

RESOLUTION NO. 3600, as amended

A RESOLUTION OF THE PORT COMMISSION OF THE PORT OF SEATTLE, authorizing the issuance and sale of customer facility charge revenue bonds in two series in the aggregate principal amount of not to exceed \$425,000,000 for the purpose of paying costs of designing, constructing and equipping a consolidated rental car facility and related road improvements and transportation equipment and facilities; fixing the date, forms, terms, and maturities for such bonds; authorizing the issuance and delivery of such bonds; approving certain protective covenants; providing for the issuance of customer facility charge revenue bonds in the future on a parity of lien therewith; delegating authority for the sale of the bonds and the preparation and dissemination of a preliminary official statement and final official statement; and providing for ongoing disclosure.

ADOPTED: July 1, 2008

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RESOLUTION NO. 3600, as amended
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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"), together with related road improvements and transportation facilities, as a "Special Facility" (as such term is defined in the Master Resolution), the costs of which shall be paid from Customer Facility Charges as "Special Revenue" and other available funds; 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 Consolidated Rental Car Facility, together with related road improvements and transportation facilities, as a "Special Facility"; and

WHEREAS, the Port has determined to issue special facility revenue bonds pursuant to this resolution (the "2008 Bonds") and to sell the 2008 Bonds by negotiated sale as herein provided;

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

Section 1. Definitions and Rules of Construction.

(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.

Accumulated Balances means the sum of all amounts on hand in the Debt Service Reserve Account-Taxable, the Coverage Account, the Transportation Reserve Account and the Debt Service Reserve Account – Tax-Exempt.

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

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 the Debt Service Reserve Account-Tax Exempt or Debt Service Reserve Account-Taxable or other debt service reserve accounts 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 refunding debt and capitalized debt service and (ii) money on hand in the Debt Service Account-2008.

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

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 all Bonds outstanding at the time of calculation.

Balloon Maturity Bonds mean any Bonds that are so designated in this resolution or the Series Resolution pursuant to which such Bonds are issued. 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.

Beneficial Owner means any person that has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

Bond Counsel means K&L Preston Gates Ellis LLP or another firm of lawyers nationally recognized and accepted as bond counsel and so employed by the Port.

Bond Purchase Contract means the Bond Purchase Contract(s) between the Port and the Underwriter, relating to the 2008 Bonds.

Bond Register means the books or records 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 2008 Bonds and any Future Parity 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.

Business Day means any day other than a Saturday, a Sunday or a day that is a Port holiday or that is a day on which banks in Seattle, Washington, New York, New York, are authorized or required to close.

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 in the Bond Purchase Contract (with respect to the 2008

Bonds) or provided for in the Series Resolution authorizing Future Parity 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 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 2008 Bonds are issued and delivered to the Underwriter.

Closing Memorandum means the certificate of the Designated Port Representative delivered on the Closing Date identifying the Original Deposit and initial disbursement of 2008 Bond proceeds.

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, or any successor thereto as provided by law.

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 proceeds.

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 Project 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 Project, including placing the same in operation. Without limiting the generality of the

foregoing, ***Costs of the Project*** include (but are not limited to) all or a portion of the interest on the 2008 Bonds and any Future Parity Bonds issued to finance costs of completion of the Project or any portion thereof issued to finance the costs of the Project during the period of construction of the Project, 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 Project 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 Project, the financing of the same and the placing of the same in operation.

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

Coverage Requirement means an amount equal to 25% of Average Annual Debt Service on the then Outstanding Bonds.

Covered Taxable Bonds means the 2008B Bonds and those Bonds designated in the series resolution authorizing their issuance as Covered Taxable Bonds secured by the Debt Service Reserve Account-Taxable.

Covered Tax Exempt Bonds means 2008A Bonds and those Bonds designated in the series resolution authorizing their issuance as Covered Tax Exempt Bonds secured by the Debt Service Reserve Account-Tax Exempt.

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 the 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 Parity 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, 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 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-2008A means the special account of that name established in the CFC Fund pursuant to Section 7(d) of this resolution within the CFC Fund for the purpose of paying the principal of, interest on and redemption price, if any, of 2008A Bonds.

Debt Service Account-2008B means the special account of that name established in the CFC Fund pursuant to Section 7(e) of this resolution within the CFC Fund for the purpose of paying the principal of, interest on and redemption price, if any, of 2008B Bonds.

Debt Service Reserve Account-Tax Exempt means the special account of that name established in the CFC Fund pursuant to Section 7(f) of this resolution.

Debt Service Reserve Account-Taxable means the special account of that name established within the CFC Fund pursuant to Section 7(g) of this resolution.

Debt Service Reserve Requirement is the dollar amount to be calculated with respect to all Covered Tax Exempt Bonds and separately with respect to Covered Taxable Bonds.

(a) With respect to Covered Tax Exempt Bonds, the Debt Service Reserve Requirement shall be equal to the least of:

- (1) Maximum Annual Debt Service for Covered Tax Exempt Bonds,
- (2) 10% of the initial principal amount of Covered Tax Exempt Bonds of each

series, and

(3) 125% of average annual debt service for Covered Tax Exempt Bonds; provided, however, that the dollar amount required to be contributed, if any, as a result of the issuance of a Series of Future Parity Bonds shall not be greater than the Tax Maximum. If the dollar amount required to be contributed at the time of issuance of a Series exceeds the Tax Maximum, then the amount required to be contributed shall be equal to the Tax Maximum.

(b) With respect to Covered Taxable Bonds, the Debt Service Reserve Requirement shall be equal to the least of:

- (1) Maximum Annual Debt Service for Covered Taxable Bonds,

(2) 10% of the initial principal amount of Covered Taxable Bonds of each series, and

(3) 125% of average annual debt service for Covered Taxable Bonds.

(c) With respect to other series of Bonds, the Debt Service Reserve Requirement shall be equal to the amount specified in proceedings authorizing the issuance of that series of Bonds.

The Debt Service Reserve Requirement shall be adjusted accordingly and remain in effect until the earlier of (i) at the Port's option, under (a) and (c) above, a payment of principal of Bonds or (ii) the issuance of a subsequent Series of Future Parity Bonds (when the Debt Service Reserve Requirement shall be re-calculated).

Default, when used in this resolution, means any of the events specified as a Default in Section 20 of this resolution.

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.

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, and its successors as depository for the 2008 Bonds pursuant to Section 6 of this resolution.

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

Favorable Opinion of Bond Counsel means, with respect to any action, a written legal opinion of Bond Counsel to the effect that such action is permitted under the laws of the State and under applicable resolutions of the Commission, including this resolution.

Favorable Tax Opinion means a written opinion of Bond Counsel to the effect that the proposed action, together with any other changes with respect to the 2008A Bonds made or to be made in connection with such action, will not impair the exclusion of interest on a 2008A Bond from gross income for federal income tax purposes (subject to the inclusion of any exceptions contained in the opinion delivered upon original issuance of such 2008A Bond).

Federal Tax Certificate means the certificate of that name executed and delivered by the Port with respect to the Series 2008A Bonds on the Closing Date.

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 Port.

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 Parity 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 Parity Bonds mean Bonds having a parity lien on Pledged Revenue equal to the lien thereon of the 2008 Bonds and issued pursuant to Section 16 of this 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.

Letter of Representations means the blanket issuer letter of representations from the Port to DTC, dated August 28, 1995.

LIBOR means the London Interbank Offered Rate or any successor index.

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 Outstanding series of 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-2008A and the Debt Service Account-2008B after the Closing Date on the 25th day of each month (and into each debt service account established for Future Parity Bonds on a similar schedule) and shall be equal to the sum of:

(a) an amount determined by dividing the interest next due on each Series of Bonds by the number of months between (i) 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 next interest payment dates; and

(b) an amount determined as of the 12th month prior to the date on which a payment of principal of Bonds is maturing or is subject to mandatory sinking fund redemption and shall be determined by dividing the principal amount of each Series of Bonds next maturing or subject to redemption divided by the number of months remaining until such principal payment date. Notwithstanding the foregoing, and only with respect to the 2008A Bonds, the Port may, once each year, reduce a payment of Monthly Debt Service (other than the final month prior to a debt service payment) by the amount of any carryforward of unspent accumulations in the Debt Service Account-2008A not required to have been disbursed for the payment of debt service on the 2008 Bonds in the prior 12 months.

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 Port.

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 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 Deposit means the sum specified in the Closing Memorandum as the balance on hand in the CFC Fund, to be deposited in the Project Account-Series 2008B.

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 the Bond Purchase Contract or provided for in the Series Resolution authorizing the issuance of Future Parity 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 which 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.

Owners mean the Registered Owners of the Bonds.

Pledged Revenue means:

- (a) CFC Revenue,
- (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.

Project means the 2008A Project and the 2008B Project.

Project Account-2008A means the account of that name maintained within the CFC Fund pursuant to Section 7(b) of this resolution.

Project Account-2008B means the account of that name maintained within the CFC Fund pursuant to Section 7(c) of this resolution.

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 15(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(j) of this resolution.

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

Registrar means, collectively, the fiscal agency 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 agency, if any, hereafter appointed by the Treasurer.

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.

Rule means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

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 Port.

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.

Series means any separate series of Bonds issued pursuant to this resolution or a Series Resolution authorizing the issuance of Future Parity Bonds.

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

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.

Tax Maximum means the maximum dollar amount permitted by the Code to be allocated to a bond reserve account attributable to Covered Tax-Exempt Bonds from bond proceeds without requiring a balance to be invested at a restricted yield.

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

Transportation Reserve Requirement means an amount estimated by the Port to be the dollar amount required to pay estimated Common Transportation System Expenses for the Fiscal Year in which the Consolidated Rental Car Facility commences operations and adjusted annually to be equal to the estimated Common Transportation System Expenses for the next Fiscal Year.

