

**APPENDIX 1 to  
Master Financing Contract  
Master Financing Lease  
Trust Agreement  
Master Assignment[s]  
Site Leases  
Agency Financing Leases  
Agency Financing Contracts  
Disclosure Agreement**

**PART 1.  
DEFINITIONS**

The following terms shall have the following meanings when used in this Series #1# Agreement:

***Acquisition Costs*** means all costs incurred by or on behalf of the Corporation, or by the State or any Agency, as agent of the Corporation, on, prior to or after the effective date of the Master Financing Contract in connection with the acquisition of the Property thereunder, and shall include, but not be limited to, (a) the cost of such Property (including, but not limited to, charges for installation, delivery, preparation, testing and similar charges); (b) the expenses of the Corporation, the State Treasurer and any Agency in connection with the acquisition of the Property, including but not limited to the Costs of Issuance; (c) any taxes, assessments and other charges, if any, payable in connection with the acquisition of the Property; and (d) any amounts required to reimburse the Corporation, the State Treasurer or any Agency for advances or payments made prior to the effective date of the Master Financing Contract for any of the above costs.

***Acquisition Fund*** means the accounting records maintained by the State Treasurer pursuant to the Trust Agreement and the Master Financing Contract within Account 739 for State Agencies and within Account 449 for Local Agencies to account for the receipt, investment and expenditure of proceeds of the Certificates on Acquisition Costs.

***Act*** means Chapter 365 of the Laws of Washington, 1989, codified as Chapter 39.94 RCW, as supplemented and amended.

***Additional Costs*** means all costs, expenses, insurance premiums, Impositions and other payments, including Administrative Fees and Expenses, that are the obligations of the State or the Agency pursuant to the terms of the Master Financing Contract or the Agency Financing Contract, as the case may be, that are not financed with proceeds of the Certificates and are incurred by the Corporation, the Trustee or the State Treasurer.

***Additional Financing Lease Agreements*** means, collectively, any Additional Local Agency Financing Lease, Additional State Agency Financing Lease, Additional Site Lease, Additional Master Financing Lease and Additional Master Assignment.

***Additional Local Agency Financing Lease*** means any future Local Agency Financing Lease entered into by a Local Agency for the purpose of financing additions, betterments and improvements to the Property pursuant to Section 2.2(d) of the Local Agency Financing Lease.

***Additional Master Assignment*** means any future Master Assignment relating to an Additional Master Financing Lease.

***Additional Master Financing Lease*** means any future Master Financing Lease entered into for the purpose of financing additions, betterments and improvements to the Property.

***Additional Site Lease*** means any future lease of a Site by an Agency in connection with an Additional Local Agency Financing Lease or an Additional State Agency Financing Lease.

***Additional State Agency Financing Lease*** means any future State Agency Financing Lease entered into by a State Agency for the purpose of financing additions, betterments and improvements to the Property pursuant to Section 2.2(d) of the State Agency Financing Lease.

***Additional Rent*** means all costs, expenses, insurance premiums, Impositions and other payments, including Administrative Fees and Expenses, that are the obligations of the State or the Agency pursuant to the terms of the Master Financing Lease or each Agency Financing Lease, as the case may be, that are not financed with proceeds of the Certificates and are incurred by the Corporation, the Trustee or the State Treasurer.

***Administrative Fees and Expenses*** means all application, commitment, financing or similar fees charged, or administrative or other expenses incurred, with respect to the administration and maintenance of the Certificates and the Series #1# Agreements.

***[Advance Refunded Certificates*** means that portion of all of the outstanding State of Washington Certificates of Participation, Series 200\_\_ (State and Local Agency Real and Personal Property) relating to the \_\_\_\_\_ (the “Series 200\_\_ Certificates”), and that portion of all of the outstanding State of Washington Certificates of Participation, Series 200\_\_ (State and Local Agency Real and Personal Property) relating to the \_\_\_\_\_ (the “Series 200\_\_ Certificates”).]

