturity Bonds.

Bank means U.S. Bank National Association.

Bonds mean the Financing Bonds and any other Future Bonds.

Bus Maintenance Facility means and refers to all or a portion of a facility to be constructed by the Port on Port-owned property that will be used for the repair, maintenance and fueling of buses utilized in the operation of the Common Transportation System. The Bus Maintenance Facility is a component of the Common Transportation System.

Capital Appreciation Bonds mean Bonds all or a portion of the interest on which is compounded, accumulated and payable only upon redemption, conversion or on the maturity date of such Bonds. If so provided for in the Series Resolution authorizing Future Bonds, Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Bonds no longer are Capital Appreciation Bonds, they shall be deemed Outstanding in a principal amount equal to their Accreted Value.

CFC Fund means the fund of that name maintained by the Port for purpose of receiving, accounting for and disseminating CFC Revenue.

CFC Resolution means Resolution No. 3542, adopted by the Commission on June 14, 2005, as amended and restated by Resolution No. 3599, as amended, and as the same may be amended, supplemented, restated and superseded from time to time in accordance with its terms.

CFC Revenue means all Customer Facility Charges received by the Port on and after the Closing Date pursuant to the CFC Resolution, whether under a Rental Car Facility Lease or Subsequent Lease or otherwise.

CFC Note Account means the Port of Seattle Subordinate Lien Revenue Bond Anticipation Note Account, 2009, created in the office of the Treasurer of the Port by authority granted in Section 6 of this resolution.

CFC Revenue Account means the special account within the CFC Fund established pursuant to Section 7(a) of this resolution into which all CFC Revenue shall be deposited.

Closing Date means the date on which the Note is issued and delivered to the Bank.

Commission means the Commission of the Port, or any successor thereto as provided by law.

Commitment means the maximum amount available to be drawn under the Note, \$100,000,000.

Common Transportation System means and refers to the system of equipment and associated improvements by which rental car customers will be transported to and from the Airport terminals from/to the Consolidated Rental Car Facility. The **Common Transportation System** will include the Bus Maintenance Facility and other real and personal property and may include allocable portions of other Airport operation components.

Common Transportation System Expenses mean and refer to any and all operating expenses payable from CFC Revenues incurred or paid by the Port at any time in connection

with the operation of the Common Transportation System, other than those costs paid from Bond or Note proceeds or paid by the Port.

Consolidated Rental Car Facility means the consolidated rental car facility being financed, designed and planned and to be constructed and equipped by the Port.

Consolidated Rental Car Facility Site means that parcel of land on which the Consolidated Rental Car Facility is to be constructed.

Consultant means at any time an independent consultant or consultant firm recognized in airport matters or an engineer or engineering firm or other expert appointed by the Port to perform the duties of the Consultant as required by this resolution. The term ***Consultant*** shall also include an independent certified public accountant or public accounting firm appointed by the Port to make such calculation or to provide such certificate or an independent nationally recognized financial advisor or firm of financial advisors appointed by the Port for purposes of making calculations required by this resolution.

Costs of the Special Facility mean and refer to any and all costs incurred or paid by the Port in connection with the planning, design, financing, permitting, construction and equipping of the Special Facility, including placing the same in operation. Without limiting the generality of the foregoing, ***Costs of the Special Facility*** include (but are not limited to) all or a portion of the interest on the obligations to finance costs of completion of the Special Facility or any portion thereof issued to finance the costs of the Special Facility during the period of construction of the Special Facility, and for a period of time thereafter; paying amounts required to meet the Debt Service Reserve Requirement, the Coverage Requirement, the Transportation Reserve Requirement; paying or reimbursing the Port or any fund thereof or any other person for expenses, including planning, permitting, equipping and design expenses, incident and properly

allocable to the acquisition and construction and equipping of the Special Facility or to acquiring and preparing the site thereof and the placing of the same in operation; and all other items of expense incident and properly allocable to the planning, permitting, acquisition, construction and equipping of the Special Facility, the financing of the same and the placing of the same in operation and for providing a rate of return to the Port as permitted by RCW 14.08.120(7) as in effect from time to time.

Coverage Account means the fund of that name established within the CFC Fund pursuant to Section 7(d) of this resolution.

Coverage Requirement means an amount equal to \$1,000,000, which amount shall be fully funded on the date of issuance of Future Bonds and which amount may be increased in the proceedings authorizing the issuance of Future Bonds.

Credit Facility means a bond insurance policy, a letter of credit, surety bond, guarantee or other financial instrument which obligates a third party to make payment or provide funds for the payment of financial obligations of the Port, including but not limited to payment of the principal of, interest on or purchase price of Bonds.

Credit Facility Issuer means the issuer of any Credit Facility with respect to Bonds.

Customer Facility Charge means the customer facility charge or charges authorized by RCW 14.08.120(7) and imposed by the Port.

Debt Service means, for any period of time and for the purposes of determining compliance with the conditions for issuance of Future Bonds and of calculating the Coverage Requirement and the Debt Service Reserve Requirement,

(a) with respect to any Outstanding Original Issue Discount Bonds or Capital Appreciation Bonds that are not designated as Balloon Maturity Bonds in the proceedings

authorizing their issuance, the principal amount equal to the Accreted Value thereof maturing, converting or scheduled for redemption in such period, including the interest payable during such period;

(b) with respect to any Outstanding Fixed Rate Bonds, an amount equal to (1) the principal amount of such Bonds due or subject to mandatory redemption during such period and for which no sinking fund installments have been established, (2) the amount of any payments required to be made during such period into any sinking fund established for the payment of the principal of any such Bonds, plus (3) all interest payable during such period on any such Bonds Outstanding and, with respect to Bonds with mandatory sinking fund requirements, calculated on the assumption that mandatory sinking fund installments will be applied to the redemption or retirement of such Bonds on the date specified in the proceedings authorizing such Bonds; and

(c) with respect to all other series of Bonds Outstanding, other than Fixed Rate Bonds, Original Issue Discount Bonds or Capital Appreciation Bonds, specifically including but not limited to Balloon Maturity Bonds and Bonds bearing variable rates of interest, an amount for any period equal to the amount which would be payable (1) as principal on such Bonds during such period (computed on the assumption that the amount of Bonds Outstanding as of the date of such computation would be amortized in accordance with the mandatory redemption provisions, if any, set forth in the proceedings authorizing the issuance of such Bonds, or if mandatory redemption provisions are not provided or such obligations were issued as bond anticipation notes, during a period commencing on the date of computation and ending on the date 30 years after the date of issuance to provide for essentially level annual debt service during such period) plus (2) (A) if the interest is tax exempt, interest at an interest rate equal to (i) the

10-year average of the SIFMA Municipal Swap Index, plus (ii) 1.00% or (B) if the interest is taxable, interest at a rate equal to (i) the 10-year average of one month LIBOR plus (ii) 1.00%.

