

Item Number: <u>8c_reso_3</u> Meeting Date: <u>April 14, 2026</u>
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RESOLUTION NO. 3847

A RESOLUTION of the Port Commission of the Port of Seattle, amending Resolution No. 3598, which authorized the issuance and sale of Subordinate Lien Revenue Refunding Bonds, Series 2008, in the aggregate principal amount not to exceed \$201,000,000, for the purpose of refunding certain outstanding subordinate lien revenue bonds of the Port; amending definitions, requirements with respect to the Subordinate Lien Bond Fund, provisions permitting the issuance of additional bonds, bond covenants, defaults and remedies, permitted amendments, and related provisions; and making technical amendments.

Prepared by:

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Seattle, Washington

Adopted: April 14, 2026

PORT OF SEATTLE  
RESOLUTION NO. 3847  
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WHEREAS, the Port of Seattle (the “Port”), a municipal corporation of the State of Washington, owns and operates a system of marine terminals and properties and Seattle-Tacoma International Airport; and

WHEREAS, the Port has authorized the issuance of revenue bonds in one or more series pursuant to Resolution No. 3059, as amended, of the Commission, adopted on February 2, 1990, as most recently amended and restated by Resolution No. 3577 of the Commission adopted on February 27, 2007 (collectively, the “First Lien Master Resolution”), each series being payable from the Net Revenues (as such term is defined in the First Lien Master Resolution); and

WHEREAS, the Port currently has outstanding four series of first lien revenue bonds pursuant to the First Lien Master Resolution, as follows:

Authorizing Resolution Number	Date of Original Issue	Series	Original Principal Amount	Principal Amount Outstanding (as of 01/03/2026)	Final Maturity Date
3619	07/16/2009	(B-2)	\$ 22,000,326 <sup>(1)</sup>	\$ 57,572,236 <sup>(1)</sup>	05/01/2031
3721	08/02/2016	(B)	124,380,000	75,660,000	10/01/2032
3721	08/02/2016	(C)	6,180,000	3,395,000	10/01/2032
3787	06/30/2021		43,015,000	9,540,000	09/01/2026
				\$146,167,236	

<sup>(1)</sup> Series 2009B-2 Bonds are capital appreciation bonds; total principal amount outstanding includes accreted interest of \$40,174,645 through January 3, 2026.

(the “Outstanding First Lien Parity Bonds”); and

WHEREAS, the Port has authorized the issuance of intermediate lien revenue bonds having a lien on Net Revenues subordinate to the lien thereon of the Outstanding First Lien Parity Bonds in one or more series pursuant to Resolution No. 3540, as amended, adopted on June 14, 2005 (the “Intermediate Lien Master Resolution”); and

WHEREAS, the Port currently has outstanding 21 series of intermediate lien revenue bonds pursuant to the Intermediate Lien Master Resolution, as follows:

<u>Authorizing Resolution Number</u>	<u>Date of Original Issue</u>	<u>Series</u>	<u>Original Principal Amount</u>	<u>Principal Amount Outstanding (As of 01/03/2026)</u>	<u>Final Maturity Date</u>
3709	08/06/2015	(C)	\$226,275,000	\$165,730,000	04/01/2040
3722	08/02/2016		99,095,000	84,555,000	02/01/2030
3735	08/22/2017	(A)	16,705,000	16,705,000	05/01/2028
3735	08/22/2017	(B)	264,925,000	161,930,000	05/01/2036
3735	08/22/2017	(C)	313,305,000	261,675,000	05/01/2042
3735	08/22/2017	(D)	93,230,000	23,830,000	05/01/2027
3749	06/21/2018	(A)	470,495,000	404,975,000	05/01/2043
3749	06/21/2018	(B)	85,145,000	32,225,000	05/01/2028
3758	08/07/2019		457,390,000	406,220,000	04/01/2044
3786	06/30/2021	(A)	47,025,000	9,430,000	12/01/2030
3786	06/30/2021	(B)	148,765,000	127,790,000	06/01/2040
3786	06/30/2021	(C)	514,390,000	443,015,000	08/01/2046
3786	06/30/2021	(D)	41,395,000	31,490,000	08/01/2031
3801	08/11/2022	(A)	206,200,000	190,155,000	08/01/2033
3801	08/11/2022	(B)	585,930,000	537,495,000	08/01/2047
3801	08/11/2022	(C)	70,435,000	34,975,000	08/01/2032
3826	08/15/2024	(A)	168,975,000	158,955,000	03/01/2040
3826	08/15/2024	(B)	648,940,000	632,855,000	07/01/2049
3837	08/21/2025	(A)	74,235,000	74,235,000	10/01/2050
3837	08/21/2025	(B)	650,460,000	650,460,000	10/01/2050
3837	08/21/2025	(C)	22,550,000	22,550,000	09/01/2032
				<u>\$4,471,250,000</u>	

(the “Outstanding Intermediate Lien Parity Bonds”); and

WHEREAS, the Port has issued and currently has outstanding two series of subordinate lien revenue bonds, as follows:

Authorizing Resolution Number	Date of Original Issue	Original Principal Amount	Principal Amount Outstanding (1/3/2026)	Final Maturity Date
3456 <sup>(1)</sup>	(CP)	\$ 400,000,000	\$120,000,000	06/01/2051
3598	06/17/2008	200,715,000	110,335,000	07/01/2033
			<u>\$230,335,000</u>	

<sup>(1)</sup> As amended by Resolution No. 3777, adopted on September 22, 2020.

(the “Outstanding Subordinate Lien Parity Bonds”); and

WHEREAS, the Outstanding Subordinate Lien Resolutions authorize amendments thereto from time to time by a Supplemental Resolution approved by the registered owners of 51% in aggregate principal amount of the then Outstanding Subordinate Lien Parity Bonds. The Outstanding Subordinate Lien Resolutions further deem any Credit Facility Issuer (as defined therein) to be the sole registered owner of any Outstanding Subordinate Lien Parity Bonds that are payable from the credit facility provided by such Credit Facility Issuer for the purpose of consenting to amendments, except for amendments that alter the interest rate on any Outstanding Subordinate Lien Parity Bonds, the maturity date, interest payment dates, purchase upon tender or redemption of any Outstanding Subordinate Lien Parity Bonds; and

WHEREAS, with the consent of the Credit Facility Issuer of a credit facility securing the payment of the Outstanding Subordinate Lien Revenue Refunding Bonds, Series 2008, the Port intends to amend the covenants set forth in the Outstanding Subordinate Lien Resolutions, specifically including Resolution No. 3598, as amended (the “Original Resolution”); and

WHEREAS, the Port now desires to amend the Original Resolution pursuant to Section 7.07(a) thereof;

WHEREAS, the Commission deems it advisable and in the best interest of the Port to adopt this resolution amending the Original Resolution;

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

## ARTICLE I. AMENDMENTS

### Section 1.01. Definitions (Amended).

Section 1.01 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

Unless the context otherwise requires, the following terms shall have the following meanings.

*Accreted Value* has the meaning set forth in Exhibit A ~~means (a) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the initial principal amount of such Subordinate Lien Parity Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (b) with respect to Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Subordinate Lien Parity 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 the Subordinate Lien Resolution authorizing the issuance of such Subordinate Lien Parity Bonds.~~

~~*Aggregate Annual Debt Service* means Annual Debt Service for all Outstanding Subordinate Lien Parity Bonds and all Subordinate Lien Parity Bonds authorized but unissued under a Subordinate Lien Resolution unless such unissued Subordinate Lien Parity Bonds are~~

~~authorized to provide permanent financing in connection with the issuance of short term obligations, and, without duplication, Annual Debt Service with respect to any Derivative Product.~~

*Aggregate Interest Coverage* means, as of any date, the aggregate amount of Interest Coverage determined with respect to Bonds in the Commercial Paper Mode, including all Interest Periods then in effect.

*Annual Debt Service* ~~has the meaning set forth in Exhibit A means the total amount of Debt Service for any Series of Outstanding Subordinate Lien Parity Bonds, and, without duplication, with respect to any Derivative Product, in any fiscal year or Base Period.~~

*Authorized Denominations* means:

(a) with respect to Bonds in a Commercial Paper Mode, \$100,000 and any integral multiple of \$1,000 in excess thereof within a maturity,

(b) with respect to Bonds in a Daily Mode or Weekly Mode, \$100,000 and any integral multiple of \$5,000 in excess thereof within a maturity,

(c) with respect to Bonds in a Long Term Mode or a Fixed Rate Mode, \$5,000 and any integral multiple thereof within a maturity, and

(d) with respect to Bank Bonds, any amount (but only during the period that such Bonds are Bank Bonds).

*Available Revenue* ~~has the meaning set forth in Exhibit A means the Gross Revenue of the Port after providing for the payments set forth in paragraphs First, Second, Third and Fourth of Section 5.01(b) of this resolution. Notwithstanding the foregoing, the Port may adopt a resolution obligating and binding the Port to set aside and pay any part or parts of, or all of, or a fixed proportion of, or a fixed amount of other receipts (not previously included in Gross Revenue) at any time as additional security for any one or more series of Subordinate Lien Parity Bonds;~~

provided that the Port has also obligated and bound itself to set aside and pay such receipts for the benefit of Permitted Prior Lien Bonds.

***Balloon Maturity Bonds*** has the meaning set forth in Exhibit A and shall include the Bonds means, ~~except as provided in Section 2.02(b), the Bonds, the Subordinate Lien Revenue Bonds, Series 1997, the Subordinate Lien Revenue Commercial Paper Notes, the Series 2003C Bonds, the Subordinate Lien Revenue Bonds, Series 2005, and any Future Subordinate Lien Parity Bonds that are so designated in the Subordinate Lien Resolution pursuant to which such Future Subordinate Lien Parity 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.~~

***Bank*** means, ~~initially, Landesbank Hessen-Thüringen Girozentrale, acting through its New York Branch~~ Bank of America, N.A., and any successor Bank appointed by the Designated Port Representative pursuant to this resolution.

***Bank Bonds*** has the meaning set forth in Exhibit A ~~shall have the meaning set forth in Section 4.04 hereof.~~

***Bank Interest Rate*** means the rate of interest payable with respect to Bank Bonds, if any, which rate of interest shall be determined in accordance with the provisions of the Reimbursement Agreement.

***Bank Purchase Subaccount*** means the subaccount by that name created within the Purchase Account in accordance with Section 4.04 hereof.

***Base Period*** has the meaning set forth in Exhibit A ~~means any consecutive 12-month period selected by the Designated Port Representative out of the 30-month period next preceding the date of issuance of an additional series of Future Subordinate Lien Parity 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 intermediary).

**Bond or Bonds** means the Port of Seattle Subordinate Lien Revenue Refunding Bonds, Series 2008.

**Bond Counsel** means a firm of lawyers nationally recognized and accepted as bond counsel and so employed by the Port for any purpose under this resolution applicable to the use of that term.

**Bond Purchase Contract** means the purchase contract relating to the Bonds between the Port and the Underwriter.

**Bond Register** means the registration records for the Bonds maintained by the Registrar.

**Business Day** means a day (a) other than a day on which banks in Seattle, Washington or New York, New York, the Securities Depository, the Registrar, the Remarketing Agent, the Credit Facility Issuer or the Liquidity Facility Provider are authorized or required to be closed and (b) on which the New York Stock Exchange is not closed.

**Capital Appreciation Bonds** ~~has the meaning set forth in Exhibit A~~ ~~mean Subordinate Lien Parity Bonds all or a portion of the interest on which is compounded, accumulated and payable only upon redemption or on the maturity date of such Subordinate Lien Parity Bonds. If so provided in the Subordinate Lien Resolution authorizing their issuance, Subordinate Lien Parity Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Subordinate Lien Parity Bonds no longer are Capital Appreciation Bonds, they shall be deemed Outstanding in a principal amount equal to their Accreted Value.~~

**Closing Date** means the date of initial issuance and delivery of the Bonds.

**Code** means the Internal Revenue Code of 1986, as amended, together with corresponding and applicable final, temporary or proposed regulations or revenue rulings issued or amended with respect thereto by the U.S. Treasury Department or the Internal Revenue Service, to the extent applicable to the Bonds.

**Commercial Paper** has the meaning set forth in Exhibit A.

**Commercial Paper Bond** means a Bond while in a Commercial Paper Mode.

**Commercial Paper Mode** means the Mode in which the Bonds or Bonds of a Series bear interest at Commercial Paper Rates for Interest Periods established pursuant to Section 2.09.

**Commercial Paper Rate** means the per annum interest rate for a Bond in the Commercial Paper Mode determined pursuant to Section 2.09.

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

**Consultant** ~~has the meaning set forth in Exhibit A—means at any time an independent consultant nationally recognized in marine or aviation 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. For the purposes of delivering any certificate required by Section 5.04 hereof and making the calculation required by Section 5.04 hereof, the term Consultant shall also include any independent national public accounting firm appointed by the Port to make such calculation or to provide such certificate or nationally recognized financial advisor appointed by the Port for purposes of making such calculation.~~

**Costs of Construction** means all costs paid or incurred by the Port in connection with the acquisition and construction of capital additions, improvements and betterments to and extensions of the Facilities, and the placing of the same in operation, including, but without limiting the

generality of the foregoing, paying all or a portion of the interest on the series of Subordinate Lien Parity Bonds or any portion thereof issued to finance the costs of such improvements during the period of construction of such improvements, and for a period of time thereafter; paying amounts required to meet any reserve requirement for the fund or account established or maintained for such series of Subordinate Lien Parity Bonds from the proceeds thereof; paying or reimbursing the Port or any fund thereof or any other person for expenses incident and properly allocable to the acquisition and construction of said improvements and the placing of the same in operation; and all other items of expense incident and properly allocable to the acquisition and construction of said additions and improvements, the financing of the same and the placing of the same in operation.

***Credit Facility*** has the meaning set forth in Exhibit A ~~means, initially, the Letter of Credit and, thereafter, a policy of municipal bond insurance, a letter of credit, surety bond, line of credit, guarantee or other financial instrument or any combination of the foregoing, 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 scheduled principal of and interest on Bonds or Bonds of a Series. There may be one or more Credit Facilities outstanding at any time.~~

***Credit Facility Issuer*** means the Bank ~~initially~~ and shall include the issuer of any other Credit Facility.

***Current Mode*** means, on any date, the Mode in effect on that date for the Bonds or Bonds of a Series.

***Customer Facility Charge*** or ***CFC*** has the meaning set forth in Exhibit A.

***Daily Mode*** means the Mode in which the interest rate on the Bonds or Bonds of a Series is determined on each Business Day.

*Daily Rate* means the per annum interest rate on Bonds in the Daily Mode determined pursuant to Section 2.09.

~~*Date of Commercial Operation* means the date upon which any Facilities are first ready for normal continuous operation or, if portions of the Facilities are placed in normal continuous operation at different times, shall mean the midpoint of the dates of continuous operation of all portions of such Facilities, as estimated by the Port or, if used with reference to Facilities to be acquired, shall mean the date on which such acquisition is final.~~

*Debt Service* has the meaning set forth in Exhibit A means, for any period of time,

~~(a) — with respect to any Outstanding Original Issue Discount Bonds or Capital Appreciation Bonds that are not designated as Balloon Maturity Bonds in the Subordinate Lien Resolution authorizing their issuance, the principal amount thereof equal to the Accreted Value thereof maturing 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 Subordinate Lien Parity 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 Subordinate Lien Parity Bonds, plus (3) all interest payable during such period on any such Subordinate Lien Parity Bonds Outstanding and with respect to Subordinate Lien Parity 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 Subordinate Lien Parity Bonds on the date specified in the Subordinate Lien Resolution authorizing such Subordinate Lien Parity Bonds;~~

~~(c) — with respect to all other series of Subordinate Lien Parity 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 Subordinate Lien Parity Bonds bearing variable rates of interest, an amount for any period equal to the amount which would have been payable for principal and interest on such Subordinate Lien Parity Bonds during such period computed on the assumption that the amount of Subordinate Lien Parity Bonds Outstanding as of the date of such computation would be amortized (1) in accordance with the mandatory redemption provisions, if any, set forth in the Subordinate Lien Resolution authorizing the issuance of such Subordinate Lien Parity 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 of principal and interest over such period and (2) at an interest rate equal to the yield to maturity set forth in the 40 Bond Index published in the edition of *The Bond Buyer* (or comparable publication or such other similar index selected by the Port with the approval of the Consultant, if applicable) selected by the Port and published within ten days prior to the date of calculation or, if such calculation is being made in connection with the certificate required by Section 5.04 hereof, then within ten days of the date of such certificate; and~~

~~(d) — with respect to Derivative Products, the Port Payments required by contract to be paid to a Reciprocal Payor under any existing Derivative Product, offset by the Reciprocal Payments during the same period during the relevant period, on the assumption that if any such payment is not fixed at the time of execution of the Derivative Product, the amount of such payment will be calculated at the Estimated Average Derivative Rate prevailing during the remaining term of the Derivative Product.~~

~~With respect to any Subordinate Lien Parity Bonds payable in other than U.S. Dollars, Debt Service shall be calculated as provided in the Subordinate Lien Resolution authorizing the issuance of such bonds. Debt Service shall be net of any interest funded out of Subordinate Lien Parity Bond proceeds. Debt Service also shall be net of any principal funded out of Subordinate Lien Parity Bond proceeds and 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 Permitted Prior Lien Bonds or any other obligations thereafter issued for such purposes. Debt Service shall include reimbursement obligations (and interest accruing thereon) owing to any Credit Facility Issuer or Liquidity Facility Issuer to the extent authorized herein or in another Subordinate Lien Resolution.~~

*Debt Service Offset* has the meaning set forth in Exhibit A.