***Agency*** means a State Agency or Local Agency.

***Agency Event of Default*** has the meaning given such term in the related Agency Financing Agreement.

***Agency Financing Agreement*** means each Agency Financing Lease and Agency Financing Contract.

***Agency Financing Contract*** means the Local Agency Financing Contract or the State Agency Financing Contract.

***Agency Financing Lease*** means each Local Agency Financing Lease or State Agency Financing Lease.

***Agency Installment Payment Dates*** means each December 1 and June 1, as specified in the Agency Financing Contracts, on which an Agency Installment Payment is due.

***Agency Installment Payment Fund*** means the accounting records maintained by the State Treasurer pursuant to the Master Financing Contract within Account 739 for State Agencies and within Account 449 for Local Agencies to account for the receipt, investment and expenditure of Agency Installment Payments used by the State to make Installment Payments evidenced and represented by the Certificates.

***Agency Installment Payments*** means the installment payments to be made by each Agency as set forth in the related Agency Financing Contract.

***Agency Interest Component*** means that portion of each Agency Rent Payment or Agency Installment Payment denominated as and comprising interest as set forth in each Agency Financing Lease or Agency Financing Contract, as applicable.

***Agency Payment*** means each Agency Rent Payment and Agency Installment Payment.

***Agency Principal Component*** means that portion of each Agency Rent Payment or Agency Installment Payment denominated as and comprising principal as set forth in each Agency Financing Lease or Agency Financing Contract, as applicable.

***Agency Rent Payment Dates*** means each December 1 and June 1, as specified in each Agency Financing Lease, on which an Agency Rent Payment is due.

***Agency Rent Payment Fund*** means the accounting records maintained by the State Treasurer pursuant to the Master Financing Lease within Account 739 for State Agencies and within Account 449 for Local Agencies to account for the receipt, investment and expenditure of Agency Rent Payments used by the State to make Rent Payments evidenced and represented by the Certificates.

***Agency Rent Payments*** means the rent payments to be made by each Agency as set forth in the related Agency Financing Lease.

***Authorized Agency Representative*** means the natural person (a) designated on the certificate of the Agency in the form set forth in the related Agency Financing Agreement and shall include any other officer appointed by the chief elected official or administrative official of the Agency and (b) whose signature is on file with the Trustee and the Treasurer Representative.

***Authorized Corporation Representative*** means the President from time to time of the Corporation, unless such President shall have designated another officer of the Corporation, in which case “Authorized Corporation Representative” shall mean such other officer.

***Authorized Denomination*** means \$5,000 and any integral multiple thereof.

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

**Biennium** means the fiscal period of the State.

**Business Day** means any day other than (i) a Saturday, (ii) a Sunday, (iii) a day on which banking institutions located in the state of Washington are authorized or required by law to remain closed, or (iv) a day on which the Principal Office of the Trustee or the New York Stock Exchange is closed.

**Certificate Counsel** means a firm of attorneys appointed by the State Treasurer of recognized national standing in the field of law relating to the issuance of certificates of participation, bonds and other obligations by states and their political subdivisions, and the exclusion of interest thereon from gross income for federal income tax purposes.

**Certificate Fund** means the “State of Washington Certificates of Participation, Series #1# Certificate Fund” established by the Trustee pursuant to the Trust Agreement.

**Certificate of the State Treasurer, Written Request of the State Treasurer and Written Order of the State Treasurer** each mean an instrument in writing signed by a Treasurer Representative.

**Certificate Payment Date** means each Principal Payment Date and each corresponding Interest Payment Date on which a Principal Component and the corresponding Interest Component are due as set forth in the Master Financing Agreements.

**Certificate Register** means the records for the registration of the Certificates maintained by the Trustee.

**Certificates** means the certificates of participation in the State Payments executed and delivered by the Trustee pursuant to the Trust Agreement in the Initial Principal Amount and designated as the “State of Washington Certificates of Participation, Series #1# (\_\_\_\_\_).”

[**Certification** means the certification with respect to the Refunding Plan prepared by \_\_\_\_\_, dated the Closing Date, as described in items (ii) and (iii) in the definition of Refunding Plan.]