With respect to any Bonds payable in other than U.S. Dollars, Debt Service shall be calculated as provided in the proceedings authorizing the issuance of such Bonds.

Debt Service also shall be net of any principal and/or interest (not including any amount deposited in any reserve account for payment of principal and/or interest) funded from proceeds of any Bonds or from earnings thereon. Debt Service shall exclude the maturing principal and/or interest on obligations that are defeased or refinanced with the proceeds of refunding obligations.

Debt Service shall include reimbursement obligations (and interest accruing thereon) then owing to any Credit Facility Issuer to the extent authorized in the proceedings authorizing the issuance of a series of Bonds.

Debt Service Account means the special account of that name established in the CFC Fund pursuant to a Series Resolution for the purpose of paying the principal of, interest on and redemption price, if any, of Bonds.

Debt Service Reserve Account means the special account of that name established within the CFC Fund pursuant to a Series Resolution.

Debt Service Reserve Requirement shall be equal to \$4,000,000 and in the proceedings authorizing the issuance of Future Bonds, shall be modified to be equal to not less than 10% of the par value of outstanding Future Bonds and any remaining outstanding Notes.

Designated Port Representative means the Executive Director, the chief financial officer, or such other person as may be directed from time to time by resolution of the Commission, and any designee of any such Designated Port Representative identified in writing by such Designated Port Representative.

Facilities mean the Consolidated Rental Car Facility, the Off-Site Roadway Improvements and the Common Transportation System.

Financing Bonds mean the special facility revenue bonds or refunding bond anticipation note to be issued by the Port to pay and redeem the Note.

Fiscal Year means the fiscal year of the Port, which is currently the calendar year.

Fitch means Fitch, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, or, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, the term **Fitch** shall be deemed to refer to any other nationally recognized securities rating agency (other than S&P or Moody's) designated by the Designated Port Representative.

Fixed Rate Bonds mean those Bonds other than Capital Appreciation Bonds, Original Issue Discount Bonds or Balloon Maturity Bonds issued under this resolution or a Series Resolution in which the rate of interest on such Bonds is fixed and determinable through their final maturity or for a specified period of time. If so provided in this Bond Purchase Contract or provided for in a Series Resolution authorizing the issuance Future Bonds, Bonds may be deemed to be Fixed Rate Bonds for only a portion of their term. **Fixed Rate Bonds** also shall include two or more series of Bonds simultaneously issued under this resolution or a Series Resolution and which, collectively, bear interest at a fixed and determinable rate for a specified period of time.

Future Bonds mean all Bonds (other than Financing Bonds) issued in the future in accordance with the terms hereof and the additional terms that may be established in a Series Resolution.

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

Investment Security means any investment that is a legal investment for funds of the Port.

LIBOR means the London Interbank Offering Rate.

Master Resolution means Resolution No. 3059 of the Commission, as amended and restated pursuant to Resolution No. 3577, as such resolution may be further amended from time to time in accordance therewith.

Maximum Annual Debt Service means, with respect to any series of Outstanding Bonds, the highest remaining Annual Debt Service for such series of Bonds or with respect to all Outstanding Bonds the highest remaining Annual Debt Service for all Outstanding Bonds.

Monthly Debt Service Deposit means the monthly amount to be deposited into the Debt Service Account after the Closing Date on the 25th day of each month (and into each debt service account established for Bonds on a similar schedule) and shall be equal to the sum of:

(a) an amount equal to the upcoming monthly payment of interest on the Note and in the month prior to the maturity date of the note, the amount principal maturing on the Note;

(b) an amount determined by dividing the interest next due on each Series of Bonds by the number of months (i) between the date of delivery of the Bonds and the next interest payment date, in the case of the first interest payment date following the date of delivery, or (ii) between the most recent and the next interest payment date; and

(c) an amount determined as of the 12th month prior to the date on which a payment of maturing principal of Bonds is due or a mandatory sinking fund redemption payment is due and shall be determined by dividing the principal amount of each Series of Bonds next maturing

or subject to mandatory sinking fund redemption divided by the number of months remaining until such principal payment date.

Moody's means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, the term **Moody's** shall be deemed to refer to any other nationally recognized securities rating agency (other than S&P or Fitch) designated by the Designated Port Representative.

New York Banking Day means any date (other than a Saturday or Sunday) on which commercial banks are open for business in New York, New York.

Note means the not to exceed \$100,000,000 principal amount of Port of Seattle CFC Revenue Bond Anticipation Note, 2009 issued pursuant to this resolution.

Note Register means the books or records maintained by the Note Registrar containing the name and mailing address of the owner of the Note.

Note Registrar means the Treasurer whose duties include registering and authenticating the Note, maintaining the Note Register, transferring ownership of the Note, and paying the principal of and interest on the Note.

Off-Site Roadway Improvements mean and refer to those improvements to the roadways, sidewalks and other transportation infrastructure to be made by the Port in connection with the development of the Consolidated Rental Car Facility or any other Additional Purposes (in each case off the Consolidated Rental Car Facility Site).

Operator when used in the singular, shall mean and refer to the particular rental car company executing a Rental Car Facility Lease or a Subsequent Lease or a concession agreement related to the Consolidated Rental Car Facility. **Operator**, when used in the plural, means and

refer to all rental car companies having executed a Rental Car Facility Lease or a Subsequent Lease or a concession agreement which concession agreement is related to the operation of a rental car concession in the Consolidated Rental Car Facility.