*Default Tender Date* means the Business Day that is two Business Days prior to the termination of a Credit Facility because an event of default under a Reimbursement Agreement has occurred or due to a non-reinstatement of interest under the Credit Facility, but in any event no later than five Business Days following receipt of the notice of non-reinstatement.

*Derivative Facility* means a letter of credit, an insurance policy, a surety bond or other credit enhancement device, given, issued or posted as security for the Port's obligations under one or more Derivative Products.

*Derivative Payment Date* means any date specified in the Derivative Product on which a Port Payment is due and payable under the Derivative Product.

*Derivative Product* has the meaning set forth in Exhibit A ~~means a written contract or agreement between the Port and a Reciprocal Payor, which provides that the Port's obligations thereunder will be conditioned on the absence of: (i) a failure by the Reciprocal Payor to make~~

any payment required thereunder when due and payable, and (ii) a default thereunder with respect to the financial status of the Reciprocal Payor; and

(a) ~~under which the Port is obligated to pay, on one or more scheduled and specified Derivative Payment Dates, the Port Payments in exchange for the Reciprocal Payor's obligation to pay or to cause to be paid to the Port, on the same scheduled and specified Derivative Payment Dates, the Reciprocal Payments;~~

(b) ~~subject to Section 5.06, for which the Port's obligations to make all or any portion of Port Payments may be secured by a pledge of and lien on Available Revenue on an equal and ratable, but not prior, basis with the Outstanding Subordinate Lien Parity Bonds;~~

(c) ~~under which Reciprocal Payments are to be made directly into a bond fund for the Outstanding Subordinate Lien Parity Bonds;~~

(d) ~~for which the Port Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product; and~~

(e) ~~for which the Reciprocal Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product.~~

*Derivative Product Account* means the Derivative Product Account, if any, created and established under Section 5.06 hereof or under another Subordinate Lien Resolution.

*Designated Port Representative* has the meaning set forth in Exhibit A ~~means the Chief Executive Officer of the Port, the Deputy Chief Executive Officer of the Port or the Chief Financial Officer of the Port (or the successor in function to such person(s)) or such other person as may be directed by resolution of the Commission.~~

*EMMA* has the meaning set forth in Exhibit A.

**Discharge** occurs on the date that all amounts due under the terms of a Bond are actually and unconditionally due if cash is available at the place of payment, and no interest accrues with respect to the Bond after such date.

**DTC** means The Depository Trust Company, New York, New York as depository for the Bonds, or any successor or substitute depository for the Bonds.

**Electronic Means** mean e-mail, telecopy, telegraph, telex, facsimile transmission, time sharing terminal or any electronic means of communication that produces a written record.

~~**Escrow Agent**, if any is required, means Wells Fargo Bank, National Association.~~

**Escrow Agreement** means the Escrow Deposit Agreement, dated the date of issuance of the Bonds, between the Port and the Escrow Agent identified therein.

~~**Estimated Average Derivative Rate** has the meaning set forth in Exhibit A means:~~

~~(a) — as to the variable rate payments to be made by a party under any Derivative Product,~~  
~~—— (1) — if the Port is the variable rate payor, the greater of the then-prevailing value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Port are determined or the average of such variable rate formula during the immediately preceding 12 months;~~

~~—— (2) — if the Reciprocal Payor is the variable rate payor, the lesser of the then-prevailing value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Reciprocal Payor are determined or the average of such variable rate formula during the immediately preceding 12 months; and~~

~~(b) — when the variable rate to be used in a Derivative Product is a designated hedge of one or more specified maturities of the variable rate Subordinate Lien Parity Bonds, the variable~~

~~rate or rates under the Derivative Product will be deemed to be the same rate or rates estimated for the specified maturity or maturities of the specified Subordinate Lien Parity Bonds; and~~

~~(e) if two or more Derivative Products specify the same index and formula for determining and setting their respective variable rates, on the same dates, and for the same periods of time, and with respect to the identical derivative principal amounts, all such Derivative Products shall be deemed to have the same Estimated Average Derivative Rate, calculated in accordance with paragraphs (a)(1) and (a)(2) of this definition and, where applicable, with respect to the first of such Derivative Products to become effective.~~

*Expiration Date* means the stated expiration date of the Credit Facility or Liquidity Facility.

*Expiration Tender Date* means the day that is one Business Day prior to the Expiration Date.

*Facilities* has the meaning set forth in Exhibit A ~~mean all equipment and all property, real and personal, or any interest therein, whether improved or unimproved, now or hereafter (for as long as any Bonds of the Port shall be Outstanding) owned, operated, used, leased or managed by the Port and that contribute in some measure to its Gross Revenue.~~

*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 this resolution and will not impair the exclusion of interest on a Bond from gross income for federal income tax purposes (subject to any exceptions contained in the opinion delivered upon original issuance of such Bond). The Favorable Opinion of Bond Counsel shall be addressed, or a reliance letter provided, to any Remarketing Agent and any Credit Facility Issuer.

***Federal Tax Certificate*** means the certificate executed by the Designated Port Representative pertaining to certain federal tax matters with respect to the Bonds.

***First Lien Bonds*** mean the Outstanding First Lien Bonds and any bonds issued by the Port in the future under a Series Resolution (as defined in the First Lien Master Resolution) and pursuant to Section 7 of the First Lien Master Resolution, which provides that such bonds shall be on a parity of lien with other series of First Lien Bonds.

***First Lien Master Resolution*** ~~has the meaning set forth in Exhibit A~~ ~~means Resolution No. 3059, as amended, of the Commission adopted on February 2, 1990, as amended by Resolution No. 3214, adopted on March 26, 1996, Resolution No. 3241, adopted on April 8, 1997, and Resolution No. 3436, adopted on July 11, 2000, and as amended and restated by Resolution No. 3577, adopted on February 27, 2007, of the Commission and as the same may be amended in the future in accordance with its terms.~~

***Fiscal Agency Agreement*** means the Agreement for Fiscal Agency Services ~~dated January 1, 2008, between the State of Washington and The Bank of New York~~ U.S. Bank Trust Company, National Association, and any amendments and supplements thereto and replacements thereof.

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

***Fixed Mode*** means the Mode in which the Bonds or Bonds of a Series bear interest at a Fixed Rate or Fixed Rates to the Maturity Date or Maturity Dates.

**Fixed Rate** means a per annum interest rate or rates borne by Bonds or Bonds of a Series to the maturity thereof determined pursuant to Section 2.09.

**Fixed Rate Bonds** ~~has the meaning set forth in Exhibit A means Bonds other than Capital Appreciation Bonds, Original Issue Discount Bonds or Balloon Maturity Bonds issued under a Subordinate Lien Resolution in which the rate of interest on such Subordinate Lien Parity Bonds is fixed and determinable through their final maturity or for a specified period of time. If so provided in the Subordinate Lien Resolution authorizing their issuance, Subordinate Lien Parity Bonds may be deemed to be Fixed Rate Bonds for only a portion of their term.~~

**Future Subordinate Lien Parity Bonds** ~~has the meaning set forth in Exhibit A means revenue bonds or other revenue obligations issued by the Port in the future with a lien on Net Revenues equal to the lien thereon of the Bonds and the Outstanding Subordinate Lien Bonds.~~

**Government Obligations** has the meaning given to such term in RCW Chapter 39.53, as amended; provided that such obligations must be noncallable obligations issued or unconditionally guaranteed by the United States of America.

**Gross Revenue** ~~has the meaning set forth in Exhibit A means all income and revenue derived by the Port from any source whatsoever except:~~

- ~~(a) — the proceeds of any borrowing by the Port and the earnings thereon (other than earnings on proceeds deposited in reserve funds);~~
- ~~(b) — income and revenue that may not legally be pledged for revenue bond debt service;~~
- ~~(c) — passenger facility charges, head taxes, federal grants or substitutes therefor allocated to capital projects;~~
- ~~(d) — payments made under Credit Facilities issued to pay or secure the payment of a particular series of Subordinate Lien Parity Bonds;~~

~~(e) — proceeds of insurance or condemnation proceeds other than business interruption insurance;~~

~~(f) — income and revenue of the Port separately pledged and used by it to pay and secure the payment of the principal of and interest on any issue or series of Special Revenue Bonds of the Port issued to acquire, construct, equip, install or improve part or all of the particular facilities from which such income and revenue are derived, *provided that* nothing in this subparagraph (f) shall permit the withdrawal from Gross Revenue of any income or revenue derived or to be derived by the Port from any income producing facility that shall have been contributing to Gross Revenue prior to the issuance of such Special Revenue Bonds; and~~

~~(g) — income from investments irrevocably pledged to the payment of bonds issued or to be refunded under any refunding bond plan of the Port.~~

~~Notwithstanding the foregoing, the Port may elect to pledge other receipts at any time as additional security for any one or more series of obligations.~~

***Interest Accrual Period*** means the period during which a Bond accrues interest payable on any Interest Payment Date, commencing on the last Interest Payment Date to which interest has been paid (or, if no interest has been paid in such Mode, commencing on the date of original authentication and delivery of such Bond, or the Mode Change Date, as the case may be) to, but not including, the Interest Payment Date on which interest is to be paid. Notwithstanding anything to the contrary in the foregoing, the Interest Accrual Period for any Bank Bond shall begin on the date that Bond becomes a Bank Bond and shall end on the day immediately preceding the day that Bond ceases to be a Bank Bond and the Interest Accrual Period for the Reimbursement Bond shall be as specified in the Reimbursement Agreement.

**Interest Coverage** means with respect to each Bond in the Commercial Paper Mode, a dollar amount determined in accordance with the following formula:

$$((R \times P) \div 365) \times (D + 15)$$

R = Commercial Paper Rate, applicable to such Bond

P = Principal amount of Bonds bearing interest at such Commercial Paper Rate

D = Duration (in days) of the Commercial Paper Interest Period applicable to such Bond

**Interest Payment Date** means:

- (a) with respect to Bonds in the Commercial Paper Mode, the Purchase Date;
- (b) with respect to Bonds in the Daily Mode, the first Business Day of each month;
- (c) with respect to Bonds in the Weekly Mode, the first Wednesday of each month, or the next succeeding Business Day if the first Wednesday of any month is not a Business Day;
- (d) with respect to Bonds in the Long Term Mode (1) the first Business Day of each January and July prior to the Purchase Date and (2) the Purchase Date;
- (e) with respect to Bonds in the Fixed Mode, each January 1 and July 1;
- (f) with respect to Bank Bonds, as to that portion of the Purchase Price of the Bond paid by the Credit Facility Issuer or Liquidity Facility Issuer, as the case may be, and constituting accrued interest, the date of purchase and thereafter, the dates specified in the Reimbursement Agreement, the applicable Maturity Date, the date of any optional redemption of a Bank Bond and the date of any remarketing of that Bank Bond;
- (g) any Mode Change Date (but only with respect to the particular Bonds changing Modes on that date);
- (h) any Mandatory Purchase Date (but only with respect to the particular Bonds subject to purchase on that date);

(i) the Maturity Date (but only with respect to the particular Bonds maturing on that date); and

(j) with respect to the Reimbursement Bond, the dates specified therefor in the Reimbursement Agreement.

***Interest Period*** means the period of time that any interest rate remains in effect for the Bonds, which period:

(a) with respect to Bonds in the Commercial Paper Mode, shall be a period of at least one day, but not more than 270 days, established pursuant to Section 2.09;

(b) with respect to Bonds in the Weekly Mode, shall be from and including the first day that the Bonds become subject to the Weekly Mode to and including the following Tuesday and thereafter commencing on each Wednesday to and including Tuesday of the following week, *provided that* in the case of a conversion from a Weekly Mode to a different Mode, the last Interest Period prior to conversion shall end on the last day immediately preceding the Mode Change Date;

(c) with respect to the Long Term Mode, initially, shall be a period of one year or more from and including the Mode Change Date to, but not including, the Purchase Date established pursuant to Section 2.09, and thereafter shall be the period of one year or more from and including such Purchase Date to but not including the next Purchase Date or Maturity Date established by the Remarketing Agent pursuant to Section 2.09;

(d) with respect to Bonds in the Fixed Mode, shall be from and including the Mode Change Date for those Bonds to but not including the Maturity Date for those Bonds;

(e) with respect to the Daily Mode, the period from and including each Business Day during which the Bonds are in the Daily Mode to but excluding the next Business Day; and

(f) with respect to any Bank Bond, the period from the date that Bond becomes a Bank Bond to but not including the date that Bond ceases to be a Bank Bond.

In no event shall an Interest Period for any Bond extend beyond the Maturity Date for that Bond or, except in the case of Bank Bonds, the day preceding any Mandatory Purchase Date for that Bond.

**Interest Portion** means the dollar amount available with respect to Bonds to be drawn under the Credit Facility or Liquidity Facility then in effect to pay interest, and/or the portion of the Purchase Price constituting interest, on Bonds.

**Interest Rate** means a Daily Rate, a Weekly Rate, a Long Term Rate, a Fixed Rate or a Commercial Paper Rate, as the context requires.

**Intermediate Lien Parity Bonds** ~~has the meaning set forth in Exhibit A—means the Outstanding Intermediate Lien Bonds and any future revenue bonds issued pursuant to the Intermediate Lien Master Resolution with a lien on Available Intermediate Lien Revenues (as defined in the Intermediate Lien Master Resolution) on a parity with the lien thereon of the Outstanding Intermediate Lien Bonds.~~

**Intermediate Lien Master Resolution** ~~has the meaning set forth in Exhibit A~~ means Resolution No. 3540 of the Port adopted by the Commission on June 14, 2005.

**Kroll** ~~has the meaning set forth in Exhibit A.~~

**Letter of Credit** means the irrevocable letter of credit issued by the Bank ~~on the Closing Date~~ securing the payment of the principal of and interest on the Bonds. The Letter of Credit is the ~~initial~~ Credit Facility and the ~~initial~~ Liquidity Facility.

**Letter of Representations** means the Blanket Issuer Letter of Representations from the Port to DTC.

***Liquidity Facility*** ~~has the meaning set forth in Exhibit A and initially is the Letter of Credit means, initially, the Letter of Credit and, thereafter, a line of credit, standby purchase agreement or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or to provide funds for the payment of the Purchase Price of Bonds or Bonds of a Series. There may be more than one Liquidity Facility providing for payment of the Purchase Price of Bonds or Bonds of a Series.~~

***Liquidity Facility Issuer*** means the Bank ~~initially~~ and shall include the issuer of any Liquidity Facility.

***Long Term Bond*** means any Bond or Bonds of a Series while in the Long Term Mode.

***Long Term Mode*** means the Mode in which the interest rate on the Bonds or Bonds of a Series is determined for a period of one year or longer.

***Long Term Rate*** means the per annum interest rate for a term of one year or more to be borne by Bonds or Bonds of a Series on and after a Mode Change Date for such Bonds to a Long Term Mode, which rates shall be determined in accordance with Section 2.09.

***Mandatory Purchase Date*** means:

- (a) any Purchase Date for a Bond in the Commercial Paper Mode or the Long Term Mode,
- (b) any Mode Change Date for the Bonds or Bonds of a Series changing Modes,
- (c) any Substitution Tender Date or Expiration Tender Date,
- (d) any Default Tender Date, and
- (e) any Resolution Tender Date.

***Maturity Date*** means the date designated in the Bond Purchase Contract pursuant to Section 6.04 of this resolution, which date shall be no later than July 1, 2033, and upon a change

of Bonds to the Long Term Mode or Fixed Mode, any Serial Maturity Date or Term Maturity Date for such Bonds established pursuant to Section 3.01.