**Closing Date** means the date on which the Certificates are delivered to the Underwriter in exchange for payment therefor.

**Code** means the Internal Revenue Code of 1986, as amended, together with all regulations promulgated by the United States Department of the Treasury thereunder.

**Corporation** means the Washington Finance Officers Association or any other Washington nonprofit corporation selected by the State Treasurer’s Office from time to time, and any successors and permitted assigns thereof, including without limitation the Trustee as assignee pursuant to the Master Assignment.

**Costs of Issuance** means administrative expenses, legal, accounting, financial and printing expenses, and all other expenses incurred in connection with the preparation, execution and delivery of the Series #1# Agreements and the Certificates.

**[Current Refunded Certificates** means that portion of all of the outstanding State of Washington Certificates of Participation, Series 200\_\_ relating to the \_\_\_\_\_ (the “Series 200\_\_ Certificates”).]

**Dated Date** means \_\_\_\_\_, 20\_\_, the date of initial delivery of the Certificates.

**Disclosure Agreement** means an agreement for ongoing disclosure in compliance with the Rule, dated as of the Dated Date, executed and delivered by the Treasurer Representative and/or by the Authorized Agency Representative with respect to the Certificates.

**DTC** means The Depository Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Certificates, or any successor or substitute depository for the Certificates.

**Event of Default** means an Event of Default as set forth in Section 8.1 of the Master Financing Lease and Section 7.1 of the Master Financing Contract.

**Executive Order**, for purposes of the Master Financing Agreements, means an order issued by the Governor of the State pursuant to RCW 43.88.050 and RCW 43.88.110 RCW.

**Fitch** means Fitch Ratings, and its successors and 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 Moody’s and S&P) designated by the Treasurer Representative.

**General State Revenues** means “general state revenues” as defined in Article VIII, Section 1, of the State Constitution.

**Government Obligations** means obligations defined as “government obligations” in chapter 39.53 RCW, as now in existence or hereafter amended.

**Impositions** means all federal, State and local real and personal property taxes and assessments (including assessments for public improvements), license and permit fees, charges for public utilities, leasehold excise taxes, other excise taxes, levies, use and occupancy taxes, privilege taxes, business and occupation taxes and all other governmental impositions and charges of every kind and nature, general and special, ordinary and extraordinary, foreseen and unforeseen, which are imposed, levied upon or assessed against or which arise with respect to the applicable Property (or any portion thereof), any State Payments, Agency Payments, Prepaid Site Lease Rent, Additional Rent, Additional Costs or other sums payable under the Master Financing Agreements, the Agency Financing Agreements, or the Site Leases, the leasehold estates created by the Site Leases, the Master Financing Lease or the applicable Agency Financing Leases, or the operation, use or possession of the applicable Property, and all income, gross receipts or similar taxes imposed, levied upon, assessed against or measured by any Agency Payments, State Payments, Prepaid Site Lease Rent, Additional Rent, Additional Costs or other sums payable under the applicable Site Leases, the Master Financing Agreements or the applicable Agency Financing Agreements, and all sales, value added, *ad valorem*, use and similar taxes levied, assessed or payable on account of the leasing, use, possession, control or operation of the

Property, and all charges, fees and assessments for utilities, communications and similar services provided to the Property.

***Initial Principal Amount*** means the aggregate initial Principal Components evidenced and represented by the Certificates as set forth in the Trust Agreement.

***Installment Payment Date*** means each January 1 and July 1, as specified in the Master Financing Contract, on which an Installment Payment evidenced and represented by the Certificates is due.

***Installment Payments*** means the installment payments to be made by the State as set forth in the Master Financing Contract.

***Interest Account*** means the account by that name established pursuant to Section 5.02 of the Trust Agreement.

***Interest Component*** means that portion of each State Payment denominated as and comprising interest as set forth in the Master Financing Agreements.

***Interest Payment Date*** means each January 1 and July 1 on which an Interest Component is due as set forth in the Master Financing Agreements.