Original Issue Discount Bonds mean Bonds which are sold at an initial public offering price of less than 95% of their face value and which are specifically designated as Original Issue Discount Bonds in a Bond purchase contract or provided for in the Series Resolution authorizing the issuance of Future Bonds.

Outstanding in connection with Bonds means, as of the time in question, all Bonds authenticated and delivered by the Port, except:

(a) Bonds theretofore cancelled or required to be cancelled pursuant to the terms of the resolution authorizing their issuance;

(b) Bonds that have been paid or that are deemed to have been paid in accordance with the terms of the resolution authorizing their issuance; and

(c) Bonds in substitution for which other Bonds have been authenticated and delivered in accordance with the terms of the resolution authorizing their issuance.

Pledged Revenue means:

(a) CFC Revenue and

(b) money and investments held in the CFC Fund and all accounts therein.

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.

Proposal means the proposal letter dated March 20, 2009, submitted by the Bank to purchase the Note.

Qualified Insurance means any non-cancellable municipal bond insurance policy or surety bond, issued by any insurance company, licensed to conduct an insurance business in any state of the United States (or by a service corporation acting on behalf of one or more such insurance companies) (a) which insurance company is rated at the time of issuance of the policy or surety bond in one of the two highest Rating Categories by all Rating Agencies then rating the Bonds (at the request of the Port) for unsecured debt or insurance underwriting or claims-paying ability or (b) by issuing its policies causes obligations insured thereby to be rated in one of the two highest Rating Categories by all Rating Agencies then rating the Bonds (at the request of the Port). Qualified Insurance shall continue to be Qualified Insurance until the issuing insurance company is no longer rated in one of the top two Rating Categories by at least 50% of the Rating Agencies then rating the Bonds (at the request of the Port).

Qualified Letter of Credit means any irrevocable letter of credit issued by a financial institution, which institution maintains an office, agency or branch in the United States and as of the time of issuance of such letter of credit, is rated in one of the two highest Rating Categories by one or more of the Rating Agencies.

Rate Covenant has the meaning given such term in Section 13(a).

Rating Agencies means Moody's if Moody's is then maintaining a rating on a Series of Bonds; S&P if S&P is then maintaining a rating on a Series of Bonds; and/or Fitch if Fitch is then maintaining a rating on a Series of Bonds and/or another nationally recognized rating agency then maintaining a rating on a Series of Bonds (at the request of the Port).

Rating Category means a generic rating category of the Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

RCF Account means the account of that name created in the CFC Fund pursuant to Section 7(f) of this resolution.

Registered Owner means the Bank and any subsequent owner of the Note as permitted under this resolution.

Remaining Balance means the money remaining in the CFC Revenue Account after providing for the payment of amounts set forth in Section 8(b) First through Seventh.

Rental Car Facility Lease means each Consolidated Rental Car Facility Lease Agreement for Seattle-Tacoma International Airport, between the Port and an Operator under which the Port will lease a portion of the Consolidated Rental Car Facility to an Operator.

Reprice Date means the first day of each month. If the initial advance under this Note occurs other than on the Reprice Date, the initial one-month LIBOR rate shall be that one-month LIBOR rate in effect two New York Banking Days prior to the date of the initial advance, which rate plus the percentage described above shall be in effect until the next Reprice Date. Bank's internal records of applicable interest rates shall be determinative in the absence of manifest error.

S&P means Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, a corporation organized and existing under the laws of the State of New York, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, **S&P** shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody's or Fitch) designated by the Designated Port Representative.

Scheduled Debt Service means the amounts required to be paid by the Port as scheduled debt service (principal and interest) on Outstanding Bonds. For purposes of the Rate Covenant, Scheduled Debt Service shall be calculated with respect to a Fiscal Year and shall include the amounts required to be paid during such Fiscal Year, but shall not include debt service on obligations that are defeased or refinanced during the Fiscal Year with short term or long term refunding obligations.

Series Resolution means any resolution adopted by the Commission in connection with the issuance of Bonds.

SIFMA means the Securities Industry and Financial Markets Association or any successor to such organization.

SIFMA Municipal Swap Index means the SIFMA Swap Index as of the most recent date for which such index was published or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Municipal Market Data, Inc., or its successor, or as otherwise designated by SIFMA; *provided*, however, that, if such index is no longer produced by Municipal Market Data, Inc. or its successor, then SIFMA Municipal Swap Index shall mean such other reasonably comparable index selected by the Designated Port Representative.

Special Facility means (i) the design, construction and equipping of a portion of the Consolidated Rental Car Facility on the Consolidated Rental Care Facility Site and (ii) a portion of the Common Transportation System.

Special Facility Construction Account means the account of that name maintained within the CFC Fund pursuant to Section 7(b) of this resolution.

State means the State of Washington.

Subsequent Lease means any lease (other than the Rental Car Facility Lease) by the Port of all or any portion of the Consolidated Rental Car Facility with a Subsequent Operator, or other agreement requiring the Subsequent Operator to collect Customer Facility Charges for remittance to the Port.

Subsequent Operator means any individual, corporation or other person, entering into a Subsequent Lease with the Port.

Transportation Reserve Account means the account of that name created in the CFC Fund pursuant to Section 7(e) of this resolution.

Transportation Reserve Requirement means an amount equal to 50% of the budgeted dollar amount required to pay Common Transportation System Expenses for the Fiscal Year in which the Consolidated Rental Car Facility commences operations and adjusted annually to be equal to 50% of the budgeted Common Transportation System Expenses for the next Fiscal Year. The Transportation Reserve Requirement shall be funded no later than 30 days prior to the date of commencement of operation of the Consolidated Rental Car Facility.

Treasurer means the Treasurer of the Port.