~~**Maximum Annual Debt Service** has the meaning set forth in Exhibit A means, with respect to any Outstanding series of Subordinate Lien Parity Bonds, the highest remaining Annual Debt Service for such series of Subordinate Lien Parity Bonds.~~

**Maximum Rate** means, on any day, the least of (a) 15%, (b) the maximum interest rate permitted by applicable law, and (c) the per annum interest rate used under any Credit Facility or any Liquidity Facility then in effect for the Bonds.

**Mode** means the Commercial Paper Mode, the Daily Mode, the Weekly Mode, the Long Term Mode or the Fixed Mode, as the context may require.

**Mode Change Date** means the date one Mode terminates for the Bonds or Bonds of a Series and another Mode for such Bonds begins.

**Mode Change Notice** means the notice sent by the Registrar to the Registered Owners pursuant to Section 2.10 notifying the Registered Owners that a change in Mode is to occur.

~~**Moody's** has the meaning set forth in Exhibit A means Moody's Investors Service, Inc., a corporation duly organized and existing under and by virtue of the laws of the State of Delaware, and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term Moody's shall be deemed to refer to any other nationally recognized securities rating agency (other than Fitch or S&P) selected by the Designated Port Representative.~~

**Net Revenues** means Gross Revenue less any part thereof that must be used to pay Operating Expenses.

*New Mode* means the Mode to which the Bonds or Bonds of a Series are to be changed in accordance with Section 2.10.

*Notice Parties* means the Port, the Remarketing Agent (if any), the Registrar, any Credit Facility Issuer (if any), and the Liquidity Facility Issuer (if any).

*Operating Expenses* ~~has the meaning set forth in Exhibit A means the current expenses incurred for operation or maintenance of the Facilities (other than Special Facilities), as defined under generally accepted accounting principles, in effect from time to time, excluding any allowances for depreciation or amortization or interest on any obligations of the Port incurred in connection with and payable from Gross Revenue.~~

*Optional Redemption* means any redemption of Bonds made pursuant to Sections 3.02 through 3.05 hereof.

*Original Issue Discount Bonds* ~~has the meaning set forth in Exhibit A means Subordinate Lien Parity Bonds that are sold at an initial public offering price of less than 95% of their face value and that are specifically designated as Original Issue Discount Bonds in the Subordinate Lien Resolution authorizing their issuance.~~

*Other Revenue Available and Applied to Debt Service* has the meaning set forth in Exhibit A.

*Outstanding*; ~~has the meaning set forth in Exhibit A when used as of a particular time with reference to Bonds, means all Bonds delivered hereunder except:~~

~~—— (a) Bonds cancelled by the Registrar or surrendered to the Registrar for cancellation;~~

~~—— (b) Bonds paid or deemed to have been paid within the meaning of this resolution; and~~

~~————(e)—— Bonds in lieu of or in substitution for which replacement Bonds have been executed by the Port and delivered by the Registrar hereunder.~~

~~Notwithstanding the foregoing, Bank Bonds and the Reimbursement Bond shall remain Outstanding until the applicable Credit Facility Issuer or Liquidity Facility Issuer is paid all amounts due on such Bank Bonds and the Reimbursement Bond.~~

*Outstanding First Lien Bonds* has the meaning set forth in the recitals hereto.

*Outstanding Intermediate Lien Bonds* has the meaning set forth in the recitals hereto.

*Outstanding Subordinate Lien Bonds* has the meaning set forth in the recitals hereto.

*Participant* means (a) any person for which, from time to time, DTC may effect book-entry transfers and pledges of securities pursuant to the book-entry system referred to in Section 2.05 hereof or (b) any securities broker or dealer, bank, trust company or other person that clears through or maintains a custodial relationship with a person referred to in (a).

*Passenger Facility Charge* or *PFC* has the meaning set forth in Exhibit A.

~~*Permitted Prior Lien Bonds* means and includes the First Lien Bonds, the Intermediate Lien Parity Bonds, and any other revenue bonds that may be issued in the future at the discretion of the Port payable from Net Revenues available after the payment of the amounts described in paragraphs First, Second, and Third of Section 5.01(b) of this resolution and with a lien on Net Revenues superior to the lien thereon of the Subordinate Lien Parity Bonds.~~

*Person* means an individual, a corporation, a partnership, limited liability company, an association, a joint stock company, a trust, an unincorporated organization, a governmental body or a political subdivision, a municipal corporation, a public corporation or any other group or organization of individuals.

**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.

**Port Payment** means any payment, other than a termination or other nonscheduled payment, required to be made by or on behalf of the Port under a Derivative Product and which is determined according to a formula set forth in a Derivative Product.

**Principal Payment Date** means the Maturity Date or Dates and any Redemption Date for the Bonds.

**Prior Lien Bonds** has the meaning set forth in Exhibit A.

**Prior Lien Debt Service (Rate Covenant)** has the meaning set forth in Exhibit A.

**Purchase Account** means the account by that name maintained by the Registrar in accordance with Section 4.04 hereof.

**Purchase Date** means (a) during the Commercial Paper Mode or the Long Term Mode, the date determined by the Remarketing Agent on the most recent Rate Determination Date as the next date on which a Bond shall be subject to purchase, and (b) during the Daily Mode or the Weekly Mode, any Business Day.

**Purchase Price** means (a) an amount equal to 100% of the principal amount of any Bond purchased on any Purchase Date, plus, in the case of any purchase of a Bond in the Daily Mode or the Weekly Mode on a day that is not an Interest Payment Date, accrued interest, to the Purchase Date, or (b) an amount equal to 100% of the principal amount of any Bond purchased on a Mandatory Purchase Date.

***Qualified Insurance*** has the meaning set forth in Exhibit A ~~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 or companies, as of the time of issuance of such policy or surety bond, are rated in one of the two highest Rating Categories by one or more of the Rating Agencies for unsecured debt or insurance underwriting or claims paying ability or (b) by issuing its policies causes obligations insured thereby to be rated, as of the time of issuance of such policy or surety bond, in one of the two highest Rating Categories by one or more of the Rating Agencies.~~

***Qualified Letter of Credit*** has the meaning set forth in Exhibit A ~~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 long-term Rating Categories by one or more of the Rating Agencies.~~

***Rate Determination Date*** means the date on which the interest rate(s) on a Bond (other than a Bank Bond or the Reimbursement Bond) shall be determined, which,

(a) in the case of the Commercial Paper Mode, shall be the first day of an Interest Period;

(b) in the case of the Daily Mode, shall be each Business Day commencing with the first day the Bond becomes subject to the Daily Mode;

(c) in the case of the Weekly Mode, shall be the Business Day prior to the first day the Bond becomes subject to the Weekly Mode, and thereafter, shall be each Tuesday or, if Tuesday is not a Business Day, the next succeeding Business Day;

(d) in the case of the Long Term Mode, shall be a Business Day determined by the Remarketing Agent which shall be at least one Business Day prior to the first day of an Interest Period; and

(e) in the case of the Fixed Mode, shall be a Business Day determined by the Remarketing Agent which shall be at least one Business Day prior to the Mode Change Date.

**Rating Agency** ~~has the meaning set forth in Exhibit A 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 the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

**Rating Confirmation Notice** means a written notice from any Rating Agency then maintaining a rating with respect to the Bonds confirming that the rating on the Bonds will not be lowered, withdrawn or suspended (other than a withdrawal of a short-term rating upon a change to a Long Term Mode or Fixed Mode) as a result of the action proposed to be taken.

**Reciprocal Payment** means any payment to be made to, or for the benefit of, the Port under a Derivative Product by the Reciprocal Payor.

**Reciprocal Payor** ~~has the meaning set forth in Exhibit A means any bank or corporation, partnership or other entity who itself, or whose guarantor, has or at the time the Derivative Product is entered into, at least an "A" rating from each Rating Agency then maintaining a rating on Outstanding Subordinate Lien Parity Bonds, that is a party to a Derivative Product and that is obligated to make one or more Reciprocal Payments thereunder.~~

**Record Date** means:

- (a) with respect to Bank Bonds, the Reimbursement Bond and Bonds in a Commercial Paper Mode, a Daily Mode or a Weekly Mode, the close of business as of the day (whether or not a Business Day) next preceding each Interest Payment Date; and
- (b) with respect to Bonds in a Long Term Mode or a Fixed Mode, the 15th day (whether or not a Business Day) of the month next preceding each Interest Payment Date.

**Redemption Date** means the date fixed for redemption of Bonds subject to redemption in any notice of redemption given in accordance with the terms hereof.

**Redemption Price** means amounts to be paid to redeem the Bonds on the Redemption Date as set forth in Article III hereof.

**Registered Owner** means the person named as the registered owner of a Bond on the Bond Register. For so long as the Bonds are held by a Securities Depository or its nominee, such Securities Depository shall be deemed to be the Registered Owner.

**Released Revenues** has the meaning set forth in Exhibit A.

**Registrar** means the fiscal agency of the State of Washington whose duties include registering and authenticating the Bonds, maintaining the Bond Register, registering the transfer of the Bonds, paying interest on and principal of the Bonds and drawing on any Credit Facility securing Bonds for such purpose and drawing any amounts under any Credit Facility or Liquidity Facility for the purpose of paying the Purchase Price of any Bonds payable pursuant to such Credit Facility or Liquidity Facility.

**Reimbursement Agreement** means the Reimbursement Agreement between the Port and the Bank selected by the Designated Port Representative and thereafter, any other reimbursement

agreement between the Port and the Credit Facility Issuer, if any, or any Liquidity Facility Issuer, and any and all modifications, alterations, and amendments and supplements thereto.

***Reimbursement Bond*** means the Bond delivered to the Credit Facility Issuer pursuant to Section 5.01(d) hereof and the Reimbursement Agreement.

***Remarketing Agent*** means each remarketing agent, if any, appointed by the Port pursuant to a Remarketing Agreement.

***Remarketing Agreement*** means any agreement of that name between the Port and a Remarketing Agent.

***Repair and Renewal Fund*** means the special fund authorized to be created pursuant to Section 4(B) of the First Lien Master Resolution.

***Reserved Lien Revenue Bonds*** have the meaning set forth in Exhibit A.

***Resolution Tender Date*** means the date on which the Bonds are subject to mandatory purchase to effect amendments to this resolution, pursuant to Section 4.02(e).

***Revenue Fund*** means, collectively, the Port's general fund, airport development fund and any other fund established in the office of the Treasurer of the Port for the receipt of Gross Revenues.

***Securities Depository*** means any clearing agency registered under Section 17A of the Securities Exchange Act of 1934, as amended.

***Serial Bonds*** mean the Bonds maturing on the Serial Maturity Dates after conversion of the Bonds to a Long Term Mode or Fixed Mode, as determined pursuant to Section 3.01.

***Serial Maturity Dates*** mean the dates on which the Serial Bonds mature, as determined pursuant to Section 3.01.

***Series Resolution*** has the meaning set forth in the Exhibit A.

*Series 2003C Bonds* means, the Port of Seattle Subordinate Lien Revenue Bonds, Series 2003C.

*SIFMA Municipal Swap Index* ~~has the meaning set forth in Exhibit A means the Securities Industry and Financial Markets Association Municipal 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 the Securities Industry and Financial Markets Association; provided, however, that, if such index is no longer produced by Municipal Market Data, Inc. or its successor, then SIFMA Municipal Swap Index shall mean such other reasonably comparable index selected by the Designated Port Representative.~~

*Special Facilities* means particular facilities financed with the proceeds of Special Revenue Bonds.

*Special Record Date* means a special date fixed to determine the names and addresses of holders of the Bonds (or Bonds of a Series) in connection with the payment of overdue interest on such Bonds.

*Special Revenue Bonds* mean any issue or series of revenue bonds, revenue warrants or other revenue obligations of the Port issued to directly or indirectly acquire (by purchase, lease or otherwise), construct, equip, install or improve part or all of particular facilities (together with any revenue obligations issued to refund the foregoing), and which are payable from and secured by the income and revenue from such facilities.

*SOFI Index* has the meaning set forth in Exhibit A.

*S&P* ~~has the meaning set forth in Exhibit A means Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, and its successors and assigns, except that if such~~

~~corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term S&P shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody's or Fitch) selected by the Designated Port Representative.~~

*Subordinate Lien Bond Fund* means the Port of Seattle Subordinate Lien Bond Fund, Series 2008, created in the office of the Treasurer of the Port by authority granted in Section 5.01 of this resolution.

*Subordinate Lien Parity Bonds* mean the Outstanding Subordinate Lien Bonds, including the Bonds, and any Future Subordinate Lien Parity Bonds.

*Subordinate Lien Parity Test* has the meaning set forth in Exhibit A~~means Available Revenue equal to or greater than 1.5 times Aggregate Annual Debt Service.~~

*Subordinate Lien Rate Covenant* has the meaning set forth in Exhibit A~~means the covenant of the Port to establish, maintain and collect rentals, tariffs, rates, fees, and charges in the operation of all of its business for as long as any Bonds are Outstanding that will produce Available Revenue in each fiscal year at least equal to the amounts required to be deposited during such fiscal year from Net Revenues into the Subordinate Lien Bond Fund, any other bond fund established or maintained for the benefit of Subordinate Lien Parity Bonds, and any fund established or maintained to pay any Port Payments due with respect to any Derivative Product and any other amounts due to any Credit Facility Issuer, any Liquidity Facility Issuer, to the issuers of credit facilities for any Subordinate Lien Parity Bonds and, to the extent not otherwise provided for in this definition, any Reciprocal Payor, but excluding from each of the foregoing, payments made or to be made from refunding debt and capitalized debt service or other money irrevocably set aside for such payment.~~

***Substitution Date*** means the date on which an alternate Credit Facility or Liquidity Facility becomes effective.

***Substitution Tender Date*** means the Substitution Date.

***2003 Subordinate Lien Resolution*** means Resolution No. 3510, as amended, of the Commission.

***Taxable Obligation*** has the meaning set forth in Exhibit A.

***Tax-Exempt Obligation*** has the meaning set forth in Exhibit A.

***Term Bonds*** mean the Bonds maturing on Term Bond Maturity Dates after conversion of the Bonds to a Long Term Mode or Fixed Mode as determined pursuant to Section 3.01.

***Term Maturity Dates*** mean the dates on which Term Bonds mature, as determined pursuant to Section 3.01.

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

***Underwriter*** means Morgan Stanley & Co. Incorporated.

***Variable Rate Index*** has the meaning set forth in Exhibit A.

***Weekly Mode*** means the Mode in which the Interest Rate on the Bonds or Bonds of a Series is determined on a weekly basis.

***Weekly Rate*** means the per annum interest rate on Bonds while in the Weekly Mode determined pursuant to Section 2.09.

**Section 1.02. Interpretation (Amended).**

Section 1.02 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

In this resolution, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this resolution;

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

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

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

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

~~(f)~~ 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~~ their designee, respectively, and all references herein to the Designated Port Representative shall be deemed to include references to ~~his or her~~ their designee, as the case may be.

**Section 1.03. Purchase of Tendered Bonds (Amended).**

Section 4.03 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

(a) *Remarketing of Tendered Bonds.* Unless otherwise instructed by the Port with the consent of the Credit Facility Issuer or Liquidity Facility Issuer (if there is no Credit Facility Issuer), the Remarketing Agent shall use best efforts to remarket Bonds or the Bank Bonds or portions thereof that are subject to the Remarketing Agreement and for which notice of tender has been received pursuant to Section 4.01(b) or which are subject to mandatory tender on a Mandatory Purchase Date (other than a Default Tender Date) up to the Maximum Rate. The terms of any remarketing by the Remarketing Agent shall provide for the payment of the full Purchase Price for tendered Bonds by the purchaser in immediately available funds by 11:30 a.m. ~~12:00 noon~~, New York City time, on the Purchase Date. The Remarketing Agent shall not remarket any Bonds to the Port. The Remarketing Agent shall not sell any Bond as to which a notice of Mode Change Date or notice of redemption has been given by the Registrar and is in effect unless the Remarketing Agent has notified the Person to whom the sale is made of the conversion or redemption. Bank Bonds may not be delivered to new purchasers until the Registrar has received written confirmation by Electronic Means from the Credit Facility Issuer or Liquidity Facility Issuer, as the case may be, to the effect that the “Principal Portion” and the “Interest Portion” as defined in the Liquidity Facility or Credit Facility have been fully reinstated with respect to such Bank Bonds or will be upon the remarketing of the Bonds.