Treasurer means the Treasurer of the Port.

2008 Bondowners' Trustee means the bank or trust company appointed pursuant to Section 21 of this resolution.

2008 Bonds mean, collectively, the 2008A Bonds and the 2008B Bonds.

2008 Term Bonds mean those 2008 Bonds designated as Term Bonds in the Bond Purchase Contract.

2008A Bonds means the Port of Seattle Customer Facility Charge Revenue Bonds (Consolidated Rental Car Facility Project) Series 2008A issued pursuant to this resolution.

2008A Project means the planning, design, development, construction and equipping of Off-Site Roadway Improvements and improvements to the Airport terminals and terminal curbsides made exclusively for the benefit of the Common Transportation System.

2008B Bonds means the Port of Seattle Customer Facility Charge Revenue Bonds (Consolidated Rental Car Facility Project) Series 2008B (Taxable), issued pursuant to this resolution.

2008B Project means the planning, design, development, construction and equipping of the Consolidated Rental Car Facility on the Consolidated Rental Car Facility Site, the Bus Maintenance Facility and the acquisition of buses.

Underwriters mean, collectively, Goldman, Sachs & Co., Lehman Brothers Inc., Morgan Stanley & Co. Incorporated, and Siebert Brandford Shank & Co., LLC.

(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) except as otherwise provided in this resolution, any reference to a party to a document shall include such party’s permitted successors and assigns in accordance with the terms of such document and, if applicable, this resolution;

(8) 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;

(9) 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;

(10) 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;

(11) every certificate and every opinion of counsel or Favorable Opinion of Bond Counsel with respect to compliance with a condition or covenant provided for in this resolution shall include a statement that the person making such certificate or opinion has read such covenant or condition and the definitions relating thereto, a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether such covenant or condition has been complied with; and a statement whether, in the opinion of the signers, such condition or covenant has been complied with;

(12) any certificate made or given by a Designated Port Representative or by a Consultant or other person may be based, insofar as it relates to legal matters, upon an opinion of counsel or Favorable Opinion of Bond Counsel, unless such person knows that such opinion is based upon facts or assumptions which are erroneous, or, in the exercise of reasonable care, should have known that the same were erroneous. Any such certificate or opinion of counsel or Favorable Opinion of Bond Counsel may be based, insofar as it relates to factual matters and/or information about such matters which is in the possession of the Port, Operator or any other person, upon a supporting certificate of an officer or officers of the Port, Operator or any other person, unless the signer knows that the supporting certificate with respect to the matters upon

which his certificate or such opinion may be based is erroneous, or, in the exercise of reasonable care, should have known that the same was erroneous; and

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

Section 2. Plan of Finance. The Port is undertaking the planning and design for and will be undertaking the construction, equipping and operation of the Consolidated Rental Car Facility on the Consolidated Rental Car Facility Site and a Bus Maintenance Facility and will be acquiring buses and making related improvements. The costs of the foregoing, including the costs of issuance, the costs of funding deposits to certain accounts created under this resolution are herein referred to as the Project. A portion of the Costs of the Project are expected to be financed with available funds of the Port. The balance of the Costs of the Project will be financed with the proceeds of the 2008 Bonds. A portion of the Costs of the Project which are defined as the 2008A Project may be financed on a tax-exempt basis, and the balance of the costs of the Project which are defined as the 2008B Project shall be financed on a taxable basis.

Section 3. Authorization of 2008 Bonds.

(a) *Authorization.* The Port shall issue the 2008 Bonds for the purpose of providing part of the funds necessary to (1) pay or reimburse the Port for the Costs of the Project; (2) at the option of the Port, to capitalize interest on the 2008 Bonds for all or a portion of the construction period; (3) to fund the Debt Service Reserve Requirement, the Coverage Requirement and the Transportation Reserve Requirement; (4) to make a deposit to the RCF Account as specified in the Closing Memorandum and (5) pay all or a portion of the costs incidental to the foregoing and to the issuance of the 2008 Bonds, including fees. Notwithstanding the foregoing, the proceeds of the 2008A Bonds shall be used solely for the 2008A Project, capitalized interest on the 2008A

Bonds, if any, and the Debt Service Reserve Requirement applicable to the 2008A Bonds and allocable costs of issuance.

(b) *Maximum Principal Amount.* The aggregate principal amount of the 2008 Bonds to be issued under this resolution shall not exceed \$415,000,000. The aggregate principal amount of 2008A Bonds and the aggregate principal amount of the 2008B Bonds shall be approved by the Chief Executive Officer, pursuant to the authority granted in Section 27 of this resolution.

Section 4. 2008 Bond Details.

(a) *2008A Bonds.* A portion of the 2008 Bonds, to be used for financing the 2008A Project shall be designated as “Port of Seattle Customer Facility Charge Revenue Bonds (Consolidated Rental Car Facility Project) Series 2008A”, shall be registered as to both principal and interest, shall be issued in the aggregate principal amount set forth in the Bond Purchase Contract, and shall be numbered separately in the manner and with any additional designation as the Registrar deems necessary for purposes of identification, shall be dated their date of delivery, shall be in the denomination of \$5,000 each or any integral multiple of \$5,000 within a maturity, shall bear interest from their date of delivery until the 2008A Bonds bearing such interest have been paid or their payment duly provided for. The 2008A Bonds shall be issued in the aggregate principal amount, shall bear interest at the per annum rates, payable on the interest payment dates and shall mature in the principal amounts on the principal payment dates set forth in the Bond Purchase Contract and as approved by the Chief Executive Officer pursuant to Section 27 of this resolution.

The 2008A Bonds shall be obligations only of the CFC Fund, including the Debt Service Account-2008A and Debt Service Reserve Account-Tax Exempt created therein and shall be

payable and secured as provided in this resolution. The 2008A Bonds do not constitute an indebtedness of the Port within the meaning of the constitutional provisions and limitations of the State of Washington.

(b) *2008B Bonds.* A portion of the 2008 Bonds, to be used for financing the 2008B Project shall be designated as “Port of Seattle Customer Facility Charge Revenue Bonds (Consolidated Rental Car Facility Project) Series 2008B (Taxable)”, shall be registered as to both principal and interest, shall be issued in the aggregate principal amount set forth in the Bond Purchase Contract, and shall be numbered separately in the manner and with any additional designation as the Registrar deems necessary for purposes of identification, shall be dated their date of delivery, shall be in the denomination of \$5,000 each or any integral multiple of \$5,000 within a maturity, shall bear interest from their date of delivery until the 2008B Bonds bearing such interest have been paid or their payment duly provided for. The 2008B Bonds shall be issued in the aggregate principal amount, shall bear interest at the per annum rates, payable on the interest payment dates and shall mature in the principal amounts on the principal payment dates set forth in the Bond Purchase Contract and as approved by the Chief Executive Officer pursuant to Section 27 of this resolution.

The 2008B Bonds shall be obligations only of the CFC Fund, including the Debt Service Account-2008B and Debt Service Reserve Account-Taxable created therein and shall be payable and secured as provided in this resolution. The 2008B Bonds do not constitute an indebtedness of the Port within the meaning of the constitutional provisions and limitations of the State of Washington.

(c) The series designation for the 2008B Bonds may be re-designated as the “Port of Seattle Customer Facility Charge Revenue Bonds (Consolidated Rental Car Facility Project)

Series 2008A (Taxable)” in the Closing Memorandum if no 2008A Bonds are issued. All other provisions of this resolution regarding the 2008B Bonds shall apply notwithstanding this re-designation.

Section 5. Redemption and Purchase.

(a) *Optional Redemption.* The 2008 Bonds may be subject to optional redemption on the dates, at the prices and under the terms set forth in the Bond Purchase Contract and as approved by the Chief Executive Officer pursuant to Section 27 of this resolution.

(b) *Mandatory Redemption.* The 2008 Bonds may be subject to mandatory redemption as set forth in the Bond Purchase Contract and as approved by the Chief Executive Officer pursuant to Section 27 of this resolution.

(c) *Purchase of 2008 Bonds for Retirement.* The Port reserves the right, at any time and from any available funds of the Port, after providing for the payments set forth in Section 8(b), paragraphs First through Seventh of this resolution, to purchase for retirement any of the 2008 Bonds offered to the Port at any price deemed reasonable to the Designated Port Representative.

(d) *Effect of Optional Redemption/Purchase.* To the extent that the Port shall have optionally redeemed or purchased for cancellation any 2008 Term Bonds since the last scheduled mandatory redemption of such 2008 Term Bonds, the Port may reduce the principal amount of the 2008 Term Bonds of the same Series and maturity to be redeemed in like aggregate principal amount if and to the extent and in the manner provided in the Bond Purchase Contract. Such reduction may be applied in the year specified by the Designated Port Representative with respect to the 2008A Term Bonds, and all reductions with respect to the 2008B Bonds shall be as provided in the Bond Purchase Contract.

(e) *Selection of 2008 Bonds for Redemption.*

(1) Manner of Selection of 2008A Bonds. The maturities of 2008A Bonds to be redeemed shall be selected by the Port and, within a maturity, if the 2008A Bonds then are held in book-entry only form, the selection of 2008A Bonds to be redeemed shall be made in accordance with the operational arrangements in effect at DTC. If the 2008A Bonds are no longer held in uncertificated form, the selection of such Bonds to be redeemed shall be made as provided in this subsection (e)(1). If the Port redeems at any one time fewer than all of the 2008A Bonds having the same maturity date, the particular 2008A Bonds or portions of 2008A Bonds to be redeemed shall be selected by lot (or in such other manner determined by the Registrar) in increments of \$5,000. In the case of a 2008A Bond of a denomination greater than \$5,000, the Port and Registrar shall treat each 2008A Bond as representing such number of separate 2008A Bonds each of the denomination of \$5,000 as is obtained by dividing the actual principal amount of such 2008A Bond by \$5,000. In the event that only a portion of the principal sum of a 2008A Bond is redeemed, upon surrender of such 2008A Bond at the principal office of the Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof or, at the option of the Registered Owner, a 2008A Bond of like maturity and interest rate in any of the denominations herein authorized.