***Land Lease*** means a lease of land by and between one Agency, as lessor, and another Agency, as lessee, that provides a leasehold interest in a Site to the lessee Agency on which the lessee Agency intends to construct a Project, and the term of which leasehold interest exceeds the maximum term of the lessee Agency's Site Lease and the other terms of which are approved by the State Treasurer.

***Letter of Representation*** means the blanket issuer letter of representations from the State Treasurer to DTC.

***LGIP*** means the Local Government Investment Pool administered by the Office of the State Treasurer.

***Local Agency*** means any "other agency" as that term is now or hereafter defined in the Act.

***Local Agency Financing Contract*** means each Local Agency Financing Contract, dated as of the Dated Date, by and between the State, acting by and through the State Treasurer, and the Local Agency which is a Party thereto.

***Local Agency Financing Lease*** means each Local Agency Financing Lease, dated as of the Dated Date, by and between the State, acting by and through the State Treasurer, and the Local Agency which is a Party thereto.

***Master Assignment*** means each Master Assignment dated as of the Dated Date, executed and delivered in connection with the Certificates.

**Master Financing Agreements** means the Master Financing Contract and the Master Financing Lease.

**Master Financing Contract** means the Master Financing Contract, dated as of the Dated Date, by and between the Corporation and the State, acting by and through the State Treasurer, as supplemented and amended.

**Master Financing Lease** means the Master Financing Lease, dated as of the Dated Date, by and between the Corporation and the State, acting by and through the State Treasurer, as supplemented and amended.

**Moody's** means Moody's Investors Service, and its successors and assigns, and, if such organization shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency (other than Fitch and S&P) designated by the Treasurer Representative.

**MSRB** means the Municipal Securities Rulemaking Board or any successor to its functions.

**Notice of Intent** means the Notice of Intent in the form attached to each Agency Financing Contract and each Local Agency Financing Lease, as applicable.

**OFM** means the State Office of Financial Management established in the Office of the Governor of the State pursuant to Chapter 43.41 RCW, or any successor to the functions of the OFM, charged with responsibility of submitting budgets to the State Legislature.

**Opinion of Counsel** means a written opinion of Certificate Counsel satisfactory to the State Treasurer and the Trustee.

**Outstanding** means all Certificates executed and delivered pursuant to the Trust Agreement, except:

(i) Certificates theretofore canceled by the Trustee, or delivered to the Trustee for cancellation;

(ii) Certificates for which the payment or prepayment of the State Payments evidenced and represented thereby has been made or duly provided for pursuant to Section 4.1(b) of the Master Financing Agreements and Article X of the Trust Agreement; and

(iii) Certificates in lieu of or in substitution for which other Certificates have been executed and delivered pursuant to Article II of the Trust Agreement.

**Owner** means the registered owner of a Certificate as set forth on the Certificate Register.

**Parties** means, as the context requires, the State, the Corporation, each Agency, and/or the Trustee.

**Paying Agent** means any paying agent for the Certificates appointed pursuant to the Trust Agreement.

**Permitted Encumbrances** means, as of any particular time:

- (i) Liens for general *ad valorem* taxes and assessments, if any, that are not then delinquent;
- (ii) Any Land Lease;
- (iii) The Site Leases;
- (iv) The Master Financing Lease;
- (v) The Master Assignment (Real Property);
- (vi) The Agency Financing Leases;
- (vii) Any Additional Financing Lease Agreements;
- (viii) Any right or claim of any mechanic, laborer, materialmen, supplier or vendor filed or perfected in the manner provided by law;
- (ix) Easements, rights of way, mineral rights, drilling rights, and other rights, reservations, covenants, conditions or restrictions which (a) exist of record as of the Dated Date and which the respective Agency certifies in writing will not materially impair the use of the Property by such Agency, and (b) arise thereafter and to which the State Treasurer and the Corporation consent in writing; and
- (x) Exceptions shown on the respective title insurance policies issued with respect to the Property as of the date of execution and delivery of the Certificates.