(b) ***Rules of Construction.*** For all purposes of this resolution, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this resolution shall include the plural as well as the singular;

(2) except as otherwise expressly provided, all accounting terms shall be interpreted in accordance with, or by application of, generally accepted accounting principles as applicable to governmental entities and applied on a consistent basis;

(3) all references in this resolution (including the exhibits, appendices and schedules thereto) to designated “Articles,” “Sections,” “Exhibits” and other subdivisions and attachments are to the designated Articles, Sections, Exhibits and other subdivisions of and attachments to this resolution;

(4) the words “herein,” “hereof” and “hereunder” and other words of similar import in this resolution refer to such document as a whole and not to any particular Article, Section, Exhibit or attachment or subdivision and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this resolution;

(5) unless the context clearly indicates to the contrary, pronouns having a masculine or feminine gender shall be deemed to include the other gender;

(6) unless otherwise expressly specified, any agreement, contract or document defined or referred to in this resolution shall mean such agreement, contract or document as in effect as of the date hereof, as the same may thereafter be amended, supplemented or otherwise modified from time to time in accordance therewith and, if applicable, with the terms of this resolution and shall include any agreement, contract or document in substitution or replacement of any of the foregoing entered into in accordance with the terms of this resolution, if applicable;

(7) 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;

(8) whenever any consent or direction is required to be given by the Port, such consent or direction shall be deemed given when given by the Designated Port Representative or

his or her designee, respectively, and all references herein to the Designated Port Representative shall be deemed to include references to his or her designee, as the case may be; and

(9) this resolution is to be liberally construed to effect its overall purpose and the security interest to be granted thereunder.

Section 2. Findings and Authorization of Special Facility. The Port shall undertake the Special Facility. A portion of the Costs of the Special Facility, all or a portion of the costs of issuing the Note, all or portion of the interest on the Note and all or a portion of other ongoing fees shall be paid out of the proceeds of the Note.

Section 3. Plan of Finance; Authorization of Financing Bonds. For the purpose of providing funds to finance or refinance the Special Facility and any other eligible costs, including interest expense, costs of issuing the Note and the Financing Bonds, there shall be issued and sold special facility revenue bonds or refinancing notes of the Port to be designated “Port of Seattle, Consolidated Rental Car Facility Revenue Bonds/Bond Anticipation Notes” (the “Financing Bonds”) in an amount at least sufficient to pay the principal of and interest on the Note or any additional bond anticipation notes issued to redeem the Note on or before maturity, to the extent not paid from other sources.

The Financing Bonds to be issued shall be in such series, principal amounts, denomination(s) and form; shall be dated and bear interest at such rate or rates; shall be payable at such place or places; shall have such option of payment prior to maturity; shall contain and be subject to such covenants; may be combined with any subsequently authorized bonds and issued as a single combined series, as provided hereafter by resolution of the Commission.

Section 4. Authorization of the Note. In anticipation of the issuance of the Financing Bonds, the Port shall, for the purpose of financing a portion of the costs of the Special Facility, the costs of issuing the Note, interest on the Note and ongoing fees, establish a line of credit. To evidence such line, the Port shall issue a short-term obligation in the principal amount of \$100,000,000. The short-term obligation shall be designated the “Port of Seattle, CFC Revenue Bond Anticipation Note, 2009,” shall be dated as of its date of delivery, shall be fully registered as to both principal and interest, shall be in one denomination, shall mature on June 1, 2012. Interest on each advance under Note shall accrue at an annual rate equal to _____% plus the one-month LIBOR rate quoted by Bank from Reuters Screen LIBOR01 Page or any successor thereto, which shall be that one-month LIBOR rate in effect two New York Banking Days prior to the Reprice Date, adjusted for any reserve requirement and any subsequent costs arising from a change in government regulation, such rate rounded up to the nearest one-sixteenth percent and such rate to be reset monthly on each Reprice Date. The Bank’s internal records of applicable interest rates shall be determinative in the absence of manifest error.

Interest on the Note shall accrue from its date, calculated on the basis of a 360-day year and the actual number of days elapsed. Interest shall be payable monthly on the first calendar day of each month and shall be paid in the amount invoiced by the Bank to the Port 10 days prior to each interest payment date. If a Draw occurs within the 10-day period (after delivery of the interest invoice), accrued interest shall first be payable with the following month’s payment. Interest payments shall also be due at maturity or upon prepayment. The Port reserves the right to pay interest on the Note more frequently than monthly. All principal on the Note shall be paid at maturity or upon prepayment.

The Available Commitment shall be subject to a fee equal to .5% per annum, payable quarterly in arrears on each March 1, June 1, September 1 and December 1, commencing September 1, 2009 and at maturity, and calculated on the basis of actual number of days elapsed in a 360-day year. The outstanding principal balance of the Note on any particular day shall be the aggregate of all funds which the Port has drawn from the date of the Note, less the amount of any prepayments of principal. The Note is not a revolving credit obligation, and amounts borrowed may not be re-borrowed. Interest on a particular principal amount so advanced shall be determined from the date of Advance pursuant to a notice of Advance.

Section 5. Registration, Exchange and Payments.

(a) *Registrar/Note Register.* The Treasurer shall act as Note Registrar. The Note Registrar is authorized, on behalf of the Port, to authenticate and deliver the Note if transferred or exchanged in accordance with the provisions of the Note and this resolution and to carry out all of the Note Registrar's powers and duties under this resolution.

(b) *Registered Ownership.* The Port and the Note Registrar may deem and treat the Registered Owner of the Note as the absolute owner for all purposes, and neither the Port nor the Note Registrar shall be affected by any notice to the contrary. Payment of the Note shall be made only as described in Section 5(e). All such payments made as described in Section 5(e) shall be valid and shall satisfy the liability of the Port upon the Note to the extent of the amount so paid.

(c) *No Transfer or Exchange of Registered Ownership.* The Note shall not be transferable unless (i) the Bank's corporate name is changed and the transfer is necessary to reflect such change; or (ii) the transferee is a successor in interest of the Bank by means of a corporate merger, an exchange of stock, or a sale of assets.

(d) *Place and Medium of Payment.* Both principal of and interest on the Note shall be payable in lawful money of the United States of America. Principal on the Note shall be payable by check or by other means mutually acceptable to the Bank and the Port. Interest shall be payable as set forth in Section 4. Upon final payment of principal and interest of the Note, the Registered Owner shall surrender the Note for cancellation at the office of the Note Registrar.

Section 6. Payment of Note . The Designated Port Representative shall establish an account within the CFC Fund to be designated as the “CFC Revenue Bond Anticipation Note Account, 2009” (the “CFC Note Account”). The CFC Note Account shall be drawn upon for the sole purpose of paying the principal of and premium, if any, and interest on the Note.