(b) *Purchase of Tendered Bonds.*

(1) Notice. Not later than ~~11:30 a.m.12:00 p.m.~~, New York City time, on any Purchase Date or Mandatory Purchase Date, as the case may be, the Remarketing Agent shall give notice by telephone or Electronic Means to the Registrar of the principal amount of tendered Bonds that were remarketed by the Remarketing Agent and the amount of remarketing proceeds it holds and those that were not remarketed, if any. If fewer than all of the tendered Bonds have been remarketed or if the full proceeds of the remarketing have not been received by ~~11:30 a.m.12 noon~~, New York City time, then the Remarketing Agent shall transfer all proceeds of remarketing, if any, to the Registrar. If the Registrar has not received written confirmation that all tendered Bonds have been remarketed and remarketing proceeds received by Remarketing Agent by ~~11:30 a.m.12:00 p.m.~~, New York City time, then not later than ~~11:45 a.m.12:15 p.m.~~, New York City time, on the Purchase Date or the Mandatory Purchase Date, the Registrar shall give notice to the Port and any direct-pay Credit Facility Issuer or the Liquidity Facility Issuer, if any, by telephone or Electronic Means, specifying the principal amount of all tendered Bonds and drawing for the full Purchase Price of all tendered Bonds. Not later than ~~12:301:00~~ p.m., New York City time, on the Purchase Date or the Mandatory Purchase Date, the Remarketing Agent shall give notice to the Registrar by telephone (promptly confirmed in writing or by Electronic Means) of the names, addresses and taxpayer identification numbers of the purchasers, the denominations of Bonds to be delivered to each purchaser and, if available, payment instructions for regularly scheduled interest payments, or of any changes in any such information previously communicated. Not later than 11:30 a.m., New York City time, on any Purchase Date or Mandatory Purchase Date, as the case may be, the Remarketing Agent shall give notice by telephone or Electronic Means to the

Bank of the principal amount of tendered Bonds that were remarketed by the Remarketing Agent and the amount of remarketing proceeds it holds and those that were not remarketed, if any.

(2) Sources of Payments. Payments on the Purchase Date shall be made in the manner and at the time specified in subsection 4.03(a) above and in this and the following section. If the amounts of remarketing proceeds received by the Remarketing Agent are not sufficient to pay the Purchase Price, the Registrar shall immediately notify the Remarketing Agent, the Port and any direct-pay Credit Facility Issuer or the Liquidity Facility Issuer, if any, of any deficiency with respect to tendered Bonds payable pursuant to such Credit Facility or Liquidity Facility, as applicable (but no later than ~~12:00~~12:30 p.m., New York time). Pursuant to such direct-pay Credit Facility or Liquidity Facility, the Credit Facility Issuer or the Liquidity Facility Issuer shall, following receipt of purchase notices and transfer instructions from the Registrar in the name of the Credit Facility Issuer or the Liquidity Facility Issuer, as applicable, on the Purchase Date, purchase such tendered Bonds by delivering to (or at the direction of) the Registrar for such tendered Bonds the Purchase Price therefor in immediately available funds in an amount equal to such deficiency by 2:00 p.m., New York City time, on the Purchase Date or the Mandatory Purchase Date. If money is received by the Registrar as remarketing proceeds or (in the case of tendered Bonds payable pursuant such a direct pay Credit Facility or Liquidity Facility) from such Credit Facility Issuer or Liquidity Facility Issuer, any such amounts shall be deposited by the Registrar in the Purchase Account to be used solely for the payment of the Purchase Price of tendered Bonds and shall not be commingled with other funds held by the Registrar.

(3) Payments of the Purchase Price. Not later than the close of business on the Purchase Date and upon receipt by the Registrar of 100% of the aggregate Purchase Price of the tendered Bonds, the Purchase Price of such Bonds shall be paid to the Registered Owners thereof. Such

payments shall be made solely from the following sources in the following order of priority by wire transfer of immediately available funds: first from the proceeds of the remarketing of such Bonds, and second, from moneys received from the Credit Facility Issuer or Liquidity Facility Issuer, as the case may be, under such Credit Facility or Liquidity Facility. If the proceeds of Remarketing Bonds are not sufficient to pay the Purchase Price of Bonds and the Issuer of the Credit Facility or Liquidity Facility fails to honor the draw on the Credit Facility or Liquidity Facility to cover such deficiency, the Bonds shall not be purchased and ownership shall not transfer.

**Section 1.04. Credit Facility (Amended).**

Section 4.05 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

During any Mode (other than the Fixed Mode), while a direct-pay Credit Facility or Liquidity Facility is in effect with respect to the Bonds, on each Purchase Date or Mandatory Purchase Date, the Registrar, by telecopied demand given before 12:00~~12:30~~ p.m., New York time, shall draw funds to pay the interest (not including any interest owed to such Credit Facility Issuer or Liquidity Facility Issuer at the Bank Interest Rate) on and/or principal of and/or the Purchase Price of tendered Bonds (payable pursuant to such direct-pay Credit Facility or Liquidity Facility) in accordance with the terms of the Credit Facility or Liquidity Facility so as to receive funds thereunder by 2:00 p.m., New York City time, on such date an amount, in immediately available funds, sufficient (together with the proceeds of the remarketing of Bonds (received and available to the Registrar prior to the time of drawing or demand under the Credit Facility or Liquidity Facility, as the case may be) in connection with a purchase drawing if the Bonds are then

being remarketed) on such date, to pay the Purchase Price in connection therewith. The Registrar shall deposit amounts received from the Credit Facility Issuer or the Liquidity Facility Issuer to pay the Purchase Price of tendered Bonds (payable pursuant to such Credit Facility or Liquidity Facility) in the Bank Purchase Subaccount pursuant to Section 4.04 hereof.

During any Mode (other than the Fixed Mode), while a direct-pay Credit Facility is in effect, on the Business Day prior to any Interest Payment Date and/or the Business Day prior to any other date on which a payment of principal with respect to the Bonds is due, whether by maturity or redemption in advance of maturity, as the case may be, the Registrar, by telecopied demand given before 3:00 p.m., New York time, shall draw funds to pay interest on and/or principal of the Bonds that are secured by such Credit Facility in accordance with the terms of such Credit Facility so as to receive funds thereunder by 1:00 p.m., New York time, on such Interest Payment Date or date on which a payment of principal with respect to the Bonds is due an amount, in immediately available funds, sufficient to pay all of such interest (not including interest owed to the Credit Facility Issuer at the Bank Interest Rate) and/or principal. The Registrar shall hold such funds separate and apart in trust for the benefit of Registered Owners of such Bonds, and such funds shall not be commingled with any other funds for any other purpose and such funds shall not be reinvested. No such drawing on the Credit Facility may be made for Bank Bonds or for Bonds held by the Port.

**Section 1.05. Payment of Bonds (Amended).**

Section 5.01(a), (b) and (c) of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

(a) Subordinate Lien Bond Fund. A special fund of the Port designated the “Port of

Seattle Subordinate Lien Revenue Bond Fund” (the “Subordinate Lien Bond Fund”) is hereby authorized to be created or maintained in the office of the Treasurer for the purpose of paying and securing the payment of Subordinate Lien Parity Bonds, including without limitation the Bonds and any Bank Bonds. The Subordinate Lien Bond Fund shall be held separate and apart from all other funds and accounts of the Port and shall be a trust fund for the owners of the Subordinate Lien Parity Bonds.

The Port hereby irrevocably obligates and binds itself for as long as any Subordinate Lien Parity Bonds remain Outstanding, or any amount is owed to any Credit Facility Issuer or any Liquidity Facility Issuer in connection with any Subordinate Lien Parity Bonds, to set aside and pay into the Subordinate Lien Bond Fund from Available Revenue or money in the Revenue Fund, on or prior to the respective dates the same become due (and if such payment is made on the due date, such payment shall be made in immediately available funds):

- (1) Such amounts as are required to pay the interest scheduled to become due on Subordinate Lien Parity Bonds Outstanding (including payment of and without duplication amounts required to be paid to Credit Facility Issuers and/or Liquidity Facility Issuers for the payment of interest on Subordinate Lien Parity Bonds Outstanding); and
- (2) Such amounts with respect to Subordinate Lien Parity Bonds Outstanding as are required (A) to pay maturing principal, (B) to make any required sinking fund payments, and (C) to redeem Subordinate Lien Parity Bonds Outstanding in accordance with any mandatory redemption provisions (including payment of and without duplication amounts required to be paid to Credit Facility Issuers and/or Liquidity Facility Issuers for the payment of the purchase price of or principal of

Subordinate Lien Parity Bonds Outstanding).

(b) Priority of Use of Gross Revenue. The Port's Gross Revenue shall be deposited in the Revenue Fund as collected. The Revenue Fund shall be held separate and apart from all other funds and accounts of the Port, and the Gross Revenue deposited therein shall be used only for the following purposes and in the following order of priority:

First, to pay Operating Expenses not paid from other sources;

Second, to make all payments, including sinking fund payments, required to be made into the debt service account(s) within any redemption fund maintained for First Lien Bonds to pay the principal of and interest and premium, if any, on any First Lien Bonds;

Third, to make all payments required to be made into any reserve account(s) maintained for First Lien Bonds to secure the payment of any First Lien Bonds;

Fourth, to make all payments required to be made into any other revenue bond redemption fund and debt service account or reserve account created therein to pay and secure the payment of the principal of, premium, if any, and interest on any revenue bonds or other revenue obligations of the Port having liens upon the Net Revenues or Gross Revenue and the money in the Revenue Fund junior and inferior to the lien thereon for the payment of the principal of, premium, if any, and interest on any First Lien Bonds, but prior to the lien thereon of Intermediate Lien Parity Bonds;

Fifth, to make payments necessary to be paid into any bond fund or debt service account created to pay principal of and interest on Intermediate Lien Parity Bonds, including to reimburse or pay any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price of Intermediate Lien Parity Bonds, and, without duplication, to make Port Payments due with respect any Derivative Product on a parity with the

lien of the Intermediate Lien Parity Bonds;

Sixth, to make all payments required to be made into any reserve account securing Intermediate Lien Parity Bonds;

Seventh, to make payments necessary to be paid into any bond fund or debt service account to pay the principal of and interest on Reserved Lien Revenue Bonds, including to reimburse or pay any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price of Reserved Lien Revenue Bonds, and, without duplication, to make Port Payments due with respect any Derivative Product on a parity with the lien of the Reserved Lien Revenue Bonds;

Eighth, to make all payments required to be made into any reserve account(s) securing Reserved Lien Revenue Bonds;

Ninth, to make payments necessary to be paid into any bond fund or debt service account created to pay the debt service on Subordinate Lien Parity Bonds, including, but not limited to the Subordinate Lien Bond Fund, if any, to pay the principal of and interest on Subordinate Lien Parity Bonds, including to reimburse or pay any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price of Subordinate Lien Parity Bonds, and, without duplication, to make Port Payments due with respect any Derivative Product on a parity with the lien of the Subordinate Lien Parity Bonds Outstanding;

Tenth, to make all payments required to be made into any reserve account(s) securing Subordinate Lien Parity Bonds;

Eleventh, to make all payments required to be made into the Repair and Renewal Fund under the terms of the First Lien Master Resolution to maintain any required balance therein;

and

Twelfth, to retire by redemption or purchase any outstanding revenue bonds or other revenue obligations of the Port as authorized in the various resolutions of the Commission authorizing their issuance or to make necessary additions, betterments, improvements and repairs to or extension and replacements of the Facilities, or any other lawful Port purposes.

(c) *Lien on Gross Revenue Subject to Prior Priorities.* Subordinate Lien Parity Bonds issued pursuant to the Outstanding Subordinate Lien Resolutions and this resolution and the lien thereof created and established hereunder shall be obligations only of the Subordinate Lien Bond Fund, herein authorized to be created. The Subordinate Lien Parity Bonds shall be payable solely from Available Revenue and secured solely by the subordinate lien on Gross Revenue provided herein; *provided, however,* that any series of Subordinate Lien Parity Bonds also may be payable from and secured by a Credit Facility pledged specifically to or provided for that series of Subordinate Lien Parity Bonds.

So long thereafter as any Subordinate Lien Parity Bonds remain Outstanding or any amount is owed to any Credit Facility Issuer or any Liquidity Facility Issuer, the Port hereby irrevocably pledges and obligates and binds itself to set aside and pay into the Subordinate Lien Bond Fund out of Available Revenue, on or prior to the date on which the interest on, premium, if any, or principal of and interest on such Subordinate Lien Parity Bonds shall become due, the amount necessary to pay such interest, premium, or principal and interest coming due on such Subordinate Lien Parity Bonds (and reimbursement obligations to any Credit Facility Issuer or Liquidity Facility Issuer for the payment of principal of and interest on or purchase price on Subordinate Lien Parity Bonds).

Said amounts so pledged to be paid into the Subordinate Lien Bond Fund are hereby declared to be a prior lien and charge upon the Gross Revenue superior to all other charges of

any kind or nature whatsoever except for Operating Expenses and except for the lien on Gross Revenue of the Prior Lien Bonds and except that the amounts so pledged are of equal lien to the liens and charges on Gross Revenue of the Subordinate Lien Parity Bonds Outstanding and to the lien and charge which may hereafter be made to pay and secure the payment of the principal of and interest on any Future Subordinate Lien Parity Bonds.

Subordinate Lien Parity Bonds shall not in any manner or to any extent constitute general obligations of the Port or of the State of Washington, or of any political subdivision of the State of Washington, and no tax revenues of the Port may be used to pay the principal of and interest on the Subordinate Lien Parity Bonds.

~~(a) *Subordinate Lien Bond Fund.* A special fund of the Port designated the “Port of Seattle Subordinate Lien Revenue Bond Fund, Series 2008” (the “Subordinate Lien Bond Fund”) is hereby authorized to be created in the office of the Treasurer of the Port for the purpose of paying and securing the payment of the Bonds. The Subordinate Lien Bond Fund shall be held separate and apart from all other funds and accounts of the Port and shall be a trust fund for the owners of the Bonds.~~

~~The Port hereby irrevocably obligates and binds itself for as long as any Bonds remain Outstanding to set aside and pay into the Subordinate Lien Bond Fund from Available Revenue or money in the Revenue Fund, on or prior to the respective dates the same become due (and if such payment is made on the due date, such payment shall be made in immediately available funds):~~

~~(1) Such amounts as are required to pay the interest scheduled to become due on Outstanding Bonds (including payment of and without duplication the Reimbursement Bond and all Bank Bonds); and~~

~~————— (2) ——— Such amounts with respect to Outstanding Bonds as are required (A) to pay maturing principal, (B) to make any required sinking fund payments, and (C) to redeem Outstanding Bonds in accordance with any mandatory redemption provisions (including payment of the Reimbursement Bond and all Bank Bonds).~~

~~(b) ——— *Priority of Use of Gross Revenue.* The Port's Gross Revenue shall be deposited in the Revenue Fund as collected. The Revenue Fund shall be held separate and apart from all other funds and accounts of the Port, and the Gross Revenue deposited therein shall be used only for the following purposes and in the following order of priority:~~

~~First, to pay Operating Expenses not paid from other sources;~~

~~Second, to make all payments, including sinking fund payments, required to be made into the debt service account(s) within any redemption fund maintained for First Lien Bonds to pay the principal of and interest and premium, if any, on any First Lien Bonds;~~

~~Third, to make all payments required to be made into any reserve account(s) maintained for First Lien Bonds to secure the payment of any First Lien Bonds;~~

~~Fourth, to make all payments required to be made into any other revenue bond redemption fund and debt service account and reserve account created therein to pay and secure the payment of the principal of, premium, if any, and interest on any revenue bonds or other revenue obligations of the Port, including without limitation the Intermediate Lien Parity Bonds, having liens upon the Net Revenues and the money in the Revenue Fund junior and inferior to the lien thereon for the payment of the principal of, premium, if any, and interest on any First Lien Bonds, but prior to the lien thereon of Subordinate Lien Parity Bonds;~~

~~Fifth, to make payments necessary to be paid into any bond fund or debt service account created to pay the debt service on Subordinate Lien Parity Bonds, including, but not limited to the~~

Subordinate Lien Bond Fund, if any, to pay the principal of and interest on Subordinate Lien Parity Bonds;

~~Sixth~~, to make all payments required to be made into the reserve account(s) securing Subordinate Lien Parity Bonds;

~~Seventh~~, to make all payments required to be made into the Repair and Renewal Fund under the terms of the First Lien Master Resolution to maintain any required balance therein; and

~~Eighth~~, to retire by redemption or purchase any outstanding revenue bonds or other revenue obligations of the Port as authorized in the various resolutions of the Commission authorizing their issuance or to make necessary additions, betterments, improvements and repairs to or extension and replacements of the Facilities, or any other lawful Port purposes.