(2) Manner of Selection of 2008B Bonds. The maturities of the 2008B Bonds to be redeemed shall be selected by the Designated Port Representative and, within a maturity, as provided in the Bond Purchase Contract.

(f) *Notice of Redemption*

(1) Official Notice. Unless waived by any owner of 2008 Bonds to be redeemed, official notice of any such redemption (which notice, in the case of an optional redemption, shall state that redemption is conditioned upon the receipt by the Registrar of sufficient funds for redemption) shall be given by the Registrar on behalf of the Port by mailing a copy of an official redemption notice by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the 2008 Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Registrar.

All official notices of redemption shall be dated and shall state:

- (A) the redemption date,
- (B) the redemption price,
- (C) if fewer than all Outstanding 2008 Bonds are to be redeemed, the identification by maturity and Series (and, in the case of partial redemption, the respective principal amounts) of the 2008 Bonds to be redeemed,
- (D) that on the date fixed for redemption, provided that in the case of optional redemption the full amount of the redemption price is on deposit therefor, the redemption price will become due and payable upon each such 2008 Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and
- (E) the place where such 2008 Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Registrar.

On or prior to any optional redemption date, the Port shall deposit, to the extent of funds on deposit in the applicable debt service account and available for such purpose, with the Registrar an amount of money sufficient to pay the redemption price of all the 2008 Bonds or portions of 2008 Bonds which are to be redeemed on that date.

Failure to give notice as to redemption of any 2008 Bond or any defect in such notice shall not invalidate redemption of any other 2008 Bond.

Notwithstanding the foregoing, if the 2008 Bonds are then held in book-entry only form, notice of redemption shall be given only in accordance with the operational arrangements then in effect at DTC but not less than 30 days prior to the date of redemption.

(2) Effect of Notice; Bonds Due. Official notice of redemption having been given as aforesaid, the 2008 Bonds or portions of 2008 Bonds so to be redeemed shall, on the redemption date (unless in the case of optional redemption available money on deposit with the Registrar is insufficient to pay the redemption price), become due and payable at the redemption price therein specified, and from and after such date such 2008 Bonds or portions of 2008 Bonds shall cease to bear interest. Upon surrender of such 2008 Bonds for redemption in accordance with said notice, such 2008 Bonds shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to a mandatory redemption date shall be payable as herein provided for payment of interest. Upon surrender for partial redemption of any 2008 Bond, there shall be prepared for the Registered Owner a new 2008 Bond or 2008 Bonds of the same maturity and Series in the aggregate amount of the unpaid principal. All 2008 Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

(3) Additional Notice. In addition to the foregoing notice, further notice shall be given by the Registrar on behalf of the Port as set out below, but no defect in said further

notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all 2008 Bonds being redeemed; (B) the date of issue of the Bonds of such Series as originally issued; (C) the rate of interest borne by each 2008 Bond being redeemed; (D) the Series designation and maturity date of each 2008 Bond being redeemed; and (E) any other descriptive information needed to identify accurately the 2008 Bonds being redeemed. Each further notice of redemption shall be sent at least 35 days before the redemption date to each party entitled to receive notice under the Continuing Disclosure Certificate and to the Underwriter or to its business successors, if any, and to such persons (including securities repositories who customarily at the time receive notices of redemption in accordance with rules promulgated by the Securities and Exchange Commission) and with such additional information as the Registrar deems appropriate, but such mailings shall not be a condition precedent to the redemption of such 2008 Bonds.

(4) Use of CUSIP Numbers. Upon the payment of the redemption price of 2008 Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by maturity and Series, the 2008 Bonds being redeemed with the proceeds of such check or other transfer. Neither the Port nor the Registrar shall be liable for any failure to include a CUSIP number or any error in designation of a CUSIP number, appearing either in a notice of defeasance or redemption or in any payment or transfer advice.

(5) Amendment of Notice Provisions. The foregoing notice provisions of this Section 5, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended without the consent of any Owners of

2008 Bonds by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

Section 6. Registration; Place and Medium of Payment.

(a) *Registrar/Bond Register.* The Port hereby appoints the fiscal agency of the State of Washington as the Registrar for the 2008 Bonds. The Port shall cause a bond register to be maintained by the Registrar. So long as any 2008 Bonds remain Outstanding, the Registrar shall make all necessary provisions to permit the exchange and registration of transfer of 2008 Bonds at its principal corporate trust office and shall make such records available to the Port. The Registrar may be removed at any time at the option of the Treasurer upon prior notice to the Registrar, DTC, each party entitled to receive notice under the Continuing Disclosure Certificate, and a successor Registrar appointed by the Treasurer. No resignation or removal of the Registrar shall be effective until a successor shall have been appointed and qualified 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 2008 Bonds transferred or exchanged in accordance with the provisions of such 2008 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 2008 Bonds.

(b) *Registered Ownership.* The Port and the Registrar shall deem and treat the Registered Owner of each 2008 Bond as the absolute owner thereof for all purposes (except as provided in the Continuing Disclosure Certificate), and neither the Port nor the Registrar shall be affected by any notice to the contrary. Payment of any such 2008 Bond shall be made only as

described in Section 6(h) hereof, but such 2008 Bond may be transferred as herein provided. All such payments made as described in Section 6(h) shall be valid and shall satisfy and discharge the liability of the Port upon such 2008 Bond to the extent of the amount or amounts so paid.

If any 2008 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 2008 Bond until such 2008 Bond is paid.

(c) *DTC Acceptance/Letter of Representations.* To induce DTC to accept the 2008 Bonds as eligible for deposit at DTC, the Port has executed and delivered to DTC the Letter of Representations.

Neither the Port nor the Registrar shall 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 2008 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, premium, if any, or interest on 2008 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 2008 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 Beneficial Owners or the owners of any other beneficial interest in such 2008 Bonds.

(d) *Use of Depository.*

(1) The 2008 Bonds shall be registered initially in the name of “Cede & Co.”, as nominee of DTC, with one 2008 Bond of each Series maturing on each of the maturity dates for each Series of the 2008 Bonds in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such immobilized 2008 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 2008 Bonds, together with a written request on behalf of the Designated Port Representative, issue a single new 2008 Bond for each Series and maturity of the 2008 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 2008 Bonds that such owners be able to obtain such bonds in the form of 2008 Bond certificates, the ownership of such 2008 Bonds may then be transferred to any person or entity 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 2008 Bonds, to issue 2008 Bonds as herein provided in any authorized denomination. Upon receipt by the Registrar of all then Outstanding 2008 Bonds together with a written request on behalf of the Designated Port Representative to the Registrar, new 2008 Bonds shall be issued in the appropriate denominations and Series and registered in the names of such persons as are requested in such written request.

(e) *Registration of Transfer of Ownership or Exchange; Change in Denominations.* The transfer of any 2008 Bond may be registered and 2008 Bonds may be exchanged, but no transfer of any such 2008 Bond shall be valid unless such 2008 Bond is surrendered to the Registrar with the assignment form appearing on such 2008 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 2008 Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new 2008 Bond (or 2008 Bonds at the option of the new Registered Owner) of the same date, Series, 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 2008 Bond, in exchange for such surrendered and

canceled 2008 Bond. Any 2008 Bond may be surrendered to the Registrar and exchanged, without charge, for an equal aggregate principal amount of 2008 Bonds of the same date, Series, maturity and interest rate, in any authorized denomination or denominations. The Registrar shall not be obligated to register the transfer of or to exchange any 2008 Bond during the 15 days preceding the date any such 2008 Bond is to be redeemed.

(f) *Registrar's Ownership of 2008 Bonds.* The Registrar may become the Registered Owner of any 2008 Bond with the same rights it would have if it were not the Registrar, as applicable, 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 2008 Bonds.

(g) *Registration Covenant.* The Port covenants that, until all 2008A Bonds have been surrendered and canceled, it will maintain a system for recording the ownership of each 2008A Bond that complies with the provisions of Section 149 of the Code.

(h) *Place and Medium of Payment.* The principal of, premium, if any, and interest on the 2008 Bonds shall be payable in lawful money of the United States of America. Interest on the 2008 Bonds shall be calculated on the basis of a 360-day year (twelve 30-day months). For so long as all 2008 Bonds are in fully immobilized form, such payments of principal and interest thereon shall be made as provided in the operational arrangements of DTC as referred to in the Letter of Representations.

In the event that the 2008 Bonds are no longer in fully immobilized form, interest on the 2008 Bonds shall be paid by check or draft mailed (or by wire transfer, without transfer fee, to a Registered Owner of such 2008 Bonds in aggregate principal amount of \$1,000,000 or more who so requests) to the Registered Owners of the 2008 Bonds at the addresses for such Registered

Owners appearing on the Bond Register on the 15th day of the month preceding the interest payment date. Principal and premium, if any, of the 2008 Bonds shall be payable upon presentation and surrender of such 2008 Bonds by the Registered Owners at the principal office of the Registrar.

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 2008 Bonds, the Port will establish the following accounts within the CFC Fund:

- (a) CFC Revenue Account;
- (b) Project Account-2008A;
- (c) Project Account-2008B;
- (d) Debt Service Account-2008A;
- (e) Debt Service Account-2008B;
- (f) Debt Service Reserve Account-Tax Exempt;
- (g) Debt Service Reserve Account-Taxable;
- (h) Coverage Account;
- (i) Transportation Reserve Account; and
- (j) RCF Account.