Money in the CFC Note Account may temporarily be deposited in such institutions or invested in such obligations as may be lawful for the investment of Port money. Any earnings from the investment of such money shall be deposited in the CFC Note Account.

The Note and the lien thereof created and established hereunder shall be obligations only of the CFC Note Account, herein authorized to be created. The Note shall be payable solely from and secured solely by the proceeds of the Financing Bonds or refunding bond anticipation notes, the proceeds of which shall be deposited into the CFC Note Account.

From and after the time of issuance and delivery of the Note and so long thereafter as it remains outstanding, the Port hereby irrevocably obligates and binds itself to set aside and pay into the CFC Note Account, from the proceeds of the Financing Bonds or from refunding bond anticipation notes and, if the foregoing have not been issued, then from CFC Revenue, on or prior to the date on which the interest on, premium, if any, or principal of and interest on the Note shall become due, the amount necessary to pay such interest, premium, or principal and interest coming due on the Note. The Port hereby covenants with the owner of the Note that it

will issue the Financing Bonds, refunding bond anticipation notes, or a combination of the foregoing in an amount sufficient together with other lawfully available funds, to pay when due the principal of and interest on the Note and will thereupon redeem the Note.

The Note shall not in any manner or to any extent constitute a general obligation of the Port or of the State of Washington, or of any political subdivision of the State of Washington, and no tax revenues of the Port may be used to pay the principal of and interest on the Note.

Section 7. CFC Fund. The Port currently maintains a CFC Fund, and Customer Facility Charges previously collected have been deposited in the CFC Fund. Concurrently with the delivery of the Note, the Port will establish the following accounts within the CFC Fund:

- (a) CFC Revenue Account;
- (b) Special Facility Construction Account;
- (c) CFC Note Account;
- (d) Coverage Account;
- (e) Transportation Reserve Account; and
- (f) RCF Account.

The Port may establish one or more accounts or subaccounts within any account in the CFC Fund in connection with the issuance of a series of Bonds. The amounts in the CFC Fund, until applied as hereinafter provided, shall be held for the security of the Note and all Bonds Outstanding, but subject to the terms and limitations set forth herein. Money in the CFC Fund, including all accounts therein, may be invested by the Port in any Investment Security. Interest earnings, unless otherwise expressly provided herein, shall be deposited into the CFC Revenue Account.

Section 8. CFC Revenue Account.

(a) *Deposits to the CFC Revenue Account.* The Port hereby agrees and covenants that it will make the following deposits into the CFC Revenue Account:

(1) all collections of the Customer Facility Charges received by the Port on and after the Closing Date; and

(2) all interest earnings and the proceeds of investment of money held in the CFC Fund (except for earnings identified in a Series Resolution) upon receipt thereof.

(b) *Disbursements.* Money in the CFC Revenue Account shall be disbursed in the following order of priority:

First, to make the Monthly Debt Service Deposit into each Debt Service Account and the CFC Note Account;

Second, to reimburse a Credit Facility Issuer if and to the extent authorized in the agreement with the Credit Facility Issuer for payments made by the Credit Facility Issuer for debt service on Bonds;

Third, to establish or restore the Debt Service Reserve Requirement;

Fourth, to reimburse issuers of Qualified Insurance or a Qualified Letter of Credit to the extent of drawings for deposits into a reserve account established or maintained for Bonds and to pay other costs and expenses of such issuers and Credit Facility Issuers;

Fifth, to pay Common Transportation System Expenses;

Sixth, to establish or restore the Coverage Requirement in the Coverage Account;

Seventh, to establish or restore the Transportation Reserve Requirement in the Transportation Reserve Account; and

Eighth, the Remaining Balance to the RCF Account. The Remaining Balance may be transferred to the RCF Account on any day, provided that the priorities identified in First through Seventh have been provided for.

(c) *Covenant of Port.* Under the terms of the Rental Car Facility Lease (or any Subsequent Lease) and this resolution, the Customer Facility Charge is directed to be remitted to the Port under the terms of the Rental Car Facility Lease (or any Subsequent Lease). If, notwithstanding these arrangements, the Port receives any Customer Facility Charge, the Port shall immediately hold the same as CFC Revenue to be deposited to the CFC Revenue Fund. The Port shall not create any lien on CFC Revenue other than as permitted in this resolution.

Section 9. Special Facility Construction Account.

(a) *Draw Procedures.* The Port shall request the Bank to make an Advance by an irrevocable notice to the Bank (a “notice of Advance”) which specifies the amount of the requested Advance which shall be a minimum of Ten Million Dollars (\$10,000,000); the date of the requested Advance, which shall be a New York Banking Day. The Designated Port Representative shall give each notice of Advance to the Bank (substantially in the form attached hereto as Exhibit A), not later than the third (3rd) New York Banking Day prior to the date of the requested Advance, and shall do so by telephone, electronic means or telecopy to the Bank. If telephonic notice is given, telecopied notice is required to be given not later than the third (3rd) New York Banking Day prior to the date of the requested Advance. The Borrower shall immediately confirm all such notices of Advance in writing to the Bank. Money in the Special Facility Construction Account may temporarily be deposited in such institutions or invested in Investment Securities. Any earnings from the investment of such money shall be retained in and become a part of the Special Facility Construction Account.

(b) *Deposits.* All Advances shall be deposited in the Special Facility Construction Account. Earnings and proceeds of investment of money in the CFC Fund allocable to the Special Facility Construction Account shall be credited to the Special Facility Construction Account.

(c) *Disbursements from the Special Facility Construction Account.* The Port shall disburse money from the Special Facility Construction Account for the payment of costs of issuance of the Note and the Costs of the Special Facility.

Prior to completion of the Special Facility, sums on hand in the Special Facility Construction Account may also, at the Port's option, be used to pay debt service on the Note or Bonds.

Contingent upon final completion of the Special Facility, the balance remaining on hand in the Special Facility Construction Account, if any, shall be used to pay the Note or used for other capital expenditures permitted pursuant RCW 14.08.120(7).

Section 10. Coverage Account.