(c) — ~~Lien on Available Revenue.~~ The Bonds and the lien thereof created and established hereunder shall be obligations only of the Subordinate Lien Bond Fund, herein authorized to be created. The Bonds shall be payable solely from and secured solely by Available Revenue, and by drawings under the Credit Facility; *provided, however,* that any series of Future Subordinate Lien Parity Bonds also may be payable from and secured by a Credit Facility pledged specifically to or provided for that series of Future Subordinate Lien Parity Bonds.

From and after the time of issuance and delivery of the Bonds and so long thereafter as any of the same remain Outstanding, the Port hereby irrevocably obligates and binds itself to set aside and pay into the Subordinate Lien Bond Fund out of Available Revenue, on or prior to the date on which the interest on, premium, if any, or principal of and interest on the Bonds shall become due, the amount necessary to pay such interest, premium, or principal and interest coming due on the Bonds.

~~Said amounts so pledged to be paid into the Subordinate Lien Bond Fund are hereby declared to be a prior lien and charge upon the Gross Revenue superior to all other charges of any kind or nature whatsoever except for Operating Expenses and except for the lien on Gross Revenue of the Permitted Prior Lien Bonds and except that the amounts so pledged are of equal lien to the liens and charges on Gross Revenue of the Outstanding Subordinate Lien Bonds and to the lien and charge which may hereafter be made to pay and secure the payment of the principal of and interest on any Future Subordinate Lien Parity Bonds.~~

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

(d) *Reimbursement Bonds.* The obligations of the Port relating to the Bonds under the Reimbursement Agreement, if any, will be evidenced by a “Reimbursement Bond” to be delivered to the Credit Facility Issuer or Liquidity Issuer. The “Reimbursement Bond” is also secured by the Subordinate Lien Bond Fund (but not by moneys in the Purchase Account or by moneys drawn under a Credit Facility or Liquidity Facility), all in accordance with the Reimbursement Agreement.

**Section 1.06. Permitted Prior Lien Bonds and Future Subordinate Lien Parity Bonds (Amended).**

Section 5.04 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

(a) *Prior Lien Bonds and Intermediate Lien Parity Bonds.* As provided in the First Lien Master Resolution, the Port reserves the right to issue one or more series of First Lien Bonds for

any purpose of the Port now or hereafter permitted by law, provided that the Port shall comply with the terms and conditions for the issuance of First Lien Bonds set forth in the First Lien Master Resolution. In addition, the Port also reserves the right to issue obligations payable from Net Revenue as described in paragraphs Fourth through Eighth of Section 3(b) of this resolution, and having lien(s) on Gross Revenue or Net Revenues prior to the lien of the Subordinate Lien Parity Bonds, including without limitation Intermediate Lien Parity Bonds (which can be issued on the terms set forth in the Intermediate Lien Master Resolution) and Reserved Lien Revenue Bonds. Such obligations shall be subject to such terms, conditions and covenants set forth in their respective authorizing resolutions.

*(b) Future Subordinate Lien Parity Bonds - General Provisions.* The Port hereby further covenants and agrees with the Owners of each of the Subordinate Lien Parity Bonds for as long as any of the same remain Outstanding that it will not issue any Future Subordinate Lien Parity Bonds that constitute a charge and lien upon the Gross Revenue equal to the lien thereon of the Subordinate Lien Parity Bonds then Outstanding, unless the following conditions are satisfied.

- (1) Future Subordinate Lien Parity Bonds may be issued only if there is not then existing and continuing a Default under this resolution; provided, however, that Future Subordinate Lien Parity Bonds may be issued for refunding purposes under subsection (c) below if the Default will be cured as a result of the refunding.
- (2) Future Subordinate Lien Parity Bonds shall be issued pursuant to this resolution and authorized by a Series Resolution of the Commission.
- (3) Either of the following conditions (A) or (B) below shall be satisfied.

(A) Certificate Required. Unless the Port is able to meet the criteria set forth in (B) below, a certificate shall be filed with the Port demonstrating

fulfillment of the Subordinate Lien Parity Test in each fiscal year during the Certificate Period. As to any Future Subordinate Lien Parity Bonds in the form of Commercial Paper or another Subordinate Lien Parity Bond that may be issued from time to time up to a not-to-exceed principal amount (or up to the available commitment), a certificate may, at the Port's discretion, be delivered based on (1) the not-to-exceed principal amount of the Commercial Paper or other Subordinate Lien Parity Bond authorized to be issued, (2) based on the not-to-exceed principal amount available to be issued (such as the available commitment in connection with a direct purchase Subordinate Lien Parity Bond or as Subordinate Lien Parity Bonds secured by a Credit Facility or Liquidity Facility), or (3) based on the principal amounts actually issued from time to time.

- i. The certificate may be delivered by the Port without a Consultant if the Net Revenue, based upon the financial statements of the Port for the Base Period, corroborated by the certified statements of the Division of Municipal Corporations of the State Auditor's office of the State of Washington, or any successor to the duties thereof, or by an independent certified public accounting firm, is sufficient such that the Subordinate Lien Parity Test will be fulfilled in each fiscal year during the Certificate Period.
- ii. Alternatively, a Consultant may deliver the certificate. In making the computations of Net Revenue for the purpose of certifying compliance with the Subordinate Lien Parity Test, the Consultant

shall use as a basis the Net Revenue for the Base Period. In making such computations the Consultant shall make such adjustments as the Consultant deems reasonable.

(B) No Certificate Required. A certificate shall not be required as a condition to the issuance of Future Subordinate Lien Parity Bonds:

- i. if the Future Subordinate Lien Parity Bonds are being issued for refunding purposes upon compliance with the provisions of subsection (c) of this section; or
- ii. if the Future Subordinate Lien Parity Bonds are being issued to pay Costs of Construction of Facilities for which indebtedness has been issued previously and the principal amount of such indebtedness being issued for completion purposes does not exceed an amount equal to an aggregate of 15% of the principal amount of indebtedness theretofore issued for such Facilities and reasonably allocable to the Facilities to be completed as shown in a written certificate of the Designated Port Representative, and there is delivered a Consultant's certificate stating that the nature and purpose of such Facilities have not materially changed.

(c) Future Subordinate Lien Parity Bonds for Refunding Purposes. The Port may issue Future Subordinate Lien Parity Bonds for refunding purposes, as follows:

- (1) Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) Subordinate Lien Parity Bonds including amounts to pay principal thereof and redemption premium, if any, and

interest thereon to the date of redemption (or purchase), any deposits to a reserve account or to purchase a Qualified Letter of Credit or Qualified Insurance and the expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding upon delivery of a certificate as provided in subsection (b)(1)(3)(A) above. Such refunding Future Subordinate Lien Parity Bonds also may be issued without a certificate if Maximum Annual Debt Service after the issuance of such refunding Future Subordinate Lien Parity Bond will not exceed Maximum Annual Debt Service prior to the issuance of such refunding Future Subordinate Lien Parity Bonds.

(2) Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) any Prior Lien Bonds or Subordinate Lien Parity Bonds including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption of such bonds (or purchase), any deposits to a reserve account or to purchase a Qualified Letter of Credit or Qualified Insurance and the expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding, provided that prior to the issuance of such Future Subordinate Lien Parity Bonds the Port must provide a certificate if required by this section.

(3) Future Subordinate Lien Parity Bonds may be issued for the purpose of refunding (including by purchase) at any time within one year prior to maturity any Prior Lien Bonds or Subordinate Lien Parity Bonds then Outstanding, provided that such bonds are Prior Lien Bonds or Subordinate Lien Parity Bonds, for the payment of which sufficient Net Revenue or other money are not available, without the

requirement of a certificate pursuant to this section.

(d) Liens Subordinate to Subordinate Lien Parity Bonds. Nothing herein contained shall prevent the Port from issuing revenue bonds or other obligations that are a charge upon the Gross Revenue junior or inferior to the payments required by this resolution to be made out of such Gross Revenue to pay and secure the payment of any Subordinate Lien Parity Bonds. Such junior or inferior obligations shall not be subject to acceleration. This prohibition against acceleration shall not be deemed to prohibit the term out of any reimbursement obligation, to prohibit any mandatory tender or other tender provisions or to prohibit the payment of a termination amount with respect to a derivative product.

~~(a) — Permitted Prior Lien Bonds and Intermediate Lien Parity Bonds. As provided in the First Lien Master Resolution, the Port reserves the right to issue one or more series of First Lien Bonds by means of a Series Resolution (as such term is defined and required under the First Lien Master Resolution) for any purpose of the Port now or hereafter permitted by law, provided that the Port shall comply with the terms and conditions for the issuance of First Lien Bonds set forth in the First Lien Master Resolution. In addition, the Port also reserves the right to issue obligations payable from Net Revenue available after payment of the amounts described in paragraphs First through Third of Section 5.01(b) of this resolution, and having lien(s) on such Net Revenues prior to the lien of the Bonds and the Subordinate Lien Parity Bonds, including without limitation Intermediate Lien Parity Bonds (which can be issued on the terms set forth in the Intermediate Lien Master Resolution). Such obligations shall be subject to such terms, conditions and covenants set forth in their respective authorizing resolutions.~~

~~(b) — Future Subordinate Lien Parity Bonds — General Provisions. The Port hereby further covenants and agrees with the Owners of each of the Bonds for as long as any of the same~~

~~remain Outstanding that it will not issue any Future Subordinate Lien Parity Bonds that constitute a charge and lien upon the Available Revenue equal to the lien thereon of the Bonds, unless the following conditions are satisfied.~~

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

~~(2) — Future Subordinate Lien Parity Bonds shall be authorized by a resolution of the Commission.~~

~~(3) — Each resolution authorizing Future Subordinate Lien Parity Bonds shall include the operating covenants set forth in Section 5.07 of this resolution.~~

~~—— (4) — either of the following conditions (A) or (B) below shall be satisfied.~~

~~—— (A) — Certificate Required. Unless the Port is able to meet the criteria set forth in (B) below, a certificate shall be filed with the Port (as described in this subsection (b) or subsection (c) below) demonstrating fulfillment of the Subordinate Lien Parity Test, (i) commencing with the first full fiscal year following the earlier of (x) the Date of Commercial Operation of the Facilities to be financed with the proceeds of the Future Subordinate Lien Parity Bonds or (y) the date on which any portion of interest on the Future Subordinate Lien Parity Bonds then being issued no longer will be paid from the proceeds of such bonds, and (ii) for the following two fiscal years.~~

~~—— (B) — No Certificate Required. A certificate shall not be required as a condition to the issuance of Future Subordinate Lien Parity Bonds:~~

~~————— (i) ——— if the Future Subordinate Lien Parity Bonds are being issued for refunding purposes upon compliance with the provisions of subsection (c) of this section; or~~

~~————— (ii) ——— if the Future Subordinate Lien Parity Bonds are being issued to pay Costs of Construction of Facilities for which indebtedness has been issued previously and the principal amount of such indebtedness being issued for completion purposes does not exceed an amount equal to an aggregate of 15% of the principal amount of indebtedness theretofore issued for such Facilities and reasonably allocable to the Facilities to be completed as shown in a written certificate of the Designated Port Representative, and there is delivered a Consultant's certificate stating that the nature and purpose of such Facilities have not materially changed.~~

~~A certificate may be delivered by the Port without a Consultant if the Available Revenue, based upon the financial statements of the Port for the Base Period, corroborated by the certified statements of the Division of Municipal Corporations of the State Auditor's office of the State of Washington, or any successor to the duties thereof, or by an independent certified public accounting firm for the Base Period, is sufficient such that the Subordinate Lien Parity Test will be fulfilled commencing with the first full fiscal year following the earlier of (x) the date of Commercial Operation of the Facilities to be financed with the proceeds of the Future Subordinate Lien Parity Bonds as reasonably estimated by the Port, or (y) the date on which any portion of interest on the Future Subordinate Lien Parity Bonds then being issued will not be paid from the proceeds of such Future Subordinate Lien Parity Bonds and for the following two fiscal years. Except as provided in the foregoing paragraphs, compliance with the coverage requirements of this Section 5.04 shall be demonstrated conclusively by a certificate of a Consultant.~~

~~In making the computations of Available Revenue for the purpose of certifying compliance with the Subordinate Lien Parity Test, the Consultant shall use as a basis the Available Revenue~~

for the Base Period. In making such computations the Consultant shall make such adjustments as he or she deems reasonable.

~~(c) — *Future Subordinate Lien Parity Bonds For Refunding Purposes.* The Port may issue Future Subordinate Lien Parity Bonds for refunding purposes, as follows:~~

~~—— (1) — Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) Subordinate Lien Parity Bonds including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption (or purchase), any deposits to a reserve account or to purchase a Qualified Letter of Credit or Qualified Insurance and the expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding upon delivery of a certificate as provided in subsection (b)(1) above. Such refunding Future Subordinate Lien Parity Bonds also may be issued without a certificate if the Maximum Annual Debt Service on all Subordinate Lien Parity Bonds to be Outstanding after the issuance of the refunding Future Subordinate Lien Parity Bonds shall not be greater than the Maximum Annual Debt Service on the bonds to be refunded were such refunding not to occur.~~

~~—— (2) — Future Subordinate Lien Parity Bonds may be issued at any time for the purpose of refunding (including by purchase) any other bonds of the Port having a lien on Available Revenue on a parity with or prior to the lien of the Bonds, provided that such bonds are Permitted Prior Lien Indebtedness or Subordinate Lien Parity Bonds, including amounts to pay principal thereof and redemption premium, if any, and interest thereon to the date of redemption of such bonds (or purchase), any deposits to a reserve account or to purchase a Qualified Letter of Credit or Qualified Insurance and the expenses of issuing the Future Subordinate Lien Parity Bonds to purchase or refund the same and of effecting such refunding; provided, however, that~~

~~prior to the issuance of such Future Subordinate Lien Parity Bonds the Port must provide a certificate if required by this section.~~

~~(3) Future Subordinate Lien Parity Bonds may be issued for the purpose of refunding (including by purchase) at any time within one year prior to maturity any bonds of the Port having a lien on Available Revenue on a parity with or prior to the lien of the Bonds, provided that such bonds are Permitted Prior Lien Indebtedness or Subordinate Lien Parity Bonds, for the payment of which sufficient Available Revenue or other money are not available, without the requirement of a certificate pursuant to this section.~~

~~(d) *Liens Subordinate to Subordinate Lien Parity Bonds.* Nothing herein contained shall prevent the Port from issuing revenue bonds or other obligations which are a charge upon the Available Revenue junior or inferior to the payments required by this resolution to be made out of such Available Revenue to pay and secure the payment of any Subordinate Lien Parity Bonds. Such junior or inferior obligations shall not be subject to acceleration. This prohibition against acceleration shall not be deemed to prohibit mandatory tender or other tender provisions with respect to variable rate obligations.~~

### **Section 1.07. Covenants (Amended).**

Section 5.07 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

The Port hereby makes the following covenants and agrees with the owners and holders of each of the Subordinate Lien Parity Bonds for as long as any of the same remain Outstanding.

(a) *Subordinate Lien Rate Covenant.* The Port will at all times establish, maintain and collect rentals, tariffs, rates, fees, and charges in the operation of all of its business for as long

as any Subordinate Lien Parity Bonds are Outstanding or any Credit Facility or any Liquidity Facility is in effect that will produce Net Revenue in each fiscal year at least equal to the amounts required to meet the Subordinate Lien Rate Covenant. If the Net Revenue in any fiscal year is less than required to meet the Subordinate Lien Rate Covenant, then the Port will post a notice to EMMA within 60 days after completion of the financial statement audit for the fiscal year (1) showing the deficiency and (2) providing a timeframe for development by the Port of a written plan to address the deficiency.

The Port will prepare a written plan to revise schedules of rentals, tariffs, rates, fees and/or charges, reduce operating costs, modify the manner of operating one or more Facilities, or take other steps to meet the Subordinate Lien Rate Covenant in the next fiscal year, and may amend the Plan as necessary to effectuate implementation. If the Commission has taken the steps set forth in the written plan and the Net Revenue in the fiscal year in which adjustments under the plan are made nevertheless is not sufficient to meet the Subordinate Lien Rate Covenant, there shall be no default under this Section 5(a) during such fiscal year, unless the Port fails to meet the Subordinate Lien Rate Covenant for three consecutive fiscal years including the fiscal year that was the subject of the notice of deficiency.

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

(c) *Maintenance of Facilities.* The Port will at all times keep and maintain or cause to be kept or maintained all of the Facilities in good repair, working order and condition and will

at all times operate or cause to be operated the same and the business or businesses in connection therewith in an efficient manner and at a reasonable cost.

(d) *Sale or Condemnation of Projects.* In the event that any Project or portion thereof is sold by the Port or is condemned pursuant to the power of eminent domain, the Port will apply the net proceeds of such sale or condemnation to other Facilities or to the retirement of Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding.