The Port may establish one or more accounts or subaccounts within any account in the CFC Fund. The amounts in the CFC Fund, until applied as hereinafter provided, shall be held for the security of 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 allocable to the Project Account-2008A, the Debt Service Account-2008A and the Debt Service Reserve Account – Tax-Exempt) 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;

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.

(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. Project Accounts.

(a) *Project Account-2008A.*

(1) Deposits into the Project Account-2008A. The Port shall make the following deposits into the Project Account-2008A.

(A) On the Closing Date, the sum identified in the Closing Memorandum from the proceeds of the 2008A Bonds shall be deposited into the Project Account-2008A.

(B) Earnings and proceeds of investment of money in the CFC Fund allocable to the Project Account-2008A shall be credited to the Project Account-2008A.

(2) Disbursements from the Project Account-2008A. The Port shall disburse money from the Project Account-2008A for the payment of (A) the dollar amount of costs of issuance of the 2008A Bonds shown in the Closing Memorandum, and (B) costs of the 2008A Project (or to reimburse the Port for such costs).

In addition to the other disbursements provided above, the Port may utilize funds in the Project Account-2008A to pay arbitrage rebate amounts with respect to the 2008A Bonds.

Prior to completion of the 2008A Project, sums on hand in the Project Account-2008A may also, at the Port's option, be used to pay debt service on the 2008A Bonds.

Contingent upon final completion of the 2008A Project, the balance remaining on hand in the Project Account-2008A, if any, shall be used to defease 2008A Bonds, or otherwise, upon the receipt of a Favorable Tax Opinion, may at the option of the Port be deposited in the Debt Service Account-2008A or used for other capital expenditures permitted pursuant RCW 14.08.120(7).

(b) *Project Account-2008B.*

(1) Deposits into the Project Account-2008B.

(A) On or prior to the Closing Date, the Original Deposit shall be transferred into the Project Account-2008B.

(B) On the Closing Date, the sum identified in the Closing Memorandum from the proceeds of the 2008B Bonds shall be deposited into the Project Account-2008B.

(C) Earnings and proceeds of investment of money in the CFC Fund (not allocable to the 2008A Bonds) may, at the option of the Port, be deposited in the Project Account-2008B.

(2) Disbursements from the Project Account-2008B. The Port shall disburse money from the Project Account-Series 2008B for the payment of (A) the dollar amount of costs of issuance of the 2008B Bonds shown in the Closing Memorandum, and (B) costs of the 2008A Project and/or the 2008B Project (or to reimburse the Port for such costs).

The sums on hand in the Project Account-2008B shall also, at the Port's option, be available to pay debt service on the 2008B Bonds.

Contingent upon final completion of the 2008B Project, the balance, if any, remaining on hand in the Project Account-2008B shall be transferred to the RCF Account.

Section 10. Debt Service Accounts.

(a) *Debt Service Account-2008A.*

(1) Deposits into Debt Service Account-2008A.

(A) Mandatory. The Port shall deposit into the Debt Service Account-2008A, the following:

(i) from and after the Closing Date, on or prior to the 25th day of each month, an amount equal to the Monthly Debt Service Deposit for the 2008A Bonds;

(ii) all allocable proceeds of investment and interest earnings on money in the Debt Service Account-2008A; and

(iii) On the Business Day prior to each day that a payment of Scheduled Debt Service is due with respect to the 2008A Bonds (whether by redemption or maturity), to the extent that the balance on hand in the Debt Service Account-2008A is not sufficient to make such payment, an amount equal to such deficiency transferred from the Debt Service Reserve Account-Tax Exempt.

(B) Optional. The Port may, at its option, deposit into the Debt Service Account-2008A, the following:

(i) upon the conditions set forth in Section 11(a)(2)(B) of this resolution, the Port may transfer money from the Debt Service Reserve Account-Tax Exempt in excess of the Debt Service Reserve Requirement to the Debt Service Account-2008A;

(ii) prior to completion of the 2008A Project, funds in the 2008A Project Account may be transferred to the Debt Service Account-2008A in order to pay interest on the 2008A Bonds and upon final completion of the 2008A Project, all or a portion of the balance remaining on hand in the Project Account-2008A may, at the option of the Port (and subject to the conditions set forth in Section 9(a)(2)), be transferred into the Debt Service Account-2008A;

(iii) on or prior to the second Business Day prior to each day that a payment of Scheduled Debt Service is due with respect to the 2008A Bonds (whether by redemption or maturity), to the extent that the balance on hand in the Debt Service Account-2008A is not sufficient to make such payment, the Port may transfer money to the Debt Service Account-2008A from any one or more of following sources:

- (x) Coverage Account;
- (y) Transportation Reserve Account; and
- (z) RCF Account;

(iv) when the balance on hand in the Debt Service Reserve Account - Tax-Exempt is sufficient to pay all remaining principal of and interest on Covered Tax-Exempt Bonds then outstanding, the Port may transfer money to the Debt Service Account-2008A from the Debt Service Reserve Account – Tax-Exempt and no further Monthly Debt Service Deposits need to be made to the Debt Service Account-2008A;

(v) when the Accumulated Balances are sufficient to pay all remaining principal of and interest on all Bonds then outstanding, the Port may transfer money to the Debt Service Account-2008A from any one or more of following sources and no further Monthly Debt Service Deposits need to be made to the Debt Service Account-2008A:

- (w) Debt Service Reserve Account – Tax-Exempt;
- (x) Coverage Account;
- (y) Transportation Reserve Account; and
- (z) RCF Account;

(vi) Any other revenues of the Port determined at the sole discretion of the Port to be available to be used to pay debt service on the 2008A Bonds shall be deposited into the Debt Service Account-2008A, if any.

(2) *Disbursements from Debt Service Account-2008A.* The Port shall disburse money in the Debt Service Account-2008A on the following dates and in the following amounts:

(A) To the Owners, on each date on which a payment of interest on 2008A Bonds comes due, an amount equal to the interest on all of the 2008A Bonds then Outstanding coming due on such date; and

(B) To the Owners, on each date on which principal of the 2008A Bonds matures or is subject to redemption prior to maturity for as long as any of the 2008A Bonds are Outstanding and unpaid, an amount equal to the principal (including mandatory redemption amounts) of the 2008A Bonds maturing or subject to redemption on such date; and

(C) To the RCF Account, upon the defeasance pursuant to Section 22 of this resolution or redemption of all Outstanding 2008A Bonds, the balance remaining in the Debt Service Account-2008A.

(b) *Debt Service Account-2008B.*

(1) Deposits into Debt Service Account-2008B.

(A) Mandatory. The Port shall deposit into the Debt Service Account-2008B, the following:

(i) from and after the Closing Date, on or prior to the 25th day of each month, an amount equal to the Monthly Debt Service Deposit for the 2008B Bonds; and

(ii) On the Business Day prior to each day that a payment of Scheduled Debt Service is due with respect to the 2008B Bonds (whether by redemption or maturity), to the extent that the balance on hand in the Debt Service Account-2008B is not sufficient to make such payment, an amount equal to such deficiency transferred from the Debt Service Reserve Account-Taxable.

(B) Optional. The Port may, at its option, deposit into the Debt Service Account-2008B, the following:

(i) On or prior to the second Business Day prior to each day that a payment of Scheduled Debt Service is due with respect to the 2008B Bonds (whether by redemption or maturity), to the extent that the balance on hand in the Debt Service Account-2008B is not sufficient to make such payment, the Port may transfer money to the Debt Service Account-2008B from any one or more of the following sources:

(x) Coverage Account;

(y) Transportation Reserve Account; and

(z) RCF Account;

(ii) when the Accumulated Balances are sufficient to pay all remaining principal of and interest on all Bonds and then outstanding, the Port may transfer

money to the Debt Service Account-2008B from any one or more of following sources and no further Monthly Debt Service Deposits need to be made to the Debt Service Account-2008B:

- (w) Debt Service Reserve Account – Taxable;
- (x) Coverage Account;
- (y) Transportation Reserve Account; and
- (z) RCF Account;

and

(iii) Any other revenues of the Port determined at the sole discretion of the Port to be available to be used to pay debt service on the 2008B Bonds shall be deposited into the Debt Service Account-2008B.

(2) *Disbursements from Debt Service Account-2008B.* The Port shall disburse money in the Debt Service Account-2008B on the following dates and in the following amounts:

(A) To the Owners, on each date on which a payment of interest on 2008B Bonds comes due, an amount equal to the interest on all of the 2008B Bonds then Outstanding coming due on such date;

(B) To the Owners, on each date on which principal of the 2008B Bonds matures or is subject to redemption prior to maturity for as long as any of the 2008B Bonds are Outstanding and unpaid, an amount equal to the principal (including mandatory redemption amounts) of the 2008B Bonds maturing or subject to redemption on such date; and

(C) To the RCF Account, upon the defeasance, if any, pursuant to Section 22 of this resolution or redemption of all Outstanding 2008B Bonds, the balance remaining in the Debt Service Account-2008B.

Section 11. Debt Service Reserve Accounts.

(a) *Debt Service Reserve Account-Tax Exempt.* The Debt Service Reserve Account-Tax Exempt shall be a common reserve, securing the repayment of the 2008A Bonds and any Future Parity Bonds issued on a tax-exempt basis that are designated as Covered Tax Exempt Bonds in the resolution authorizing their issuance (inclusively, “Covered Tax Exempt Bonds”).