(a) *Deposits to Coverage Account.* Subject to the priorities set forth in Section 8(b), the Port shall transfer money from the CFC Revenue Account if necessary to maintain an amount in the Coverage Account at least equal to the Coverage Requirement for the upcoming Fiscal Year or to cure any deficiency in the Coverage Account. The Port shall determine the Coverage Requirement annually for the upcoming Fiscal Year.

(b) *Disbursements from the Coverage Account.* The Port may make disbursements from the Coverage Account for any of following purposes and in order of priority determined by the Port.

(1) On the date that the Bonds are no longer Outstanding, any balance on hand in the Coverage Account may be transferred to the RCF Account.

(2) On any date on which there shall be a deficiency in the CFC Note Account or a Debt Service Account, the Port may transfer sums from the Coverage Account to the CFC Note Account or a Debt Service Account, if necessary to cure such deficiency.

(3) Money may be withdrawn from the Coverage Account and transferred to the RCF Account at the option of the Port, in the event that the balance on hand in the Coverage Account remains at least equal to the Coverage Requirement.

(4) Money also may be withdrawn from the Coverage Account for deposit to a Debt Service Account as provided in a Series Resolution.

Section 11. Transportation Reserve Account.

(a) *Deposits to Transportation Reserve Account.* Subject to the priorities set forth in Section 8(b), the Port shall transfer money from the CFC Revenue Account if necessary to establish the Transportation Reserve Requirement or to cure any deficiency in the Transportation Reserve Account.

(b) *Disbursements from the Transportation Reserve Account.* The Port, at its option and in the order of priority determined by the Port, may make the following disbursements from the Transportation Reserve Account.

(1) At any time in which the money on hand in the CFC Revenue Account, the RCF Account or other sources that may be identified by the Port as legally available are not sufficient to pay Common Transportation System Expenses, the Port may utilize money in the Transportation Reserve Account to pay Common Transportation System Expenses.

(2) On any date on which there shall be a deficiency in the CFC Note Account or a Debt Service Account, the Port may transfer sums from the Transportation Reserve Account to the CFC Note Account or a Debt Service Account, if necessary to cure such deficiency.

(3) Money may be withdrawn from the Transportation Reserve Account and transferred to the RCF Account at the option of the Port, in the event that the balance on hand in the Transportation Reserve Account remains at least equal to the Transportation Reserve Requirement.

(4) Money may be withdrawn from the Transportation Reserve Account and transferred to a Debt Service Account on the conditions set forth in a Series Resolution.

(5) On the date that the Bonds are no longer Outstanding, any balance on hand in the Transportation Reserve Account may be transferred to the RCF Account.

Section 12. RCF Account.

(a) *Deposits to RCF Account.* The Port shall make the following deposits into the RCF Account:

(1) on the Closing Date, the amount, if any, determined by the Designated Port Representative;

(2) Subject to the priorities set forth in Section 8(b), money transferred from the CFC Revenue Account as the Remaining Balance;

(3) Upon the conditions set forth in a Series Resolution, transfers from a Debt Service Reserve Account in excess of the Debt Service Reserve Requirement; and

(4) Money transferred from the Transportation Reserve Account, the Coverage Account, a Debt Service Account or the "Special Facility Construction Account.

(b) *Disbursements from the RCF Account.* The Port, at its option and in the order of priority determined by the Port, may make the following disbursements from the RCF Account.

(1) On any date on which there shall be a deficiency in the CFC Note Account or a Debt Service Account, the Port shall transfer sums from the RCF Account to the CFC Note Account and/or a Debt Service Account.

(2) Money in the RCF Account may be disbursed by the Port for any other purpose permitted pursuant RCW 14.08.120(7), and may be pledged for the payment of debt issued for those purposes.

(3) Money may be withdrawn from the RCF Account and transferred to any Debt Service Account under the conditions set forth in a Series Resolution.

Section 13. Operating Covenants.

(a) *Rate Covenant.* The Port will at all times establish, maintain and cause to be collected Customer Facility Charges as long as the Note and any Bonds are Outstanding that will

(1) produce in each Fiscal Year CFC Revenue at least equal to 100% of the Amount Due; and

(2) maintain the following:

(A) the Coverage Requirement in the Coverage Account as of the last day of each Fiscal Year, or if not correctly posted therein is not corrected within 30 days; and

(B) the Transportation Reserve Requirement in the Transportation Reserve Account as of the last day of each Fiscal Year, or if not correctly posted therein is not corrected within 30 days.

Subsections (a)(1) and (2) are collectively to be considered as the Port's "Rate Covenant".

If the CFC Revenue for two consecutive Fiscal Years is less than required to fulfill the Rate Covenant, then the Port will retain a Consultant to make recommendations as to operations and the revision of the rate and/or structure of the Customer Facility Charge; and upon receiving such recommendations or giving reasonable opportunity for such recommendations to be made, the Port, on the basis of such recommendations and other available information, will revise the Customer Facility Charge and charges for services and operations of the Common Transportation System which will be necessary to meet the Rate Covenant. If the Port has taken the steps set forth in this paragraph and the CFC Revenue nevertheless is not sufficient to meet the Rate Covenant, there shall be no default under this Section 15(a) during any such Fiscal Year, unless the Port fails to meet the Rate Covenant for three consecutive Fiscal Years.

(b) *Payment of Note and Bonds.* The Port will duly and punctually pay or cause to be paid out of the CFC Fund the principal of and interest on the Note and the Bonds at the times and places as provided in this resolution and as provided in the Note and Bonds and will at all times faithfully perform and observe any and all covenants, undertakings and provisions contained in this resolution and in the Note and Bonds.

(c) *Maintenance and Operations.* After the Special Facility is completed and thereafter for the remaining term of the Bonds, the Port will at all times keep and maintain or cause to be kept and maintained the Facilities in good repair, working order and condition as long as the Facilities are used or useful in the operation of the Common Transportation System, and will at all times cause the same to be operated in an efficient manner and at a reasonable cost.

(d) *Insurance of Facilities.* The Port will keep or arrange to keep the Facilities insured, if such insurance is obtainable at reasonable rates and upon reasonable conditions,

against such risks, in such amounts, and with such deductibles as the Commission or the Designated Port Representative shall deem necessary.