**Permitted Termination Date** means the date on which a Permitted Termination Event is to take effect, as determined by the State Treasurer, but not later than the earliest Agency Payment Date on which Agency Payments are due from the affected State Agency or Agencies for which funding will not be available as the result of the occurrence of the Permitted Termination Event.

**Permitted Termination Event** has the meaning provided by Section 5.1 of the applicable Master Financing Contract or Section 6.1 of the applicable Master Financing Lease.

**Person** or **persons** means an individual, corporation, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

**Personal Property Certificate** means the Personal Property Certificate (in the form attached to the Local Agency Financing Contract and State Agency Financing Addendum) delivered by the Agency to the State Treasurer with respect to items of Property.



**Prepaid Site Lease Rent** has the meaning given such term in Section 4 of each Site Lease.

**Prepayment Account** means the account by that name established pursuant to the Trust Agreement.

**Prepayment Date** means each date, other than a Principal Payment Date, on which a Principal Component evidenced and represented by the Certificates is to be prepaid.

**Prepayment Price** means the price payable pursuant to each Master Financing Agreement upon any optional or mandatory prepayment of Principal Components evidenced and represented by the Certificates.

**Principal Account** means the account by that name established pursuant to the Trust Agreement.

**Principal Component** means that portion of each Rent Payment or Installment Payment denominated as and comprising principal as set forth in the Master Financing Agreements.

**Principal Office** means, with respect to the State Treasurer, the office in Olympia, Washington, designated in writing by the State Treasurer to the Trustee, and, with respect to the Trustee, the corporate trust office of the Trustee, designated in writing by the Trustee to the State Treasurer, or solely for purposes of the presentation of Certificates for payment, transfer or exchange, the designated corporate trust agency office of the Trustee.

**Principal Payment Date** means each [January/July] 1 on which a Principal Component is due as set forth in the Master Financing Agreements.

**Project** means the improvements acquired or constructed on each Site, if any, pursuant to each respective Agency Financing Lease.

**Project Costs** means all costs incurred by or on behalf of the Corporation, or the State or the Agency, as agent of the Corporation, on, prior to or after the effective date of the Master Financing Lease in connection with the acquisition or construction of the Property or the Project thereunder, as applicable, and shall include, but not be limited to, (a) the cost of such Property or the Project (including, but not limited to, charges for design, testing and similar charges); (b) the expenses of the State Treasurer and the Agency in connection with the acquisition or construction of the Property or the Project, including but not limited to the Costs of Issuance; (c) any taxes, assessments and other charges, if any, payable in connection with the acquisition or construction of the Property or the Project; and (d) any amounts required to reimburse the State Treasurer or the Agency for advances or payments made prior to the effective date of the Master Financing Lease for any of the above costs.

**Project Fund** means the accounting records maintained by the State Treasurer pursuant to the Trust Agreement and the Master Financing Lease within Account 739 for State Agencies and within Account 449 for Local Agencies to account for the receipt, investment and expenditure of proceeds of the Certificates on Project Costs.

**Property** means, (i) with respect to each Agency Financing Lease, the particular Site and Project leased by the Corporation to the State, and, with respect to the Master Financing Lease, means collectively all of the Sites and Projects being leased by the Corporation to the State, as set forth in Exhibit A to the Master Financing Lease, and (ii) collectively, all personal property the Acquisition Costs of which are being financed or refinanced pursuant to the Master Financing Contract, as set forth in Exhibit B to the Master Financing Contract, together with all replacements parts, repairs, additions, attachments and accessories thereof, therefor and thereto, licenses, permits and capitalized maintenance agreements with respect thereto, and any replacements of or substitutes therefor as permitted by the Agency Financing Contracts.

**Purchase Price** means the aggregate amount of the Principal Components of the Installment Payments with respect to the Property, as set forth in the Master Financing Contract.

**Qualified Investments** means any legal investments for funds held by the State Treasurer.

**RCW** means the Revised Code of Washington, as supplemented and amended.

**Rating Agency** means Fitch, Moody's or S&P.

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

**Rebate Fund** means the "State of Washington Certificates of Participation, Series #1# Rebate Fund" which may be established pursuant to the Master Financing Agreements.