(1) Deposits. There shall be deposited into the Debt Service Reserve Account-Tax Exempt, the following:

(A) On the Closing Date, from 2008A Bond proceeds an amount equal to the Debt Service Reserve Requirement determined with respect to the 2008A Bonds; and

(B) Subject to the priorities set forth in Section 8(b), transfers from the CFC Revenue Account, if necessary to establish or maintain the Debt Service Reserve Requirement with respect to the 2008A Bonds and other Bonds designated as Covered Tax Exempt Bonds pursuant to this subsection (a).

(C) In the event of termination of a Qualified Letter of Credit, if the issuer of the Qualified Insurance or the Qualified Letter of Credit shall be insolvent or no longer in existence or if the letter of credit or insurance policy or surety bond otherwise ceases to be a Qualified Letter of Credit or Qualified Insurance, respectively, the Debt Service Reserve Requirement with respect to the 2008A Bonds and other Bonds designated as Covered Tax Exempt Bonds shall be satisfied (a) within six months after the termination, insolvency or incapacity, with other Qualified Insurance or another Qualified Letter of Credit, or (b) within three years (in three approximately equal annual installments, if not sooner) after the termination, insolvency or incapacity, out of CFC Revenues (or out of other money on hand and legally

available for such purpose) after first making necessary provisions for all payments required by Section 8 First and Second.

(2) Disbursements. The following disbursements shall be made from the Debt Service Reserve Account-Tax Exempt:

(A) Mandatory. If a deficiency in the Debt Service Account-2008A with respect to the 2008A Bonds or other Covered Tax Exempt Bonds shall occur on the Business Day prior to the date on which a payment of scheduled debt service is due, such deficiency shall be made up from the Debt Service Reserve Account-Tax Exempt, as provided in Section 10(a)(1)(A)(iii) by the withdrawal of cash and securities therefrom for that purpose, and then from other sources on deposit in such account and by the sale or redemption of obligations held in the Debt Service Reserve Account-Tax Exempt, in such amounts as will provide cash in the Debt Service Reserve Account-Tax Exempt sufficient to make up any such deficiency with respect to the 2008A Bonds or other Covered Tax Exempt Bonds, and if a deficiency still exists immediately prior such payment date and after the withdrawal of cash, the Port shall then draw from any Qualified Letter of Credit or Qualified Insurance in sufficient amount to make up the deficiency. Such draw shall be made at such times and under such conditions as such Qualified Letter of Credit or such Qualified Insurance shall provide.

(B) Optional.

(i) Money also may be withdrawn from the Debt Service Reserve Account-Tax Exempt and transferred to the Debt Service Account-2008A at the option of the Port, in the event that the balance on hand in the Debt Service Reserve Account-Tax Exempt after the withdrawal is at least equal to the Debt Service Reserve Requirement.

(ii) Money may be withdrawn from the Debt Service Reserve Account-Tax Exempt and transferred to the Debt Service Account-2008A under the conditions set forth in Section 10(a)(1)(B)(iv) and (v).

(3) Investments. The money in the Debt Service Reserve Account-Tax Exempt shall be maintained by deposits of cash and/or Investment Securities, or a Qualified Letter of Credit or Qualified Insurance, or a combination of the foregoing. As used herein, the term “cash” shall include U.S. currency, cash equivalents and evidences thereof, including demand deposits, and certified or cashier’s checks.

(b) *Debt Service Reserve Account-Taxable*. The Debt Service Reserve Account-Taxable shall be a common reserve securing the repayment of the 2008B Bonds and any Future Parity Bonds issued on a taxable basis that are designated as Covered Taxable Bonds in the resolution authorizing their issuance (inclusively, “Covered Taxable Bonds”).

(1) Deposits. There shall be deposited into the Debt Service Reserve Account-Taxable, the following:

(A) On the Closing Date, from 2008B Bond proceeds, an amount equal to the Debt Service Reserve Requirement determined with respect to the 2008B Bonds; and

(B) Subject to the priorities set forth in Section 8(b), transfers from the CFC Revenue Account, if necessary to establish or maintain the Debt Service Reserve Requirement with respect to the 2008B Bonds and other Bonds designated as Covered Taxable Bonds pursuant to this subsection (b).

(C) In the event of termination of a Qualified Letter of Credit, if the issuer of the Qualified Insurance or the Qualified Letter of Credit shall be insolvent or no longer in existence or if the letter of credit or insurance policy or surety bond otherwise ceases to be a

Qualified Letter of Credit or Qualified Insurance, respectively, the Debt Service Reserve Requirement with respect to the 2008B Bonds and other Bonds designated as Covered Taxable Bonds shall be satisfied (a) within six months after the termination, insolvency or incapacity, with other Qualified Insurance or another Qualified Letter of Credit, or (b) within three years (in not less than three equal annual installments) after the termination, insolvency or incapacity, out of CFC Revenues (or out of other money on hand and legally available for such purpose) after first making necessary provisions for all payments required by Section 8 First and Second.

(2) Withdrawals. The following disbursements shall be made from the Debt Service Reserve Account-Taxable:

(A) Mandatory. If a deficiency in the Debt Service Account-2008B with respect to the 2008B Bonds or other Covered Taxable Bonds shall occur on the Business Day prior to the date on which a payment of scheduled debt service is due, such deficiency shall be made up from the Debt Service Reserve Account-Taxable, as provided in Section 10(b)(1)(A)(ii), by the withdrawal of cash and securities therefrom for that purpose, and then from other sources on deposit in such account and by the sale or redemption of obligations held in the Debt Service Reserve Account-Taxable, in such amounts as will provide cash in the Debt Service Reserve Account-Taxable sufficient to make up any such deficiency with respect to the 2008B Bonds or other Covered Taxable Bonds, and if a deficiency still exists immediately prior such payment date and after the withdrawal of cash, the Port shall then draw from any Qualified Letter of Credit or Qualified Insurance in sufficient amount to make up the deficiency. Such draw shall be made at such times and under such conditions as such Qualified Letter of Credit or such Qualified Insurance shall provide.

(B) Optional.

(i) Money may be withdrawn from the Debt Service Reserve Account-Taxable and transferred to the RCF Account at the option of the Port, in the event that the balance on hand in the Debt Service Reserve Account-Taxable after the withdrawal is at least equal to the Debt Service Reserve Requirement.

(ii) Money may be withdrawn from the Debt Service Reserve Account-Taxable and transferred to the Debt Service Account-2008B under the conditions set forth in Section 10(b)(1)(B)(ii).

(3) *Investments.* The money in the Debt Service Reserve Account-Taxable shall be maintained by deposits of cash and/or Investment Securities, or a Qualified Letter of Credit or Qualified Insurance, or a combination of the foregoing. As used herein, the term “cash” shall include U.S. currency, cash equivalents and evidences thereof, including demand deposits, and certified or cashier’s checks.

Section 12. Coverage Account.

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

(1) on the Closing Date, the amount specified in the Closing Memorandum which shall be at least equal to the Coverage Requirement; and

(2) Subject to the priorities set forth in Section 8(b), money transferred 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. Annually, the Port shall determine the Coverage Requirement 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 2008 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 Debt Service Account-2008A with respect to 2008A Bonds and subject to the options set forth in Section 10(a)(1)(B)(iii), the Port may transfer sums from the Coverage Account to the Debt Service Account-2008A, 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) On any date on which there shall be a deficiency in the Debt Service Account-2008B with respect to 2008B Bonds and subject to the options set forth in Section 10(b)(1)(B)(i), the Port may transfer sums from the Coverage Account to the Debt Service Account-2008B, if necessary to cure such deficiency.

(5) Money may be withdrawn from the Coverage Account and transferred to the Debt Service Account-2008B under the conditions set forth in Section 10(b)(1)(B)(ii).

(6) Money may be withdrawn from the Coverage Account and transferred to the Debt Service Account-2008A under the conditions set forth in Section 10(a)(1)(B)(v).

Section 13. Transportation Reserve Account.

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

(1) on the Closing Date, the amount specified in the Closing Memorandum which shall be at least equal to the Transportation Reserve Requirement; and

(2) Subject to the priorities set forth in Section 8(b), money transferred from the CFC Revenue Account if necessary to establish the Transportation Reserve Requirement for the upcoming Fiscal Year or 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 Debt Service Account-2008A with respect to 2008A Bonds and subject to the options set forth in Section 10(a)(1)(B)(iii), the Port may transfer sums from the Transportation Reserve Account to the Debt Service Account-2008A, 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) On any date on which there shall be a deficiency in the Debt Service Account-2008B with respect to 2008B Bonds and subject to the options set forth in Section 10(b)(1)(B)(i), the Port may transfer sums from the Transportation Reserve Account to the Debt Service Account-2008B if necessary to cure such deficiency.

(5) Money may be withdrawn from the Transportation Reserve Account and transferred to the Debt Service Account-2008B under the conditions set forth in Section 10(b)(1)(B)(ii).

(6) Money may be withdrawn from the Transportation Reserve Account and transferred to the Debt Service Account-2008A under the conditions set forth in Section 10(a)(1)(B)(v).

(7) 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 14. 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 specified in the Closing Memorandum;
- (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 Section 11(b)(2)(B)(i) of this resolution, the money transferred from the Debt Service Reserve Account-Taxable in excess of the Debt Service Reserve Requirement;
- (4) Money transferred from the Transportation Reserve Account pursuant to Section 13(b)(3) and Section 13(b)(7);

(5) Money transferred from the Coverage Account pursuant to Section 12(b)(1) and Section 12(b)(3);

(6) Money transferred from the Project Account – 2008B pursuant to Section 9(b)(2); and

(7) Money transferred from the Debt Service Account – 2008A pursuant to Section 10(a)(2)(C).

(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 Debt Service Account-2008B and subject to the options set forth in Section 10(b)(1)(B)(i), the Port shall transfer sums from the RCF Account to the Debt Service Account-2008B.