(e) *Insurance Against Port Liability.* The Port will at all times keep or arrange to keep in full force and effect policies of public liability and property damage insurance which will protect the Port against anyone claiming damages of any kind or nature, if such insurance is obtainable at reasonable rates and upon reasonable conditions, in such amounts and with such deductibles as the Commission or the Designated Port Representative shall deem necessary.

(f) *Maintenance of Books and Records.* The Port will keep and maintain proper books of account and accurate records of all of CFC Revenue, and of all costs of administration and maintenance and operation of all of the Common Transportation System in accordance with generally accepted accounting principles as in effect and applicable from time to time. On or before 180 days after each Fiscal Year the Port will prepare or cause to be prepared an operating statement of the Common Transportation System for such preceding Fiscal Year. Each such annual statement shall contain a statement in detail of the CFC Revenue, expenses of administration, expenses of normal operation, expenses of normal and extraordinary maintenance and repair, and expenditures for capital purposes of the Common Transportation System for such Fiscal Year and shall contain a statement as of the end of such year showing the status of all funds and accounts of the Port pertaining to the Common Transportation System and the CFC Fund. Copies of such statements shall be placed on file in the main office of the Port and shall be open to inspection at any reasonable time by the owners of Bonds.

(g) *Information to Bank* For as long as the Note is Outstanding, the Port shall provide the Government Banking Division of the Bank with copies of annual, audited financial statements within 270 days from the end of each fiscal year.

(h) *Collections of Customer Facility Charges.* The Port will require that the Operators (or any Subsequent Operators) collect and remit Customer Facility Charges to the Port on a monthly basis, under the terms of the Rental Car Facility Leases, any Subsequent Leases or otherwise.

(i) *Enforcement of Lease and Subsequent Lease.* The Port will enforce the obligations of each of the Operators or any Subsequent Operators under the Rental Car Facility Leases or any Subsequent Leases, including specifically enforcing the obligation of the Operators or any Subsequent Operators to collect and remit Customer Facility Charges to the Port.

Section 14. Right of Prepayment. With three business days, prior written notice to the Bank, the Port may prepay the Note in whole or in part on any date at par plus accrued interest. No prepayment fee shall apply.

Section 15. Future Bonds. Following the issuance and delivery of the Note, the Port may, from time to time, issue additional obligations having a parity of lien on the Pledged Revenue (“Future Bonds”) with the lien thereon of the Note, subject to the terms and conditions of this Section 15.

(a) *Limitations on the Issuance of Future Bonds.*

(1) Future Bonds shall be authorized by Series Resolution of the Commission.

(2) Each Series Resolution shall include the operating covenants set forth in Section 13 of this resolution.

(3) Each Series Resolution shall provide for the funding of the Debt Service Reserve Requirement for a series of Future Bonds.

(4) Each Series Resolution shall provide that the Coverage Requirement shall be funded no later than the date of delivery of such Future Bonds.

(b) *Completion Bonds.* The Port may issue Future Bonds for the purpose of paying any Costs of the Special Facility or completion costs for Additional Purposes, including the capitalization of interest, paying costs of issuance and funding reserves (including costs associated with Credit Facilities, Qualified Insurance and Qualified Letters of Credit); provided that the maximum dollar amount of Future Bonds that may be issued pursuant to this subsection (b) is equal to 15% of the aggregate initial principal amount of the Bonds initially issued for the Special Facility or portion thereof or the Additional Purposes.

(c) *Special Facility Costs; Additional Purposes.* Future Bonds may be issued to pay costs of the Special Facility, Additional Purposes, including the costs of capitalizing debt service, funding reserves and payment of issuance costs (including costs associated with Credit Facilities, Qualified Insurance and Qualified Letters of Credit). As a condition precedent to the issuance and delivery of Future Bonds under this subsection (c), the Port shall deliver a certificate of a Consultant projecting that CFC Revenue will be at least equal 100% of Annual Debt Service for each year during the remaining term of the Outstanding Bonds (excluding the Note) and the Future Bonds to be issued.

(d) *Refunding of Bonds.* Future Bonds may be issued at any time for the purpose of refunding (including by purchase) Future Bonds previously issued including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption (or purchase), including the costs of capitalizing debt service, funding reserves and payment of issuance costs, including derivative termination payments and costs associated with Credit Facilities, Qualified Insurance and Qualified Letters of Credit, upon compliance with the

conditions set forth in subsection 15(c). A Consultant's certificate shall not be required, however, if the annual debt service on all Outstanding Bonds (excluding the Note) in any year is no greater than it would have been if such refunding not occurred.

(e) *Refunding of Other Port Obligations.* Future Bonds may be issued at any time for the purpose of refunding (including by purchase) any other bonds of the Port the proceeds of which were used to pay the costs of a project eligible to be financed with Bonds, including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption (or purchase), including the costs of capitalizing debt service, funding reserves and payment of issuance costs, including derivative termination payments and costs associated with Credit Facilities, Qualified Insurance and Qualified Letters of Credit, upon compliance with the conditions set forth in subsection 16(c).

(f) *Refunding of Current Obligations.* Future Bonds may be issued for the purpose of refunding (including by purchase) at any time within one year prior to maturity, any previously issued Future Bonds for the payment of which sufficient Pledged Revenue are not available without any requirement for compliance with the conditions of subsections 15(a)(5) and (6) and subsection 15(c).

(g) *Liens Subordinate to the Bonds.* Nothing herein contained shall prevent the Port from issuing revenue bonds or other obligations which are a charge upon the Pledged Revenue junior or inferior to the payments required by this resolution to be made out of such Pledged Revenue to pay and secure the payment of any Bonds. Such junior or inferior obligations shall not be subject to acceleration.