**Rebate Requirement** has the meaning given to such term in the Tax Certificate.

**Record Date** means the 15<sup>th</sup> day of the month immediately preceding each Interest Payment Date and Principal Payment Date.

[**Refunded Certificates** means collectively the Current Refunded Certificates and the Advance Refunded Certificates.]

[**Refunding Escrow Account** means the "State of Washington Certificates of Participation, Series 20\_\_\_ Refunding Escrow Account" established pursuant to the Trust Agreement and the Master Financing Agreement.]

[**Refunding Plan** means:

(i) The delivery by the State to the Trustee of certain proceeds of the Certificates to be deposited in the Refunding Escrow Account as set forth in Section 3.04 of the Trust Agreement; and

(ii) The delivery to the State and the Trustee of the Certification, certifying the cash and/or Government Obligations, if any, deposited in the Refunding Escrow Account will provide sufficient money to:

(a) Call and prepay on \_\_\_\_\_, 20\_\_\_\_, the outstanding principal of all of the Current Refunded Certificates at a price of par plus accrued interest; and

(b) Pay maturing principal and interest on the Advance Refunded Certificates when due up to and including \_\_\_\_\_ 1, 20\_\_\_\_, and call and prepay on \_\_\_\_\_ 1, 20\_\_\_\_, the then-outstanding principal of the Advance Refunded Certificates.]

**Rent Payment** means a rent payment to be made by the State Treasurer as set forth in the Master Financing Lease.

**Rent Payment Date** means each January 1 and July 1, as specified in the Master Financing Lease, on which a Rent Payment evidenced and represented by the Certificates is due.

**Resolution** means Resolution No. \_\_\_\_ adopted by the State Finance Committee on \_\_\_\_\_, 20\_\_\_\_.

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

**S&P** means Standard & Poor's Ratings Group, and its successors and assigns, and, if such organization shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency (other than Fitch and Moody's) designated by the Treasurer Representative.

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

**Securities Depositories** means The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax-(516) 227-4039 or 4190; or, in accordance with then-current guidelines of the SEC, such other addresses and/or such other securities depositories as the State Treasurer may designate in a Certificate of the State Treasurer delivered to the Trustee.

**Series #1# Agreement** means, as the context requires, the Trust Agreement, the Site Leases, the Master Financing Agreements, the Agency Financing Agreements, the Master Assignments or the Disclosure Agreement, and collectively means all such agreements in connection with the Certificates.

**Site** means the real property legally described in Exhibit A to the Site Lease, including any leasehold interest therein held by an Agency under a Land Lease, and the improvements thereon as of the Dated Date.

**Site Lease** means each Site Lease, dated as of the Dated Date, by and between the Agency and the Corporation for the lease of a parcel or parcels of the Property by the Agency to the Corporation.

**State** means the state of Washington.

**State Agency** means any state agency permitted to enter into financing contracts under the Act.

**State Agency Financing Contract** means each State Agency Financing Contract that is consolidated with the Master Financing Contract, dated as of the Dated Date, executed by the Treasurer Representative and the State Agency.

**State Agency Financing Lease** means each State Agency Financing Lease that is consolidated with the Master Financing Lease, dated as of the Dated Date, executed by the Treasurer Representative and the State Agency.

**State Finance Committee** means the state finance committee as constituted from time to time pursuant to Chapter 43.33 RCW.

**State Legislature** means the Legislature of the State.

**State Payment** means each Installment Payment and each Rent Payment.

**State Reimbursement Rate** means the average rate of return on the LGIP over the period the reimbursement payment by the Local Agency to the State Treasurer is delinquent, as determined by the State Treasurer, which determination shall be binding and conclusive against the Local Agency absent manifest error.