(2) On any date on which there shall be a deficiency in the Debt Service Account-2008A and subject to the options set forth in Section 10(a)(1)(B)(iii), the Port may transfer sums from the RCF Account to the Debt Service Account-2008A.

(3) Money in the RCF Account may be disbursed by the Port for any other purpose permitted pursuant RCW 14.08.120(7), including but not limited to major maintenance of the Facilities, and for the payment of arbitrage rebate allocable to the 2008A Bonds.

(4) Money may be withdrawn from the RCF Account and transferred to the Debt Service Account-2008B under the conditions set forth in Section 10(b)(1)(B)(i) and(ii).

Section 15. Operating Covenants.

(a) *Rate Covenant.* The Port will at all times establish, maintain and cause to be collected Customer Facility Charges as long as 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 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 2008 Bonds at the times and places as provided in this resolution and as provided in said 2008 Bonds and will at all times faithfully perform and observe any and all covenants, undertakings and provisions contained in this resolution and in the 2008 Bonds.

(c) *Maintenance and Operations.* After the Project 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) *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.

(h) *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 16. Future Parity Bonds. Following the issuance and delivery of the 2008 Bonds, the Port may, from time to time, issue additional obligations having a parity of lien on the Pledged Revenue (“Future Parity Bonds”), subject to the terms and conditions of this Section 16.

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

(1) Future Parity Bonds may be issued only if there is not then existing and continuing a Default under this resolution; provided, however, that Future Parity Bonds may be issued for refunding purposes under subsection (d) below if the Default will be cured as a result of the refunding.

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

(3) Each Series Resolution shall include the operating covenants set forth in Section 15 of this resolution.

(4) Each Series Resolution shall provide for the funding of the Debt Service Reserve Requirement for a series of Future Parity Bonds either as Covered Bonds or separately no later than the date of delivery of such Future Parity Bonds.

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

(b) *Completion Bonds.* The Port may issue Future Parity Bonds for the purpose of paying any Costs of the Project 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 Parity Bonds that may issued pursuant to this subsection (b) is equal to 15% of the aggregate initial principal amount of the Bonds initially issued for the Project or the Additional Purposes.

(c) *Additional Purposes.* Future Parity Bonds may be issued to pay costs of 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 Parity 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 and the Future Parity Bonds to be issued.

(d) *Refunding of Bonds.* Future Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) 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). A Consultant's certificate shall not be required, however, if the annual debt service on all Outstanding Bonds in any year is no greater than it would have been if such refunding not occurred.

(e) *Refunding of Other Port Obligations.* Future Parity 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 Parity Bonds may be issued for the purpose of refunding (including by purchase) at any time within one year prior to maturity, any

Bonds for the payment of which sufficient Pledged Revenue are not available without any requirement for compliance with the conditions of subsections 16(a)(5) and (6) and subsection 16(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 17. Adoption of Amendatory Resolutions and Purposes Thereof Without Consent. This resolution may be amended or supplemented from time to time, without the consent of the Registered Owners by a resolution or resolutions amendatory or supplemental to this resolution adopted by the Commission for one or more of the following purposes so long as there is adverse effect on the security for Registered Owners:

(a) to add additional covenants of the Commission or to surrender any right or power herein conferred upon the Port; provided that such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Port contained in this resolution;

(b) to confirm as further assurance any pledge or provision for payment of the 2008 Bonds under and the subjection to any lien, claim or pledge created or to be created by the provisions of this resolution of the CFC Revenue or of any other moneys, securities or funds;

(c) to cure any ambiguity or to cure, correct or supplement any defective (whether because of any inconsistency with any other provision hereof or otherwise) provision of this resolution in such manner as shall not be inconsistent with this resolution or to make any other

provisions with respect to matters or questions arising under this resolution, provided such action shall not impair the security hereof or materially and adversely affect the interests of the Registered Owners; or

(d) to prescribe further limitations and restrictions upon the issuance of Future Parity Bonds and the incurring of indebtedness by the Port payable from the CFC Revenue which are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect;

(e) to provide or modify procedures permitting Registered Owners to utilize a certificated system of registration for the 2008 Bonds; or

(f) to modify, alter, amend, supplement or restate this resolution in any and all respects necessary, desirable or appropriate in connection with the delivery of a Credit Facility or other security or liquidity arrangement; or

(g) to modify, alter, amend, supplement or restate this resolution in any and all respects necessary, desirable or appropriate in order to satisfy the requirements of any Rating Agency which may from time to time provide a rating on the 2008 Bonds, or in order to obtain or retain such rating on any 2008 Bonds as is deemed necessary by the Port; or

(h) to qualify this resolution under the Trust Indenture Act of 1939, as amended;

or

(i) to modify any of the provisions of this resolution in any other respects; provided that such modifications shall not materially and adversely affect the rights of any Registered Owners or that such modification shall not take effect until all then Outstanding 2008 Bonds are no longer Outstanding.

Notwithstanding anything in this Section 17 to the contrary, without the specific consent of the Registered Owners of each 2008 Bond, no such resolution amending or supplementing the

provisions hereof or of any Series Resolution shall reduce the percentage of 2008 Bonds, the Registered Owners of which are required to consent to any such resolution amending or supplementing the provisions hereof; or give to any 2008 Bond or 2008 Bonds any preference over any other 2008 Bond or 2008 Bonds secured hereby. No resolution amending or supplementing the provisions hereof shall change the date of payment of the principal of any 2008 Bond, or reduce the principal amount or Accreted Value of any 2008 Bond, or change the rate or extend the time of payment of interest thereof, or reduce any premium payable upon the redemption or prepayment thereof, or advance the date upon which any 2008 Bond may first be called for redemption prior to its fixed maturity date without the specific consent of the Registered Owner of that 2008 Bond.

Section 18. Adoption of Amendatory Resolutions and Purposes Thereof With Consent. This resolution may be amended from time to time by a supplemental resolution approved by the Registered Owners of a majority in aggregate principal amount of the 2008 Bonds then Outstanding; provided, that (a) no amendment shall be made which affects the rights of some but fewer than all of the Registered Owners of the Outstanding 2008 Bonds without the consent of the Registered Owners of a majority in aggregate principal amount of the 2008 Bonds so affected, and (b) except as expressly authorized hereunder, no amendment that alters the interest rates on any 2008 Bonds, the maturity date, interest payment dates, purchase upon tender or redemption provisions of any 2008 Bonds, this Section 18 without the consent of the Registered Owners of all Outstanding 2008 Bonds affected thereby. For the purpose of consenting to amendments under this Section 18, the Accreted Value shall be the principal amount Outstanding with respect to Capital Appreciation Bonds and Original Discount Bonds and except for amendments that alter the interest rate on any 2008 Bonds, the maturity date,

interest payment dates, purchase upon tender or redemption of any 2008 Bonds, the Credit Facility Issuer, if any, with respect to the 2008 Bonds shall be deemed to be the sole Registered Owner of the 2008 Bonds.

Section 19. **Resolution and Laws a Contract with Bondowners.** This resolution is adopted under the authority of and in full compliance with the Constitution and laws of the State of Washington. In consideration of the purchase and acceptance of the 2008 Bonds by those who shall hold the same from time to time, the provisions of this resolution and of said laws shall constitute a contract with the owner or owners of each 2008 Bond, and the obligations of the Port and its Commission under said laws and under this resolution shall be enforceable by any court of competent jurisdiction; and the covenants and agreements herein set forth to be performed on behalf of the Port shall be for the equal benefit, protection and security of the owners of any and all of the 2008 Bonds.

Section 20. **Defaults.** The Port hereby finds and determines that the collection, deposit and disbursement of Pledged Revenue are essential to the payment and security of the 2008 Bonds and the failure or refusal of the Port or any of its officers or agents to perform the covenants and obligations of this resolution will endanger the collection and application of Pledged Revenue and such other moneys, funds and securities to the purposes herein set forth. Accordingly, the provisions of this Section 20 are specified and adopted for the additional protection of the Owners from time to time of the 2008 Bonds and the Credit Facility Issuer, if any, with respect to the 2008 Bonds. Any one or more of the following events shall constitute a "Default" under this resolution:

(a) The Port shall fail to make a payment of the principal of any 2008 Bonds when the same shall become due and payable whether by maturity or scheduled redemption prior to maturity;

(b) The Port shall fail to make a payment of any installment of interest on any 2008 Bonds when the same shall become due and payable;

(c) The Port shall be in default of its Rate Covenant as described in Section 15(a);

(d) The Port shall default in the observance or performance of any other covenants, conditions, or agreements on the part of the Port contained in this resolution, and such default shall have continued for a period of 120 days, provided, however if the default is reasonably susceptible of cure by the Port, but cannot reasonably be remedied within 120 days, the default shall not constitute a Default if the Port has commenced to cure any non-monetary default under this resolution within 120 days and thereafter diligently and in good faith continuously prosecutes such cure to completion; or

(e) The CFC Resolution shall have been determined by a court of competent jurisdiction to be invalid.

In determining whether a payment default has occurred or whether a payment on the 2008 Bonds has been made under this resolution no effect shall be given to payments made under a Credit Facility, if any, for the 2008 Bonds that is a policy of municipal bond insurance or surety bond. Upon the occurrence and continuation of a default under this resolution, the Credit Facility Issuer, if any, issuing a bond insurance policy for the 2008 Bonds shall be entitled to waive any default or to exercise, on behalf of the owners of 2008 Bonds insured by such Credit Facility Issuer, any of the remedies provided under this section and, for as long as such Credit Facility Issuer is not in default of its obligations under the Credit Facility, such Credit Facility Issuer shall be the only

party entitled to waive any default or exercise the remedies provided under this section. There may not be any acceleration of the 2008 Bonds, and a default under one Series of 2008 Bonds shall not constitute a default under another Series of 2008 Bonds not then in default.