(e) *Insurance of Facilities.* The Port will keep or arrange to keep all 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.

(f) *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.

(g) *Maintenance of Books and Records.* The Port will keep and maintain proper books of account and accurate records of all of its revenue, including tax receipts, received from any source whatsoever, and of all costs of administration and maintenance and operation of all of its business that are in accordance with generally accepted accounting principles as in effect from time to time. On or before 120 days after each fiscal year the Port will prepare or cause to be prepared an operating statement of all of the business of the Port for such preceding fiscal year. Each such annual statement shall contain a statement in detail of the Gross Revenue, tax receipts, expenses of administration, expenses of normal operation, expenses of normal and extraordinary

maintenance and repair, and expenditures for capital purposes of the Port 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 operation of its business and the status of all of the funds and accounts created by various resolutions of the Commission authorizing the issuance of outstanding bonds and other obligations payable from the Gross Revenue. 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 Subordinate Lien Parity Bonds.

~~The Port hereby makes the following covenants and agrees with the owners and holders of each of the Bonds for as long as any of the same remain Outstanding.~~

~~(a) — *Subordinate Lien Rate Covenant.* The Port will at all times establish, maintain and collect rentals, tariffs, rates, fees, and charges in the operation of all of its business for as long as any Bonds are Outstanding that will produce Available Revenue in each fiscal year at least equal to the amounts required to be deposited during such fiscal year from Net Revenues into the Subordinate Lien Bond Fund, any other bond fund established or maintained for the benefit of Subordinate Lien Parity Bonds and to any fund established or maintained to pay any Port Payments due with respect to any Derivative Product and any other amounts due to the Credit Facility Issuer, if any, or Liquidity Facility Issuer, if any, and to the issuers of credit facilities or liquidity facilities for any Subordinate Lien Parity Bonds and, to the extent not otherwise provided for, to any Reciprocal Payor, but excluding from each of the foregoing, payments made or to be made from refunding debt and capitalized debt service or other money irrevocably set aside for such payment.~~

~~If the Available Revenue in any fiscal year is less than required to fulfill the Subordinate Lien Rate Covenant, then the Port will retain a Consultant to make recommendations as to operations and the revision of schedules of rentals, tariffs, rates, fees and charges; and upon~~

~~receiving such recommendations or giving reasonable opportunity for such recommendations to be made, the Commission, on the basis of such recommendations and other available information, will establish rentals, tariffs, rates, fees and charges for services and operations which will be necessary to meet the Subordinate Lien Rate Covenant in the fiscal year during which such adjustments are made. If the Commission has taken the steps set forth in this paragraph and the Available Revenue in the fiscal year in which adjustments are made nevertheless is not sufficient to meet the Subordinate Lien Rate Covenant, there shall be no default under this Section 5.05(a) during such fiscal year, unless the Port fails to meet the Subordinate Lien Rate Covenant for two consecutive fiscal years.~~

~~(b) — *Performance of Covenants.* The Port will duly and punctually pay or cause to be paid out of the Subordinate Lien Bond Fund the principal of and interest on the Bonds at the times and places as provided in this resolution and in said Bonds provided and will at all times faithfully perform and observe any and all covenants, undertakings and provisions contained in this resolution and in the Bonds.~~

~~(c) — *Maintenance of Facilities.* The Port will at all times keep and maintain or cause to be kept or maintained all of the Facilities in good repair, working order and condition and will at all times operate or cause to be operated the same and the business or businesses in connection therewith in an efficient manner and at a reasonable cost.~~

~~(d) — *Sale or Condemnation of Projects.* In the event that any Project or portion thereof is sold by the Port or is condemned pursuant to the power of eminent domain, the Port will apply the net proceeds of such sale or condemnation to other Facilities or to the retirement of Permitted Prior Lien Bonds or Subordinate Lien Parity Bonds then Outstanding.~~

~~(e) — *Insurance of Facilities.* The Port will keep or arrange to keep all 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.~~

~~(f) — *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.~~

~~(g) — *Maintenance of Books and Records.* The Port will keep and maintain proper books of account and accurate records of all of its revenue, including tax receipts, received from any source whatsoever, and of all costs of administration and maintenance and operation of all of its business that are in accordance with generally accepted accounting principles as in effect from time to time. On or before 120 days after each fiscal year the Port will prepare or cause to be prepared an operating statement of all of the business of the Port for such preceding fiscal year. Each such annual statement shall contain a statement in detail of the Gross Revenue, tax receipts, expenses of administration, expenses of normal operation, expenses of normal and extraordinary maintenance and repair, and expenditures for capital purposes of the Port 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 operation of its business and the status of all of the funds and accounts created by various resolutions of the Commission authorizing the issuance of outstanding bonds and other obligations payable from the Gross Revenue. 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 Subordinate Lien Bonds.~~

**Section 1.08. Derivative Products (Amended).**

Section 5.08 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

The following shall be conditions precedent to the delivery of any Derivative Product on a parity with Subordinate Lien Parity Bonds:

(a) *General Parity Tests.* The Derivative Product must satisfy the requirements for Future Subordinate Lien Parity Bonds described in Section 4(b) of this resolution.

(b) *Opinion of Bond Counsel.* The Port shall obtain an opinion of its Bond Counsel on the due authorization and execution of such Derivative Product opining that the action proposed to be taken by the Port is authorized or permitted by this resolution and by Washington law or the applicable provisions of any resolution authorizing Future Subordinate Lien Parity Bonds and is not prohibited by the resolutions that authorized the issuance of the Subordinate Lien Parity Bonds then Outstanding, as amended or supplemented and will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on any Subordinate Lien Parity Bonds then Outstanding.

(c) *Payments.* Each Derivative Product shall set forth the manner in which the Port Payments and Reciprocal Payments are to be calculated and a schedule of Derivative Payment Dates.

(d) *Supplemental Agreements to Govern Derivative Products.* Prior to entering into a Derivative Product, the Commission shall adopt a resolution, which shall:

- (1) create and establish an account to be entitled the “Derivative Product Account” or provide for some other way to account for the use of a Derivative Product; establish general provisions for the retention of Available Revenues in amounts sufficient to make, when due, Port Payments;
- (2) establish general provisions for the rights of providers of Derivative Products or Derivative Facilities; and
- (3) set forth such other matters as the Port deems necessary or desirable in connection with the management of Derivative Products as are not clearly inconsistent with the provisions of this resolution.

Except as may be otherwise provided in the resolution establishing a Derivative Product Account, additional Subordinate Lien Parity Bonds may be delivered in connection with any Derivative Product. Any termination payments under Derivative Products shall be subordinate to Subordinate Lien Parity Bonds.

~~The following shall be conditions precedent to the use of any Derivative Product on a parity with Subordinate Lien Parity Bonds:~~

~~(a) — *General Parity Tests.* The Derivative Product must satisfy the requirements for Future Subordinate Lien Parity Bonds described in Section 5.04 of this resolution.~~

~~(b) — *Opinion of Bond Counsel.* The Port shall obtain an opinion of its Bond Counsel on the due authorization and execution of such Derivative Product opining that the action proposed to be taken by the Port is authorized or permitted by this resolution and by Washington law or the applicable provisions of any resolution authorizing Future Subordinate Lien Parity Bonds and is not prohibited by the resolutions that authorized the issuance of the Outstanding Subordinate Lien Bonds, as amended or supplemented and will not adversely affect the exclusion from gross income~~

~~for federal income tax purposes of the interest on any Subordinate Lien Parity Bonds then Outstanding.~~

~~(c) — *Payments.* Each Derivative Product shall set forth the manner in which the Port Payments and Reciprocal Payments are to be calculated and a schedule of Derivative Payment Dates.~~

~~(d) — *Supplemental Agreements to Govern Derivative Products.* Prior to entering into a Derivative Product, the Commission shall adopt a resolution, which shall:~~

~~(1) — create and establish an account to be entitled the “Derivative Product Account” or provide for some other way to account for the use of a Derivative Product; establish general provisions for the retention of Net Revenues in amounts sufficient to make, when due, Port Payments;~~

~~(2) — establish general provisions for the rights of providers of Derivative Products or Derivative Facilities; and~~

~~(3) — set forth such other matters as the Port deems necessary or desirable in connection with the management of Derivative Products as are not clearly inconsistent with the provisions of this resolution.~~

~~Except as may be otherwise provided in the resolution establishing a Derivative Product Account, additional Subordinate Lien Parity Bonds may be delivered in connection with any Derivative Product. This resolution may be amended in the future to reflect the lien position and priority of any payments made in connection with a Derivative Product; *provided, however,* that termination payments under Derivative Products shall be subordinate to Subordinate Lien Parity Bonds.~~

**Section 1.09. Defaults and Remedies (Amended).**

Section 5.10 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

The Port hereby finds and determines that the failure or refusal of the Port or any of its officers to perform the covenants and obligations of this resolution will endanger the operation of the Facilities and the application of Gross Revenue and such other money, funds and securities to the purposes herein set forth. Any one or more of the following shall constitute a Default under this resolution:

- (a) The Port shall fail to make payment of the principal of any Subordinate Lien Parity Bonds, including without limitation any Bank Bond, when the same shall become due and payable whether by maturity or scheduled redemption prior to maturity or other required repayment date;
- (b) The Port shall fail to make payments of any installment of interest on any Subordinate Lien Parity Bonds, including without limitation any Bank Bond, when the same shall become due and payable; or
- (c) 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 90 days; however, if such default cannot be reasonably cured within such 90-day period, the Port shall have such additional time (not to exceed a total cure period of 180 days) as reasonably necessary to cure the default provided that the Port commences cure within 90 days and diligently pursues cure thereafter.

Upon the occurrence and continuation of a Default, a Credit Facility Issuer of a Credit Facility that supports the payment of principal of and interest on Subordinate Lien Parity Bonds shall be entitled to exercise, on behalf of such Subordinate Lien Parity Bondowners, any of the remedies provided under this section and, such Credit Facility Issuer shall be the only party entitled to exercise the remedies with respect to such Subordinate Lien Parity Bonds provided under this section. The rights granted to any such Credit Facility Issuer shall be disregarded and be of no effect if the Credit Facility Issuer has failed to honor a properly presented and conforming drawing on its Credit Facility. There shall be no waiver of a Default hereunder with respect to the Subordinate Lien Parity Bonds unless the Registrar shall have received from the Credit Facility Issuer a written rescission of its default notice and shall be assured that the Credit Facility or Liquidity Facility, as the case may be, has been fully reinstated.

There may not be any acceleration of the Subordinate Lien Parity Bonds. This prohibition against acceleration shall not be deemed to prohibit the term out of any Bank Bond or other reimbursement obligation to any Credit Facility Issuer or Liquidity Facility Issuer, to prohibit any mandatory tender or other tender provisions or to prohibit the payment of a termination amount with respect to a Derivative Product.

Upon the occurrence of a Default and so long as such Default shall not have been remedied and subject to the foregoing paragraph, a Bondowners' Trustee may be appointed for the Subordinate Lien Parity Bonds by the owners of 51% in principal amount of the Subordinate Lien Parity Bonds Outstanding by an instrument or concurrent instruments in writing signed and acknowledged by such Subordinate Lien Parity Bondowners or by their attorneys-in-fact duly authorized and delivered to such Bondowners' Trustee, notification thereof being given to the Port. Any Bondowners' Trustee appointed under the provisions of this Section 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 Bondowners' Trustee shall be borne by the Bondowners and not by the Port. The bank or trust company acting as a Bondowners' Trustee may be removed at any time, and a successor Bondowners' Trustee may be appointed by the owners of 51% in principal amount of the Subordinate Lien Parity Bonds Outstanding, by an instrument or concurrent instruments in writing signed and acknowledged by such Subordinate Lien Parity Bondowners or by their attorneys-in-fact duly authorized.

The 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 Subordinate Lien Parity Bonds for which such appointment is made and is empowered to exercise all the rights and powers herein conferred on the Bondowners' Trustee, subject to the rights herein conferred on Credit Facility Issuers.

A 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 Subordinate Lien Parity 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 Bondowners' Trustee hereunder shall be brought in its name as trustee for the Subordinate Lien Parity Bondowners and all such rights of action upon or under any of the Subordinate Lien Parity Bonds or the provisions of this resolution may be enforced by a Bondowners' Trustee without the possession of any of said Subordinate Lien Parity 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 Subordinate Lien Parity Bonds by taking and holding the same, shall be conclusively deemed irrevocably to appoint a Bondowners' Trustee the true and lawful trustee to the respective owners of said Subordinate Lien Parity 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 Subordinate Lien Parity Bonds; to execute any paper or documents for the receipt of such moneys, and to do all acts with respect thereto that the Subordinate Lien Parity Bondowner might have done in person. Nothing herein contained shall be deemed to authorize or empower any Bondowners' Trustee to consent to accept or adopt, on behalf of any owner of said Subordinate Lien Parity Bonds, any plan of reorganization or adjustment affecting the said Subordinate Lien Parity Bonds or any right of any owner thereof, or to authorize or empower the 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.

No owner of any one or more of the Subordinate Lien Parity 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 Bondowners' Trustee has been appointed as herein provided, but any remedy herein authorized to be exercised by a Bondowners' Trustee may be exercised individually by any Subordinate Lien Parity Bondowner, in the owner's own name and on the owner's own behalf or for the benefit of all Subordinate Lien Parity Bondowners, in the event no Bondowners' Trustee has been appointed, or with the consent of the Bondowners' Trustee if such Bondowners' Trustee has been appointed; provided however, that nothing in this resolution or in the Subordinate Lien Parity Bonds shall affect or impair the obligation of the Port which is absolute and unconditional, to pay from Available Revenue the

principal of and interest on said Subordinate Lien Parity 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 Subordinate Lien Parity Bonds and to a 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 Bondowners' Trustee or by the owners of 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 Subordinate Lien Parity Bondowners or of a 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.

The Registered Owner of each of the Subordinate Lien Parity Bonds or a trustee for the Registered Owners of any of the Subordinate Lien Parity Bonds may by mandamus or other appropriate proceeding require the transfer and payment of money as directed in this resolution.

~~The Port hereby finds and determines that the failure or refusal of the Port or any of its officers to perform the covenants and obligations of this resolution will endanger the operation of the Facilities and the application of Gross Revenue and such other money, funds and securities to~~

~~the purposes herein set forth. Any one or more of the following shall constitute a Default under this resolution:~~

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

~~(c) — 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 90 days.~~

~~— Upon the occurrence and continuation of a Default, for as long as the Credit Facility Issuer is not in default of its obligations under the Credit Facility, the Credit Facility Issuer shall be entitled to exercise, on behalf of the Bondowners, any of the remedies provided under this section and, the Credit Facility Issuer shall be the only party entitled to exercise the remedies provided under this section. There shall be no waiver of a Default hereunder with respect to the Bonds unless the Registrar shall have received from the Credit Facility Issuer a written rescission of its default notice and shall be assured that the Credit Facility or Liquidity Facility, as the case may be, has been fully reinstated.~~

~~There may not be any acceleration of the Bonds.~~

~~Upon the occurrence of a Default and so long as such Default shall not have been remedied and subject to the foregoing paragraph, a Bondowners' Trustee may be appointed for the Bonds by the owners of 51% in principal amount of the Outstanding Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Bondowners or by their attorneys in fact duly authorized and delivered to such Bondowners' Trustee, notification thereof being given to~~

~~the Port. Any Bondowners' Trustee appointed under the provisions of this Section 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 Bondowners' Trustee shall be borne by the Bondowners and not by the Port. The bank or trust company acting as a Bondowners' Trustee may be removed at any time, and a successor Bondowners' Trustee may be appointed by the owners of 51% in principal amount of the Bonds Outstanding, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondowners or by their attorneys in fact duly authorized.~~

~~The 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 Bonds for which such appointment is made and is empowered to exercise all the rights and powers herein conferred on the Bondowners' Trustee.~~

~~A 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 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 Bondowners' Trustee hereunder shall be brought in its name as trustee for the Bondowners and all such rights of action upon or under any of the Bonds or the provisions of this resolution may be enforced by a Bondowners' Trustee without the possession of any of said 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 Bonds by taking and holding the same, shall be conclusively deemed irrevocably to appoint a~~

~~Bondowners' Trustee the true and lawful trustee to the respective owners of said 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 Bonds; to execute any paper or documents for the receipt of such moneys, and to do all acts with respect thereto that the Bondowner himself might have done in person. Nothing herein contained shall be deemed to authorize or empower any Bondowners' Trustee to consent to accept or adopt, on behalf of any owner of said Bonds, any plan of reorganization or adjustment affecting the said Bonds or any right of any owner thereof, or to authorize or empower the 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.~~