Section 16. Form of the Note. The Note shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. 1

\$100,000,000

Or so much as has been drawn hereunder

STATE OF WASHINGTON
PORT OF SEATTLE
CFC REVENUE BOND ANTICIPATION NOTE, 2009

REGISTERED OWNER: U.S. BANK NATIONAL ASSOCIATION

EMPLOYER IDENTIFICATION NUMBER:

MATURITY DATE:

INTEREST RATE: Variable, as set forth below

PRINCIPAL AMOUNT: ONE HUNDRED MILLION AND NO/100 DOLLARS (or so much as has been drawn hereunder)

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 of \$100,000,000 or so much as has been drawn hereunder. This note shall bear interest at a taxable rate equal to the LIBOR plus a margin as set forth in Resolution No. _____ of the Port, adopted on _____, 2009 (the "Note Resolution"). Interest on the drawn principal of this note shall accrue from the date hereof until paid and shall be computed on the principal amount outstanding on the basis of a 360-day year and the actual number of days elapsed. Interest shall be payable monthly on each _____, beginning on _____ and at maturity or upon early prepayment. Principal on this note shall be paid on the Maturity Date identified above unless earlier prepaid.

Both principal of and interest on this note are payable in lawful money of the United States of America. Principal and interest shall be paid to the Registered Owner hereof out of the CFC Note Account of the Port. Reference is made to the Note Resolution for the definition of other capitalized terms used herein.

The Port has reserved the right to prepay this note in whole or in part at any time at a price of par. A prepayment fee may apply, as set forth in the Note Resolution. Interest shall cease to accrue on the date this note is paid or prepaid in full.

The Port has conveyed, pledged, encumbered and granted all of its right, title and interest in Pledged Revenue, all special funds and accounts created under the Note Resolution, and any right, title and interest, if any, that it may have in all Pledged Revenue on deposit in such special funds and accounts. As provided in the foregoing sentence, this note shall be payable from and secured by a lien on Pledged Revenue.

The Port does hereby bind itself to issue Bonds or other refunding obligations at times and in amounts which shall provide, together with Pledged Revenue, amounts sufficient to pay the interest on and principal of this Note as same shall become due and payable.

Said amounts so pledged are hereby declared to be a prior lien and charge upon the Pledged Revenue superior to all other charges of any kind or nature whatsoever except for charges equal in rank that may be made thereon to pay and secure the payment of the principal of, premium, if any, and interest on this note and any Future Bonds issued in accordance with the provisions of the Note Resolution.

The Port has taken no action to cause the interest on this note to be exempt from federal income taxation.

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

This note is issued pursuant to the Constitution and laws of the State of Washington, and duly adopted Resolutions of the Port, to provide interim financing for the Special Facility.

This note is not transferable unless (i) the Registered Owner's corporate name is changed and the transfer is necessary to reflect such change; or (ii) the transferee is a successor in interest of the Registered Owner by means of a corporate merger, an exchange of stock, or a sale of assets.

It is hereby certified and declared that all acts, conditions and things required to be done precedent to and in the issuance of this note have happened, been done and performed and that the total indebtedness of the Port including this note, does not exceed any constitutional, statutory or charter limitation.

IN WITNESS WHEREOF, the Port of Seattle has caused this note 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 or a facsimile thereof imprinted hereon as of the _____ day of _____, 2009.

PORT OF SEATTLE

By _____ /s/ _____
President, Port Commission

ATTEST:

_____/s/_____
Secretary, Port Commission

The Certificate of Authentication for the Note shall be in substantially the following form and shall appear on the front of the Note:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This Note is described in the within-referenced Resolution No. _____ of the Port of Seattle, CFC Revenue Bond Anticipation Note, 2009 dated _____, 2009.

TREASURER OF THE PORT OF
SEATTLE,
as Note Registrar

By _____

Section 17. Execution of the Note. The Note shall be signed on behalf of the Port by the manual or facsimile signature of the President and Secretary of the Port Commission, and shall have the official corporate seal of the Port impressed or a facsimile thereof imprinted or otherwise reproduced thereon.

The Note shall be valid or obligatory for any purpose or entitled to the benefits of this resolution only if the Certificate of Authentication in the form hereinbefore recited, has been manually executed by the Note Registrar. Such Certificate of Authentication shall be conclusive evidence that the Note so authenticated has been duly executed, authenticated and delivered hereunder and is entitled to the benefits of this resolution.

In case either of the officers of the Port who shall have executed the Note shall cease to be such officer or officers of the Port before the Note so signed shall have been authenticated or delivered by the Note Registrar, or issued by the Port, such Note 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. The Note may also be signed and attested on behalf of the Port by such persons as at the actual date of execution of such Note shall be the proper officers of the Port although at the original date of such Note any such person shall not have been such officer.

Section 18. Sale of the Note. The Port hereby accepts the Proposal in accordance with the terms contained in this resolution and the Proposal. The Designated Port Representative is hereby authorized to agree to any other terms, conditions and covenants that are in the best interests of the Port and in accordance with the Proposal.

The appropriate Port officials are hereby authorized and directed to do everything necessary for prompt issuance, execution and delivery of the Note and for the proper application and use of the proceeds thereof. Upon delivery of the Note, the Port shall reimburse the Bank for its legal fees in an amount not to exceed \$40,000 which payments shall be made by check, wire transfer or other mutually acceptable means.

Section 19. General Authorization; Ratification of Prior Acts. The Designated Port Representative and other appropriate officers of the Port are authorized to take any actions and to execute documents as in their judgment may be necessary or desirable in order to carry out the terms of, and complete the transactions contemplated by, this resolution. All acts taken pursuant to the authority of this resolution but prior to its effective date are hereby ratified.

Section 20 Severability. If any one or more of the provisions of this resolution shall be declared by any court of competent jurisdiction to be contrary to law, then such provision or provisions shall be deemed separable from, and shall in no way affect the validity of, any of the other provisions of this resolution or of the Note issued pursuant to the terms hereof.

ADOPTED by the Port Commission of the Port of Seattle at a regular meeting thereof, held this ____ day of _____, 2009, and duly authenticated in open session by the signatures of the Commissioners present and voting in favor thereof.

PORT OF SEATTLE

Commissioners

CERTIFICATE

I, the undersigned, Secretary of the Port Commission (“Commission”) of the Port of Seattle (herein called the “Port”), DO HEREBY CERTIFY:

1. That the attached resolution numbered _____ (herein called 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 _____, 2009, 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 _____, 2009.

Secretary