Section 21. **Remedies.** Upon the occurrence of a default and so long as such default shall not have been remedied and subject to the foregoing paragraph, a 2008 Bondowners' Trustee may be appointed for the 2008 Bonds by the owners of a majority in principal amount of the Outstanding 2008 Bonds of the Series then in default by an instrument or concurrent instruments in writing signed and acknowledged by such 2008 Bondowners or by their attorneys-in-fact duly authorized and delivered to such 2008 Bondowners' Trustee, notification thereof being given to the Port. Any 2008 Bondowners' Trustee appointed under the provisions of this Section 21 shall be a bank or trust company organized under the laws of a state or a national banking association. The fees and expenses of a 2008 Bondowners' Trustee shall be borne by the 2008 Bondowners and not by the Port. The bank or trust company acting as a 2008 Bondowners' Trustee may be removed at any time, and a successor 2008 Bondowners' Trustee may be appointed by the owners of a majority in principal amount of the 2008 Bonds Outstanding of the Series then in default, by an instrument or concurrent instruments in writing signed and acknowledged by such 2008 Bondowners or by their attorneys-in-fact duly authorized.

The 2008 Bondowners' Trustee appointed in the manner herein provided, and each successor thereto, is hereby declared to be a trustee for the owners of all the 2008 Bonds for which such appointment is made and is empowered to exercise all the rights and powers herein conferred on the 2008 Bondowners' Trustee.

A 2008 Bondowners' Trustee may upon the happening of a default and during the continuation thereof, take such steps and institute such suits, actions or other proceedings in its own name, or as trustee, all as it may deem appropriate for the protection and enforcement of the rights of 2008 Bondowners to collect any amounts due and owing the Port, or to obtain other appropriate relief, and may enforce the specific performance of any covenant, agreement or condition contained in this resolution.

Any action, suit or other proceedings instituted by a 2008 Bondowners' Trustee hereunder shall be brought in its name as trustee for the 2008 Bondowners represented by such Trustee and all such rights of action upon or under any of the 2008 Bonds may be brought by a 2008 Bondowners' Trustee or the provisions of this resolution may be enforced by a 2008 Bondowners' Trustee without the possession of any of said 2008 Bonds, and without the production of the same at any trial or proceedings relating thereto except where otherwise required by law, and the respective owners of said 2008 Bonds by purchase of such 2008 Bonds shall be conclusively deemed irrevocably to appoint a 2008 Bondowners' Trustee the true and lawful trustee to the respective owners of said 2008 Bonds, with authority to institute any such action, suit or proceeding; to receive as trustee and deposit in trust any sums that become distributable on account of said 2008 Bonds; to execute any paper or documents for the receipt of such moneys, and to do all acts with respect thereto that the 2008 Bondowner himself might have done in person. Nothing herein contained shall be deemed to authorize or empower any 2008 Bondowners' Trustee to consent to accept or adopt, on behalf of any owner of said 2008 Bonds, any plan of reorganization or adjustment affecting the said 2008 Bonds or any right of any owner thereof, or to authorize or empower the 2008 Bondowners' Trustee to vote the claims of the

owners thereof in any receivership, insolvency, liquidation, bankruptcy, reorganization or other proceeding to which the Port shall be a party.

Subject to the rights of a Credit Facility Issuer, if any, of a bond insurance policy for the 2008 Bonds set forth in this section, no owner of any one or more of the 2008 Bonds shall have any right to institute any action, suit or proceedings at law or in equity for the enforcement of the same, unless default shall have happened and be continuing, and unless no 2008 Bondowners' Trustee has been appointed as herein provided, but any remedy herein authorized to be exercised by a 2008 Bondowners' Trustee may be exercised individually by any 2008 Bondowner, in his own name and on his own behalf or for the benefit of all 2008 Bondowners, in the event no 2008 Bondowners' Trustee has been appointed, or with the consent of the 2008 Bondowners' Trustee if such 2008 Bondowners' Trustee has been appointed; provided however, that nothing in this resolution or in the 2008 Bonds shall affect or impair the obligation of the Port which is absolute and unconditional, to pay from CFC Revenue the principal of and interest on said 2008 Bonds to the respective owners thereof at the respective due dates therein specified, or affect or impair the right of action, which is absolute and unconditional, of such owners to enforce such payments.

The remedies herein conferred upon or reserved to the owners of the 2008 Bonds and to a 2008 Bondowners' Trustee are not intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. The privileges herein granted shall be exercised from time to time and continued so long as and as often as the occasion therefor may arise and no waiver of any default hereunder, whether by a 2008 Bondowners' Trustee or by the owners of 2008 Bonds, shall extend to or shall affect any subsequent default or shall impair any rights or remedies consequent thereon. No delay or

omission of the 2008 Bondowners or of a 2008 Bondowners' Trustee to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein.

Upon any such waiver, such default shall cease to exist, and any default arising therefrom shall be deemed to have been cured, for every purpose of this resolution; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon

Section 22. Defeasance. Except as may otherwise be proscribed in the Bond Purchase Contract with respect to the 2008B Bonds, in the event that money and/or Government Obligations maturing or having guaranteed redemption prices at the option of the holder at such time or times and bearing interest to be earned thereon in amounts (together with such money, if any) sufficient to redeem and retire part or all of the 2008 Bonds in accordance with their terms, are irrevocably set aside in a special account and pledged to effect such redemption and retirement, then no further payments need be made into the Debt Service Account-2008A or Debt Service Account-2008B, as the case may be, or any account therein for the payment of the principal of and interest on the 2008 Bonds so provided for, and such 2008 Bonds shall then cease to be entitled to any lien, benefit or security of this resolution, except the right to receive the funds so set aside and pledged, and such 2008 Bonds shall no longer be deemed to be outstanding hereunder, or under any resolution authorizing the issuance of bonds or other indebtedness of the Port.

Within 30 days of the defeasance of any 2008 Bonds, the Registrar shall give notice of such defeasance to each party entitled to receive notice pursuant to the Continuing Disclosure Certificate.

Section 23. Tax Covenants. The Port covenants that it will not take or permit to be taken on its behalf any action that would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the 2008A Bonds and will take or require to be taken such acts as may reasonably be within its ability and as may from time to time be required under applicable law to continue the exclusion from gross income for federal income tax purposes of the interest on such 2008A Bonds. The Port shall comply with its covenants set forth in the Federal Tax Certificate.

Section 24. Lost, Stolen, Mutilated or Destroyed 2008 Bonds. In case any 2008 Bond or 2008 Bonds shall be lost, stolen, mutilated or destroyed, the Registrar may execute and deliver a new 2008 Bond or 2008 Bonds of like Series, interest rate, maturity, date, number and tenor to the Registered Owner thereof upon the Registered Owner's paying the expenses and charges of the Port in connection therewith and upon his/her surrendering the mutilated 2008 Bond or filing with the Port evidence satisfactory to the Port that such 2008 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 25. Forms of 2008 Bonds and Registration Certificate.

(a) *2008A Bonds.* The 2008A Bonds shall be in substantially the following form:

STATEMENT OF INSURANCE

UNITED STATES OF AMERICA

NO. _____

\$ _____

STATE OF WASHINGTON
PORT OF SEATTLE
CUSTOMER FACILITY CHARGE REVENUE BOND
(CONSOLIDATED RENTAL CAR FACILITY PROJECT) SERIES 2008A

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, solely from the special fund of the Port known as the "Port of Seattle Customer Facility Charge Revenue Bonds (Consolidated Rental Car Facility Project) Debt Service Account-2008A" (the "Debt Service Account") created by Resolution No. 3600, as amended, of the Port Commission, the Principal Amount indicated above and to pay interest thereon from the Debt Service Account from _____, 2008, or the most recent date to which interest has been paid or duly provided for until payment of this bond, payable on ____ 1, 20__, and semiannually thereafter on the first days of each _____ and _____.

Both principal of and interest on this bond are payable in lawful money of the United States of America. For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the Port to DTC. The fiscal agency of the state of Washington is acting as the registrar, authenticating agent and paying agent for the bond of this issue (the "Registrar").

Capitalized terms used in this bond which are not specifically defined have the meanings given such terms in 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 finance additions and improvements to its properties and facilities. Simultaneously herewith, the Port is issuing additional series of customer facility charge revenue bonds, Series 2008B, in the aggregate principal amount of \$ _____ (collectively, together with the Series 2008A Bonds, the "2008 Bonds").

The bonds of this issue shall be subject to optional redemption in advance of their scheduled maturity on and after _____ 1, _____ in whole or in part on any date at the following prices, expressed as a percentage of the principal amount, plus accrued interest to the date of redemption.

Redemption Dates (all dates are inclusive)	Redemption Prices
--	-------------------

Unless redeemed pursuant to the foregoing optional redemption provisions, the bonds of this series maturing on _____ 1, _____ shall be redeemed by the Port on _____ 1 of

the following years in the following principal amounts at a price of par, plus accrued interest to the date of redemption:

Year	Principal Amount
------	------------------

* Maturity

The bonds of this series are not private activity bonds. The bonds of this series 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 conveyed, pledged, encumbered and granted all of its right, title and interest in Pledged Revenue, all special funds and accounts created under the Bond 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, the Bonds shall be payable from and secured by a lien on Pledged Revenue.

The Port does hereby bind itself to set aside from Pledged Revenue in the manner described in the Bond Resolution the various amounts required by the Bond Resolution to be paid into and maintained in said accounts, all within the times provided by said Bond Resolution.

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 the Series 2008B Bonds and any Future Parity Bonds issued in accordance with the provisions of 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 or a facsimile thereof imprinted hereon as of the _____ day of _____, 2008.