~~No owner of any one or more of the 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 Bondowners' Trustee has been appointed as herein provided, but any remedy herein authorized to be exercised by a Bondowners' Trustee may be exercised individually by any Bondowner, in his own name and on his own behalf or for the benefit of all Bondowners, in the event no Bondowners' Trustee has been appointed, or with the consent of the Bondowners' Trustee if such Bondowners' Trustee has been appointed; provided however, that nothing in this resolution or in the Bonds shall affect or impair the obligation of the Port which is absolute and unconditional, to pay from Available Revenue the principal of and interest on said 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 Bonds and to a 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 Bondowners' Trustee or by the owners of 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 Bondowners or of a 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 1.10. Amendments Without Registered Owners Consent (Amended).**

Section 7.07 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

\_\_\_\_\_ This resolution may be amended or supplemented from time to time, without the consent of the Registered Owners by a Supplemental Resolution adopted by the Commission for one or more of the following purposes:

- (a) pursuant to a Series Resolution to provide for the issuance of a Series or multiple Series of Subordinate Lien Parity Bonds under the provisions of Section 4 hereof and to set forth the terms of such Subordinate Lien Parity Bonds and the special provisions which shall apply

to such Subordinate Lien Parity Bonds;

- (b) to cure any formal defect, omission, inconsistency or ambiguity in, or answer any questions arising under, this Resolution or any Series Resolution, provided such supplement or amendment is not materially adverse to the Subordinate Lien Parity Bondholders;
- (c) to add to the covenants and agreements of the Port in this Resolution or any Series Resolution other covenants and agreements, or to surrender any right or power reserved or conferred upon the Port, provided such supplement or amendment shall not adversely affect the interests of the Subordinate Lien Parity Bondholders;
- (d) to confirm, as further assurance, any interest of the Subordinate Lien Parity Bondholders in and to the pledge of Available Revenue or to otherwise add additional security for the Subordinate Lien Parity Bondholders;
- (e) to evidence any change made in the terms of any Series of Bonds if such changes are authorized by the Series Resolution at the time the Series of Bonds is issued and such change is made in accordance with the terms of such Series Resolution;
- (f) to comply with the requirements of the Trust Indenture Act of 1939, as amended from time to time;
- (g) to modify, alter, amend or supplement this Resolution or any Series Resolution in any other respect that is not materially adverse to the Subordinate Lien Parity Bondholders;
- (h) to provide for uncertificated Subordinate Lien Parity Bonds or for the issuance of coupons and bearer Subordinate Lien Parity Bonds or Subordinate Lien Parity Bonds registered only as to principal;
- (i) to make modifications or adjustments necessary, appropriate or desirable to accommodate the use of a Credit Facility or Liquidity Facility for specific Subordinate Lien Parity Bonds

or a specific Series of Subordinate Lien Parity Bonds;

- (j) to provide for the issuance of the Subordinate Lien Parity Bonds pursuant to a book-entry system or as uncertified registered public obligations;
- (k) to make such additions, deletions, or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on any tax-exempt Subordinate Lien Parity Bonds;
- (l) for any other purpose that does not materially and adversely affect the interests of the Owners of the Subordinate Lien Parity Bonds, including without limitation to qualify the Subordinate Lien Parity Bonds or a Series of Subordinate Lien Parity Bonds for a rating or ratings from a Rating Agency or to accommodate the technical, operational and structural features of Bonds that are issued or are proposed to be issued, including, but not limited to, changes needed to accommodate commercial paper, swaps, variable rate or adjustable rate bonds, discounted or compound interest bonds or other forms of indebtedness that the Port, from time to time deems appropriate to incur; and
- (m) for any purpose, if such amendment becomes effective only following a mandatory tender of all Bonds for purchase.

~~This resolution may be amended or supplemented from time to time, without the consent of the Registered Owners by a Supplemental Resolution adopted by the Commission for one or more of the following purposes:~~

~~(a) — to add additional covenants of the Commission or to surrender any right or power herein conferred upon the Port; or~~

~~(b) — 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 adversely affect the interests of the Registered Owners; or~~

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

~~(d) — 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 letter of credit, liquidity facility, standby bond purchase agreement or other security or liquidity arrangement; or~~

~~(e) — to modify the provisions for optional or mandatory redemption at the commencement of a Long Term Mode or Fixed Mode; or~~

~~(f) — 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 Bonds, or in order to obtain or retain such rating on the Bonds as is deemed necessary by the Port; or~~

~~(g) — for any purpose, if such amendment becomes effective only following a mandatory tender of all Bonds for purchase.~~

**Section 1.11. Amendments With Registered Owners Consent (Amended).**

Section 7.08 of the Original Resolution is hereby amended to read as set forth in this section. Additions and deletions from the Original Resolution are shown as marked text, with additions double underlined and deletions struck:

This resolution may be amended from time to time by a Supplemental Resolution approved by the Registered Owners of 51% in aggregate principal amount of the Subordinate Lien Parity Bonds 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 Subordinate Lien Parity Bonds Outstanding without the consent of the Registered Owners of 51% in aggregate principal amount of the Subordinate Lien Parity Bonds so affected, and
- (b) except as expressly authorized hereunder, no amendment that alters the interest rates on any Subordinate Lien Parity Bonds, the maturity date, interest payment dates, purchase upon tender or redemption provisions of any Subordinate Lien Parity Bonds, this Section 9(b) without the consent of the Registered Owners of all Subordinate Lien Parity Bonds Outstanding affected thereby.

For the purpose of consenting to amendments under this Section 9 except for amendments that alter the interest rate on any Subordinate Lien Parity Bonds, the maturity date, interest payment dates, purchase upon tender or redemption of any Subordinate Lien Parity Bonds, the Credit Facility Issuer shall be deemed to be the sole Registered Owner of the Subordinate Lien Parity Bonds that are payable from such Credit Facility and that are then Outstanding.

~~This resolution may be amended from time to time by a Supplemental Resolution approved by the Registered Owners of 51% in aggregate principal amount of the 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 Bonds without the consent of the Registered Owners of 51% in aggregate principal amount of the Bonds so affected, and (b) except as expressly authorized hereunder, no amendment that alters the interest rates on any Bonds, the maturity date, Interest Payment Dates, purchase upon tender or redemption provisions of any Bonds, this Section 7.08 without the consent of the Registered Owners of all Outstanding Bonds affected thereby. For the purpose of consenting to amendments under this Section 7.08 except for~~

~~amendments that alter the interest rate on any Bonds, the maturity date, Interest Payment Dates, purchase upon tender or redemption of any Bonds, the Credit Facility Issuer shall be deemed to be the sole Registered Owner of the Bonds that are payable from such Credit Facility and that are then Outstanding.~~

## ARTICLE II. MISCELLANEOUS

### **Section 2.01. Contract; Severability.**

The covenants in this resolution shall constitute a contract for the benefit of the Registered Owners, and the Registered Owners shall be entitled to enforce the provisions hereof in accordance with its terms. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the Port shall be declared by any court of competent jurisdiction and final appeal (if any appeal be taken) to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bonds.

### **Section 2.02. Effect of Amendments.**

Exhibit A is incorporated as if set forth herein. Except as specifically amended herein and in Exhibit A, the Original Resolution shall continue in full force and effect in accordance with its original terms.

### **Section 2.03. Amendments With Credit Facility Issuer's Consent.**

Any amendment or supplement to this resolution shall require the prior written consent of the Credit Facility Issuer.

### **Section 2.04. Immediate Effect.**

This resolution shall take effect immediately upon its adoption.

ADOPTED by the Port Commission of the Port of Seattle at a meeting thereof, held this \_\_\_\_\_ day of \_\_\_\_\_, 2026, and duly authenticated in open session by the signatures of the commissioners voting in favor thereof.

PORT OF SEATTLE, WASHINGTON

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Commissioners

EXHIBIT A:  
AMENDED DEFINITIONS

As used in this resolution, the following words and phrases shall have the meanings hereinafter set forth unless the context clearly shall indicate that another meaning is intended:

***Accreted Value*** means (a) with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the initial principal amount of such Capital Appreciation Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date, or (b) with respect to Original Issue Discount Bonds, as of the date of calculation, the amount representing the initial public offering price of such Original Issue Discount Bonds plus the amount of discounted principal which has accreted since the date of issue.

***Annual Debt Service*** means the total amount of Debt Service for all Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding, and, without duplication, with respect to any Derivative Product, in any fiscal year or Base Period.

***Available Revenue*** means the Gross Revenue of the Port after providing for the payments set forth in paragraphs First through Eighth of Section 3(b) of this resolution. Notwithstanding the foregoing, the Port may adopt a resolution obligating and binding the Port to set aside and pay any part or parts of, or all of, or a fixed proportion of, or a fixed amount of other receipts (not previously included in Gross Revenue) at any time as additional security for any one or more series of Subordinate Lien Parity Bonds; provided that the Port has also obligated and bound itself to set aside and pay such receipts for the benefit of Prior Lien Bonds.

***Balloon Maturity Bonds*** means any Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding that are so designated in their authorizing resolution or in a certificate of the

Designated Port Representative executed on or prior to their date of issuance. Commercial Paper shall be deemed to be a Balloon Maturity Bond.

**Bank Bond** means any Subordinate Lien Parity Bonds purchased with proceeds of a Credit Facility or Liquidity Facility or Subordinate Lien Parity Bonds evidencing the Port's obligation to reimburse a Credit Facility Issuer or Liquidity Facility Issuer for the payment of the purchase price of or principal of or interest on any Subordinate Lien Parity Bond.

**Base Period** means any consecutive 12-month period selected by the Designated Port Representative out of the 30-month period preceding the date of issuance of the series of Future Subordinate Lien Parity Bonds then proposed to be issued.

**Bond Counsel** means a firm of lawyers nationally recognized and accepted as bond counsel and so employed by the Port for any purpose under this resolution applicable to the use of that term.

**Capital Appreciation Bonds** mean any Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding all or a portion of the interest on which is compounded, accumulated and payable only upon redemption or on the maturity date of such Prior Lien Bonds or Subordinate Lien Parity Bonds. If so provided in their authorizing resolution or a certificate of the Designated Port Representative executed on or prior to their date of issuance, Prior Lien Bonds or Subordinate Lien Parity Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Prior Lien Bonds or Subordinate Lien Parity Bonds no longer are Capital Appreciation Bonds, they shall be deemed Outstanding in a principal amount equal to their Accreted Value.

***Certificate Period*** means the period commencing with the fiscal year following the year in which the proposed series of Subordinate Lien Parity Bonds are to be issued and extending through the earlier of (a) the third fiscal year in which any portion of interest on the Future Subordinate Lien Parity Bonds then being issued no longer will be paid from the proceeds of such Future Subordinate Lien Parity Bonds and (b) the fifth fiscal year following the year in which the proposed series of Subordinate Lien Parity Bonds are to be issued.

***Commercial Paper*** means any Prior Lien Bond or Subordinate Lien Parity Bond with a maturity not more than 270 days from its date of issuance.

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

***Consultant*** means at any time an independent consultant nationally recognized in marine or aviation 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. For the purposes of delivering any certificate required by Section 4(b)(3)(A)(ii) hereof, the term Consultant shall also include any independent national public accounting firm appointed by the Port to make such calculation or to provide such certificate or nationally-recognized municipal advisor appointed by the Port for purposes of making such calculation.

***Credit Facility*** means a policy of municipal bond insurance, a letter of credit, surety bond, line of credit, guarantee, reimbursement agreement, or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or provide funds for the payment of the purchase price of or the scheduled principal of and interest on Prior Lien Bonds or Subordinate Lien Parity Bonds. There may be one or more Credit Facilities outstanding at any time.

***Credit Facility Issuer*** means the issuer of any Credit Facility.

***Customer Facility Charge*** or ***CFC*** means any customer facility charge authorized pursuant to state law, including pursuant to RCW 14.08.120, as may be amended from time to time, and imposed upon customers of rental car companies accessing the Facilities for the purpose of financing, designing, constructing, operating and maintaining consolidated rental car facilities and common use transportation equipment and facilities which are used to transport the customer between the consolidated car rental facilities and other Facilities, or any successor provision approving such a charge or a similar charge or fee, and any interest, profits or other income derived from the investment thereof.

***Debt Service*** means, for any period of time,

- (a) with respect to any Outstanding Original Issue Discount Bonds or Capital Appreciation Bonds that are not designated as Balloon Maturity Bonds, the principal amount thereof equal to the Accreted Value thereof maturing or scheduled for redemption in such period, plus the interest, if any, payable during such period;
- (b) with respect to any Outstanding Fixed Rate Bonds, an amount equal to (1) the principal amount coming 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 such principal on the assumption that mandatory sinking fund installments will be applied to the redemption or retirement of such Prior Lien Bonds or Subordinate Lien Parity Bonds on the required redemption or retirement date, plus (3) all interest payable during such period on any such Prior Lien Bonds and Subordinate Lien Parity Bonds Outstanding;

- (c) with respect to all other series of Prior Lien Bonds and Subordinate Lien Parity 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 Prior Lien Bonds and Subordinate Lien Parity Bonds bearing variable rates of interest, an amount for any period equal to the amount which would have been payable for principal and interest on such Prior Lien Bonds or Subordinate Lien Parity Bonds during such period computed on the assumption that the amount of such Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding as of the date of such computation would be amortized (1) in accordance with their scheduled maturities or required repayment dates, if any, and any mandatory redemption provisions (disregarding any put, mandatory tender or mandatory purchase provisions) set forth in or approved pursuant to their authorizing resolution, or if scheduled maturities, required repayment dates or mandatory redemption provisions (disregarding any put, mandatory tender or mandatory purchase provisions) are not provided, over a 30-year period commencing with the first fiscal year following the date of computation to provide for essentially level annual debt service of principal and interest over such period and (2) at an interest rate equal to the greater of (A) the average of the applicable Variable Rate Index over the 10-year period ending the week immediately preceding the date of calculation plus 0.50%, and (B) the applicable Variable Rate Index in the week immediately preceding the date of calculation; and
- (d) with respect to Derivative Products, the Port Payments required by contract to be paid to a Reciprocal Payor under any existing Derivative Product, offset by the Reciprocal Payments during the relevant period, on the assumption that if any such payment is not fixed at the time of execution of the Derivative Product, the amount of such payment will

be calculated at the Estimated Average Derivative Rate prevailing during the remaining term of the Derivative Product.

Debt Service shall include reimbursement obligations (and interest accruing thereon) owing to any Credit Facility Issuer or Liquidity Facility Issuer; provided that a Prior Lien Bond or Subordinate Lien Parity Bond and an unreimbursed reimbursement obligation arising with respect to such Prior Lien Bond or Subordinate Lien Parity Bond shall not be deemed to be Outstanding at the same time. With respect to any Prior Lien Bonds or Subordinate Lien Parity Bonds payable in other than U.S. Dollars, Debt Service shall be calculated as provided in or pursuant to their authorizing resolution. Debt Service shall be net of (1) any principal or interest funded out of Prior Lien Bond or Subordinate Lien Parity Bond proceeds and (2) any Debt Service Offset.

***Debt Service Offset*** means receipts of the Port (such as PFCs or CFCs) that are not included in Gross Revenue and that are legally available and pledged by the Port to pay debt service on Prior Lien Parity Bonds and/or Subordinate Lien Parity Bonds for a period not less than the duration of the Certificate Period.

***Derivative Facility*** means a letter of credit, an insurance policy, a surety bond or other credit enhancement device, given, issued or posted as security for the Port's obligations under one or more Derivative Products.

***Derivative Payment Date*** means any date specified in the Derivative Product on which a Port Payment is due and payable under the Derivative Product.

***Derivative Product*** means a written contract or agreement between the Port and a Reciprocal Payor, which provides that the Port's obligations thereunder will be conditioned on the absence of: (i) a failure by the Reciprocal Payor to make any payment required thereunder

when due and payable, and (ii) a default thereunder with respect to the financial status of the Reciprocal Payor; and

- (a) under which the Port is obligated to pay, on one or more scheduled and specified Derivative Payment Dates, the Port Payments in exchange for the Reciprocal Payor's obligation to pay or to cause to be paid to the Port, on the same scheduled and specified Derivative Payment Dates, the Reciprocal Payments;
- (b) under which Reciprocal Payments are to be made directly into a bond fund for Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding;
- (c) for which the Port Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product; and
- (d) for which the Reciprocal Payments are either specified to be one or more fixed amounts or are determined according to a formula set forth in the Derivative Product.

***Derivative Product Account*** means the Derivative Product Account, if any, created and established under Section 6 hereof or under another authorizing resolution.

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

***EMMA*** means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, located at [www.emma.msrb.org](http://www.emma.msrb.org), or any successor to its functions.