PORT OF SEATTLE

By _____ /s/_____
President, Port Commission

ATTEST:

_____/s/_____
Secretary, Port Commission

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 Customer Facility Charge Revenue Bonds (Consolidated Rental Car Facility Project) Series 2008A of the Port of Seattle dated _____, 2008.

WASHINGTON STATE FISCAL
AGENCY, Registrar

By _____
Authorized Signer

In the event any 2008A Bonds are no longer in fully immobilized form, the form of such Bonds may be modified to conform to printing requirements and the terms of this resolution.

(b) *2008B Bonds*. The 2008B Bonds shall be in substantially the following form:

STATEMENT OF INSURANCE

UNITED STATES OF AMERICA

NO. _____

\$ _____

STATE OF WASHINGTON
PORT OF SEATTLE
CUSTOMER FACILITY CHARGE REVENUE BOND
(CONSOLIDATED RENTAL CAR FACILITY PROJECT), SERIES 2008B (TAXABLE)

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, solely from the special fund of the Port known as the "Port of Seattle Customer Facility Charge Revenue Bonds (Consolidated Rental Car Facility Project) Debt Service Account-20089B" (the "Debt Service Account") created by Resolution No. 3600, as amended, of the Port Commission, the Principal Amount indicated above and to pay interest thereon from the Debt Service Account from _____, 2008, or the most recent date to which interest has been paid or duly provided for until payment of this bond, payable on ____ 1, 20__, and semiannually thereafter on the first days of each _____ and _____.

Both principal of and interest on this bond are payable in lawful money of the United States of America. For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the Port to DTC. The fiscal agency of the state of Washington is acting as the registrar, authenticating agent and paying agent for the bond of this issue (the "Registrar").

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 finance additions and improvements to its properties and facilities. Simultaneously herewith, the Port is issuing additional series of customer facility charge revenue bonds, Series 2008A, in the aggregate principal amount of \$ _____ (collectively, together with the Series 2008B Bonds, the "2008 Bonds").

The bonds of this issue shall be subject to optional redemption in advance of their scheduled maturity on and after _____ 1, _____ in whole or in part on any date at the

following prices, expressed as a percentage of the principal amount, plus accrued interest to the date of redemption.

Redemption Dates (all dates are inclusive) Redemption Prices

Unless redeemed pursuant to the foregoing optional redemption provisions, the bonds of this series maturing on _____ 1, _____ shall be redeemed by the Port on _____ 1 of the following years in the following principal amounts at a price of par, plus accrued interest to the date of redemption:

Year Principal Amount

*** Maturity**

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 conveyed, pledged, encumbered and granted all of its right, title and interest in Pledged Revenue, all special funds and accounts created under the Bond 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, the Bonds shall be payable from and secured by a lien on Pledged Revenue.

The Port does hereby bind itself to set aside from Pledged Revenue in the manner described in the Bond Resolution the various amounts required by the Bond Resolution to be paid into and maintained in said accounts, all within the times provided by said Bond Resolution.

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 the Series 2008A Bonds and any Future Parity Bonds issued in accordance with the provisions of 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 or a facsimile thereof imprinted hereon as of the ____ day of _____, 2008.

PORT OF SEATTLE

By _____ /s/
President, Port Commission

ATTEST:

_____/s/
Secretary, Port Commission

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 Customer Facility Charge Revenue Bonds (Consolidated Rental Car Facility Project), Series 2008B of the Port of Seattle dated _____, 2008.

WASHINGTON STATE FISCAL
AGENCY, Registrar

By _____
Authorized Signer

Section 26. Execution. The 2008 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 or a facsimile thereof imprinted or otherwise reproduced thereon.

Only such 2008 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 2008 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 2008 Bonds shall cease to be such officer or officers of the Port before the 2008 Bonds so signed shall have been authenticated or delivered by the Registrar, or issued by the Port, such 2008 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 2008 Bond may also be signed and attested on behalf of the Port by such persons as at the actual date of execution of such 2008 Bond shall be the proper officers of the Port although at the original date of such 2008 Bond any such person shall not have been such officer.

Section 27. Sale of 2008 Bonds. The 2008 Bonds shall be sold at negotiated sale to the Underwriters pursuant to the terms of the Bond Purchase Contract(s). The Designated Port Representative is hereby authorized to negotiate terms for the purchase of the 2008 Bonds and execute the Bond Purchase Contracts, with such terms (including the designation of the 2008A Bonds and the 2008B Bonds) as are approved by the Chief Executive Officer pursuant to this section and consistent with this resolution. The Commission has been advised by the Underwriters that market conditions are fluctuating and, as a result, the most favorable market conditions may occur on a day other than a regular meeting date of the Commission. The Commission has determined that it would be in the best interest of the Port to delegate to the Chief Executive Officer for a limited time the authority to approve the final interest rates, maturity dates, aggregate principal amounts for each series, principal amounts of each maturity, redemption rights and other terms and conditions of the 2008 Bonds. The Chief Executive

Officer is hereby authorized to approve the final interest rates, maturity dates, aggregate principal amounts, principal maturities and redemption rights for the 2008 Bonds in the manner provided hereafter so long as the aggregate principal amount of each series of the 2008 Bonds does not exceed the maximum principal amounts set forth in Section 3 and so long as the true interest cost for the 2008 Bonds (in the aggregate) does not exceed 8.75 %.

In determining the final interest rates, maturity dates, aggregate principal amounts, principal maturities, redemption rights and other terms and conditions of the 2008 Bonds, the Chief Executive Officer, in consultation with Port staff and the Port's financial advisor, shall take into account those factors that, in his judgment, will result in the lowest true interest cost on the 2008 Bonds to their maturity, including, but not limited to current financial market conditions and current interest rates for obligations comparable in tenor and quality to the 2008 Bonds. Subject to the terms and conditions set forth in this section, the Designated Port Representative is hereby authorized to execute the final form of the Bond Purchase Contracts, upon the Chief Executive Officer's approval of the final interest rates, maturity dates, aggregate principal amounts, principal maturities and redemption rights set forth therein. Following the execution of the Bond Purchase Contracts, the Chief Executive Officer shall provide a report to the Commission, describing the final terms of the 2008 Bonds approved pursuant to the authority delegated in this section. The authority granted to the Chief Executive Officer and the Designated Port Representative by this section shall expire on September 26, 2008. If a Bond Purchase Contract(s) for any one or both series of 2008 Bonds has not been executed by September 26, 2008, the authorization for the issuance of such series of 2008 Bonds shall be rescinded, and such 2008 Bonds shall not be issued nor their sale approved unless such 2008 Bonds shall have been re-authorized by resolution of the Commission. The resolution

reauthorizing the issuance and sale of such 2008 Bonds may be in the form of a new resolution repealing this resolution in whole or in part (only with respect to the 2008 Bonds not issued) or may be in the form of an amendatory resolution approving a bond purchase contract(s) 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 2008 Bonds to the Underwriters thereof and further to execute all closing certificates and documents required to effect the closing and delivery of the 2008 Bonds in accordance with the terms of the Bond Purchase Contract(s).

The Designated Port Representative is authorized to ratify and to approve for purposes of the Rule, on behalf of the Port, the Official Statement(s) (and any Preliminary Official Statement(s)) and any supplement thereto relating to the issuance and sale of the 2008 Bonds and the distribution of the 2008 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 representative are hereby authorized and directed to do everything necessary for the prompt issuance, execution and delivery of the 2008 Bonds to the Underwriters and for the proper application and use of the proceeds of sale of the 2008 Bonds. The proceeds of the 2008 Bonds shall be applied as provided in the Closing Memorandum consistent with this resolution.

Section 28. **Undertaking to Provide Ongoing Disclosure.** The Designated Port Representative is authorized to, in his or her discretion, execute and deliver a Continuing Disclosure Certificate providing for an undertaking by the Port to assist the Underwriters in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Section 29. **Bond Insurance.** The Commission hereby authorizes the Designated Port Representative to negotiate a commitment for bond insurance, including a surety policy to fulfill the Debt Service Reserve Requirement if such policy or policies are available on a financially advantageous basis. If such policy(ies) will be obtained, the Port further authorizes and directs the Designated Port Representative to execute commitments and agreements applicable with the provider of such policy(ies) and authorizes and directs all proper officers, agents, attorneys and employees of the Port to cooperate with the provider of such policy(ies) in preparing such additional agreements, certificates, and other documentation on behalf of the Port as shall be necessary or advisable in providing for such policy(ies).


Section 30. **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 Bonds issued pursuant to the terms hereof.

ADOPTED by the Port Commission of the Port of Seattle at a regular meeting thereof,
held this 1st day of July, 2008, and duly authenticated in open session by the
signatures of the Commissioners present and voting in favor thereof.


PORT OF SEATTLE



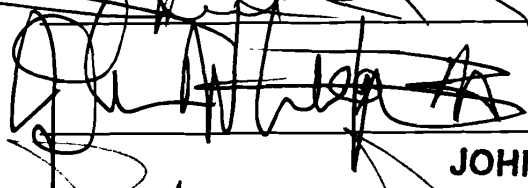
Gael TARLETON



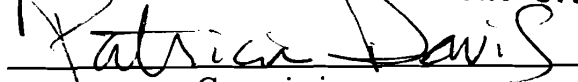
BILL BRYANT



LLOYD HARA



JOHN CREIGHTON



PATRICIA DAVIS

Commissioners

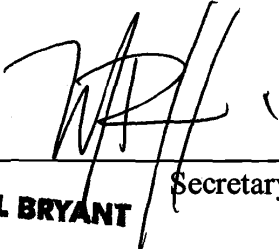
CERTIFICATE

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 3600, as amended (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 1st day of July, 2008, 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 1st day of July, 2008.



BILL BRYANT Secretary