***Estimated Average Derivative Rate*** means:

- (a) as to the variable rate payments to be made by a party under any Derivative Product,
  - (1) if the Port is the variable rate payor, the greater of the then-prevailing

value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Port are determined or the average of such variable rate formula during the immediately preceding 12 months;

(2) if the Reciprocal Payor is the variable rate payor, the lesser of the then prevailing value of the formula set forth in the Derivative Product by which the variable rate payments to be paid by the Reciprocal Payor are determined or the average of such variable rate formula during the immediately preceding 12 months; and

(b) when the variable rate to be used in a Derivative Product is a designated hedge of one or more specified maturities of the variable rate Prior Lien Bonds or Subordinate Lien Parity Bonds, the variable rate or rates under the Derivative Product will be deemed to be the same rate or rates estimated for the specified maturity or maturities of the specified Prior Lien Bonds or Subordinate Lien Parity Bonds; and

(c) if two or more Derivative Products specify the same index and formula for determining and setting their respective variable rates, on the same dates, and for the same periods of time, and with respect to the identical derivative principal amounts, all such Derivative Products shall be deemed to have the same Estimated Average Derivative Rate, calculated in accordance with paragraphs (a)(1) and (a)(2) of this definition and, where applicable, with respect to the first of such Derivative Products to become effective.

***Facilities*** mean all equipment and all property, real and personal, or any interest therein, whether improved or unimproved, now or hereafter (for as long as any Subordinate Lien Parity

Bonds of the Port shall be Outstanding) owned, operated, used, leased or managed by the Port and that contribute in some measure to its Gross Revenue.

**First Lien Bonds** mean the Outstanding First Lien Bonds and any bonds issued by the Port pursuant to Section 5 of the First Lien Master Resolution, which provides that such bonds shall be on a parity of lien with other series of First Lien Bonds.

**First Lien Master Resolution** has the meaning set forth in the recitals, as such resolution may be amended in the future in accordance with its terms.

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

**Fixed Rate Bonds** means Bonds other than Capital Appreciation Bonds, Original Issue Discount Bonds or variable rate Balloon Maturity Bonds with a rate of interest on such Prior Lien Bonds or Subordinate Lien Parity Bonds that is fixed and determinable through their final maturity or for a specified period of time. If so provided in their authorizing resolution or a certificate of the Designated Port Representative executed on or prior to their date of issuance, Prior Lien Bonds or Subordinate Lien Parity Bonds may be deemed to be Fixed Rate Bonds for only a portion of their term.

**Future Subordinate Lien Parity Bonds** means revenue bonds or other revenue obligations issued by the Port in the future with a lien on Gross Revenue equal to the lien thereon of the Subordinate Lien Parity Bonds Outstanding, including without limitation any Bank Bond issued

by the Port in the future with a lien on Gross Revenue equal to the lien thereon of the Subordinate Lien Parity Bonds Outstanding.

**Gross Revenue** means all income and revenue derived by the Port from any source whatsoever except:

- (a) the proceeds of any borrowing by the Port and the earnings thereon (other than earnings on proceeds deposited in reserve funds);
- (b) income and revenue that may not legally be pledged for revenue bond debt service;
- (c) passenger facility charges (PFCs), head taxes, federal grants or substitutes therefor allocated to capital projects;
- (d) payments made under Credit Facilities or Liquidity Facilities issued to pay or secure the purchase of or payment of a particular series of Prior Lien Bonds or Subordinate Lien Parity Bonds;
- (e) proceeds of insurance or condemnation proceeds other than business interruption insurance;
- (f) income and revenue of the Port separately pledged and used by it to pay and secure the payment of the principal of and interest on any issue or series of Special Revenue Bonds of the Port issued to acquire, construct, equip, install or improve part or all of the particular facilities from which such income and revenue are derived, *provided that* nothing in this subparagraph (f) shall permit the withdrawal from Gross Revenue of any income or revenue derived or to be derived by the Port from any income producing facility that shall have been contributing to Gross Revenue prior to the issuance of such Special Revenue Bonds and that are not Released Revenues; and
- (g) income from investments irrevocably pledged to the payment of bonds to be refunded

under any refunding bond plan of the Port.

Notwithstanding the foregoing, the Port may elect to pledge other receipts at any time as additional security for any one or more series of obligations.

***Intermediate Lien Parity Bonds*** means the Outstanding Intermediate Lien Bonds and any future revenue bonds issued pursuant to the Intermediate Lien Master Resolution with a lien on Available Intermediate Lien Revenues (as defined in the Intermediate Lien Master Resolution) on a parity with the lien thereon of the then Outstanding Intermediate Lien Bonds.

***Intermediate Lien Master Resolution*** has the meaning set forth in the recitals, as such resolution may be amended in the future in accordance with its terms.

***Kroll*** means Kroll Bond Rating Agency, Inc. and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term Kroll shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody's, Fitch or S&P) selected by the Designated Port Representative.

***Liquidity Facility*** means a line of credit, standby purchase agreement or other financial instrument or any combination of the foregoing, which obligates a third party to make payment or to provide funds for the payment of the purchase price of Prior Lien Bonds or Subordinate Lien Parity Bonds. There may be more than one Liquidity Facility providing funds for payment of the purchase price of Prior Lien Bonds or Subordinate Lien Parity Bonds if so provided in or pursuant to the Series Resolution or Series Resolutions.

***Liquidity Facility Issuer*** means the issuer of any Liquidity Facility.

***Maximum Annual Debt Service*** means the highest Annual Debt Service in any future fiscal year.

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

**Net Revenues** means Gross Revenue less any part thereof that must be used to pay Operating Expenses.

**Operating Expenses** means the current expenses incurred for operation or maintenance of the Facilities (other than Special Facilities), as defined under generally accepted accounting principles, in effect from time to time, excluding any allowances for depreciation or amortization or interest on any obligations of the Port incurred in connection with and payable from Gross Revenue, and excluding Operating Expenses paid from sources other than Gross Revenue (e.g. from the Port's property tax levy). Operating Expenses may be further adjusted as may be necessary to reflect more fairly the Port's annual operating performance (e.g. to omit other non-cash items).

**Original Issue Discount Bonds** means Prior Lien Bonds or Subordinate Lien Parity Bonds that are sold at an initial public offering price of less than 95% of their face value and that are designated as Original Issue Discount Bonds in their authorizing resolution or a certificate of the Designated Port Representative on or prior to their date of issuance.

**Other Revenue Available and Applied to Debt Service** means income and revenue derived by the Port from any source whatsoever and not included in Gross Revenue (such as income or revenue generated by or attributable to PFCs, CFCs, or Special Facilities) that the Port receives in

a fiscal year and uses to pay debt service on outstanding Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding in such fiscal year.

**Outstanding**, when used as of a particular time with reference to Prior Lien Bonds or Subordinate Lien Parity Bonds, means all Prior Lien Bonds Subordinate Lien Parity Bonds delivered pursuant to their authorizing resolution except:

- (a) Prior Lien Bonds or Subordinate Lien Parity Bonds cancelled by the Registrar or surrendered to the Registrar for cancellation;
- (b) Prior Lien Bonds or Subordinate Lien Parity Bonds paid or deemed to have been paid within the meaning of their authorizing resolution; and
- (c) Prior Lien Bonds or Subordinate Lien Parity Bonds in lieu of or in substitution for which replacement Prior Lien Bonds or Subordinate Lien Parity Bonds, as applicable, have been executed by the Port and delivered by the Registrar.

Notwithstanding the foregoing, Bank Bonds and other Prior Lien Bonds or Subordinate Lien Parity Bonds evidencing the Port's obligation to reimburse any Credit Facility Issuer or Liquidity Facility Issuer for the payment of the purchase price of, or principal of or interest on, any Prior Lien Bonds or Subordinate Lien Parity Bonds, as applicable, shall remain Outstanding until the applicable Credit Facility Issuer or Liquidity Facility Issuer is paid all such amounts due.

**Outstanding First Lien Bonds** has the meaning set forth in the recitals hereto.

**Outstanding Intermediate Lien Bonds** has the meaning set forth in the recitals hereto.

**Outstanding Subordinate Lien Parity Bonds** has the meaning set forth in the recitals hereto.

**Passenger Facility Charge** or **PFC** means any charge collected pursuant to the authority granted by the Aviation Safety and Capacity Expansion Act of 1990 (49 U.S.C. § 40117), the

Aviation Investment Reform Act of 2000 and 14 C.F.R. Part 158, as amended from time to time, and interest earnings thereon, net of amounts that collecting air carriers are entitled to retain for collecting, handling and remitting such passenger facility charge revenues.

**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.

**Port Payment** means any payment, other than a termination or other nonscheduled payment, required to be made by or on behalf of the Port under a Derivative Product and which is determined according to a formula set forth in a Derivative Product.

**Prior Lien Bonds** means the First Lien Bonds, the Intermediate Lien Parity Bonds, the Reserved Lien Revenue Bonds, and any other revenue bonds that may be issued in the future at the discretion of the Port payable from Net Revenues as described in paragraphs Second through Eighth of Section 3(b) of this resolution and with a lien on Gross Revenue or Net Revenues superior to the lien thereon of the Subordinate Lien Parity Bonds.

**Prior Lien Debt Service (Rate Covenant)** means, for any fiscal year, the sum of the amounts required to be deposited during such fiscal year from Net Revenues for the payment of the amounts described in paragraphs Second through Eighth of Section 3(b) 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) which insurance company or companies, as of the time of issuance of such

policy or surety bond, are rated in one of the three highest Rating Categories by one or more of the Rating Agencies for unsecured debt or insurance underwriting or claims paying.

***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 three highest long-term Rating Categories by one or more of the Rating Agencies.

***Rating Agency*** means Moody's, S&P, Fitch, Kroll, and/or another nationally recognized rating agency, provided such rating agency is then maintaining a rating on the applicable Series of First Lien Bonds or Subordinate Lien Parity Bonds at the request of the Port.

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

***Reciprocal Payment*** means any payment to be made to, or for the benefit of, the Port under a Derivative Product by the Reciprocal Payor.

***Reciprocal Payor*** means any bank or corporation, partnership or other entity who itself, or whose guarantor, has at the time the Derivative Product is entered into, at least an "A" rating from a Rating Agency then maintaining a rating on the applicable Prior Lien Bonds or Subordinate Lien Parity Bonds Outstanding, that is a party to a Derivative Product and that is obligated to make one or more Reciprocal Payments thereunder.

***Registered Owner*** means the person named as the registered owner of a Subordinate Lien Parity Bond on the register for such Subordinate Lien Parity Bond. For so long as the Subordinate Lien Parity Bonds are held by a Securities Depository or its nominee, such Securities Depository shall be deemed to be the Registered Owner.

**Released Revenues** means income or revenue of the Port previously included in Gross Revenue in respect of which the following have been delivered by or to the Port:

- (a) a certificate of the Designated Port Representative identifying the income or revenue to be removed from the definition of Gross Revenue and certifying the Port is in compliance with all requirements of this resolution;
- (b) a certificate of the Port or an independent certified public accountant to the effect that Net Revenue, excluding the income or revenues proposed to become Released Revenues, for each of the two audited fiscal years prior to the date of such certificate were equal to at least 110% of Maximum Annual Debt Service; and
- (c) an opinion of Bond Counsel to the effect that the exclusion of such revenues from the definition of Gross Revenue and from the pledge, charge and lien of this resolution will not in and of itself cause the interest on any Subordinate Lien Parity Bond issued as tax-exempt securities to be included in gross income for purposes of federal income tax.

**Repair and Renewal Fund** means the special fund authorized to be created pursuant to Section 2(b) of the First Lien Master Resolution.

**Reserved Lien Revenue Bonds** means those revenue bonds and other revenue obligations issued or incurred by the Port payable from Gross Revenue and having liens on Gross Revenue or Net Revenues subordinate to that of the Intermediate Lien Parity Bonds and prior to the lien thereon of the Subordinate Lien Parity Bonds.

**Revenue Fund** means, collectively, the Port's general fund, airport development fund and any other fund established in the office of the Treasurer for the receipt of Gross Revenue.

***SIFMA Municipal Swap Index*** means the Securities Industry and Financial Markets Association Municipal Swap Index or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Bloomberg, or its successor, or as otherwise designated by the Securities Industry and Financial Markets Association; *provided*, however, that, if such index is no longer produced by Bloomberg or its successor, then SIFMA Municipal Swap Index shall mean such other reasonably comparable index selected by the Designated Port Representative.

***Series Resolution*** means a resolution adopted by the Commission authorizing the issuance of one or more series of Subordinate Lien Parity Bonds pursuant to the terms of this resolution.

***Special Facilities*** means particular facilities financed with the proceeds of Special Revenue Bonds.

***Special Revenue Bonds*** mean any issue or series of revenue bonds, revenue warrants or other revenue obligations of the Port issued to directly or indirectly acquire (by purchase, lease or otherwise), construct, equip, install or improve part or all of particular facilities (together with any revenue obligations issued to refund the foregoing), and which are payable from and secured by the income and revenue from such facilities.

***SOFRA Index*** means the forward-looking one month term rate based on the secured overnight financing rate that is published by CME Group Benchmark Administration Ltd. (“CME”), or its successor, and displayed on CME’s Market Data Platform (or other commercially available source providing such quotations); *provided*, however, that, if such rate is no longer provided by CME or its successor, then the SOFRA Index shall mean such other reasonably comparable index selected by the Designated Port Representative.

**S&P** means S&P Global Ratings, Inc., and its successors and assigns, except that if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term S&P shall be deemed to refer to any other nationally recognized securities rating agency (other than Moody's or Fitch or Kroll) selected by the Designated Port Representative.

**Subordinate Lien Bond Fund** means the Port of Seattle Subordinate Lien Bond Fund created or maintained in the office of the Treasurer by authority granted in Section 3(a) of this resolution.

**Subordinate Lien Parity Bonds** mean the Outstanding Subordinate Lien Parity Bonds and any Future Subordinate Lien Parity Bonds, including without limitation any Bank Bonds issued in connection with the Outstanding Subordinate Lien Parity Bonds and any Bank Bonds issued in connection with Future Subordinate Lien Parity Bonds.

**Subordinate Lien Parity Test** means (1) if no Debt Service Offset is applied to Debt Service, Net Revenue equal to or greater than 1.05 times Annual Debt Service on all Prior Lien Bonds and Subordinate Lien Parity Bonds then Outstanding and the Future Subordinate Lien Parity Bonds then proposed to be issued, or (2) if any Debt Service Offset is applied to Debt Service, Net Revenue equal to or greater than 1.10 times Annual Debt Service on all Prior Lien Bonds and Subordinate Lien Parity Bonds then Outstanding and the Future Subordinate Lien Parity Bonds then proposed to be issued.

**Subordinate Lien Rate Covenant** means the covenant of the Port to establish, maintain and collect rentals, tariffs, rates, fees, and charges in the operation of all of its business for as long as any Subordinate Lien Parity Bonds are Outstanding that will produce Net Revenue in each fiscal

year at least equal to 100% of the amounts required to pay the following amounts coming due in such fiscal year:

(1) Prior Lien Debt Service (Rate Covenant), and

(2) without duplication and in connection with Subordinate Lien Parity Bonds:

(a) principal of and interest on any Subordinate Lien Parity Bond Outstanding that is not Commercial Paper and is not a Bank Bond,

(b) interest on any Commercial Paper that is Outstanding during such fiscal year,

(c) principal of and interest on any Bank Bond that is Outstanding during such fiscal year,

(d) any Port Payments due with respect to any Derivative Product and,

(e) to the extent not otherwise provided for in this definition, any amounts due to a Reciprocal Payor,

but excluding from each of the foregoing without duplication, payments made or to be made from Other Revenue Available and Applied to Debt Service, bond proceeds and other money irrevocably set aside for such payment.

***Subordinate Lien Resolution*** means any Outstanding Subordinate Lien Resolution or Series Resolution authorizing the issuance of one or more series of Subordinate Lien Parity Bonds pursuant to this resolution.

***Taxable Obligation*** means any Prior Lien Bond or Subordinate Lien Parity Bond the interest on which is taxable for federal income tax purposes.

***Tax-Exempt Obligation*** means any Prior Lien Bond or Subordinate Lien Parity Bond the interest on which is tax-exempt or tax-advantaged for federal income tax purposes.

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

***Variable Rate Index*** means, for Tax-Exempt Obligations, the SIFMA Municipal Swap Index and, for Taxable Obligations, the SOFR Index.

CERTIFICATE

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

1. That the attached resolution numbered 3847 (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 14th day of April, 2026, and duly recorded in my office.

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

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Secretary