**State Sublease Termination Date** has the meaning given such term in the Master Financing Lease.

**State Treasurer** means the Treasurer of the State.

**Supplemental Agreement** means any agreement duly authorized and entered into following the Closing Date between or among the State Treasurer, the Corporation, and the Trustee (in the case of the Trust Agreement, the Master Financing Agreements, or the Master Assignments), or the Agency (in the case of the Agency Financing Agreements or the Site Leases) supplementing, modifying or amending the Trust Agreement, a Site Lease, a Master Financing Agreements, a Master Assignment or an Agency Financing Agreement.

**Tax Certificate** means the Tax Certificate executed and delivered by the Treasurer Representative and/or Authorized Agency Representatives regarding compliance with applicable provisions of the Code in connection with the Site Leases, the Master Financing Agreements, the Agency Financing Agreements and the Certificates.

**Term Certificates** means the Certificates identified as such in the Trust Agreement.

**Toxic or Hazardous Substances** shall be interpreted broadly to include, but not be limited to, any material or substance that is defined or classified under federal, State or local laws as: (a) a “hazardous substance” pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601(14) or Section 311 of the Federal Water Pollution Control Act, 33 U.S.C. § 1321, each as now or hereafter amended; (b) a “hazardous waste” pursuant to Section 1004 or Section 3001 of the Resource Conservation and

Recovery Act, 42 U.S.C. § 6903, 42 U.S.C. § 6921, as now or hereafter amended; (c) a toxic pollutant under Section 307(1)(a) of the Federal Water Pollution Control Act, 33 U.S.C. § 1317(1)(a); (d) a “hazardous air pollutant” under Section 112 of the Clean Air Act, 42 U.S.C. § 7412, as now or hereafter amended; (e) a “hazardous material” under the Hazardous Material Transportation Act, 49 U.S.C. § 1802(2), as now or hereafter amended; (f) toxic or hazardous pursuant to regulations promulgated now or hereafter under the aforementioned laws; or (g) presenting a risk to human health or the environment under other applicable federal, State or local laws, ordinances, or regulations, as now or as may be posed or promulgated in the future. “Toxic or Hazardous Substances” shall also mean any substance that after release into the environment and upon exposure, ingestion, inhalation or assimilation, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavior abnormalities, cancer or genetic abnormalities. “Toxic or Hazardous Substances” specifically includes, but is not limited to, asbestos, polychlorinated biphenyls (PCBs), petroleum and petroleum-based derivatives, flammable explosives, radioactive materials and urea formaldehyde.

***Treasurer Representative*** means the State Treasurer, the Assistant State Treasurer or the Deputy State Treasurer of the State, and shall include any other natural person who at the time and from time to time may be designated by a Certificate of the State Treasurer delivered to the Party relying thereon. Such Certificate shall contain the specimen signature of such person, and shall be signed on behalf of the State by the State Treasurer, the Assistant State Treasurer or the Deputy State Treasurer.

***Trustee*** means U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States, and its successors and assigns, or any other bank or trust company which may at any time be substituted in its place pursuant to the Trust Agreement.

***Trust Agreement*** means the Trust Agreement, dated as of the Dated Date, by and among the State Treasurer, the Corporation and the Trustee, as supplemented and amended in accordance therewith.

***Underwriter*** means the original purchaser of the Certificates.

PART 2.  
RULES OF CONSTRUCTION

The following rules of construction shall apply to this Series #1# Agreement:

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa, and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles, sections and subsections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof, and shall not affect the meaning, construction or effect hereof.

(c) All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions hereof.

(d) In this Series #1# Agreement, the words “hereof,” “herein,” “hereto,” “hereby” and “hereunder” (except in the form of the Certificates) refer to this entire Series #1# Agreement.

(e) Every “request,” “order,” “demand,” “application,” “appointment,” “notice,” “statement,” “certificate,” “consent,” “direction” or similar action hereunder by the Agency or by the State or the State Treasurer shall, unless the form thereof is specifically provided, be in writing signed by the Authorized Agency Representative or the Treasurer Representative, respectively.

(f) References to “principal and/or interest evidenced and represented by the Certificates” shall be deemed to refer to undivided proportionate interests in the Principal Components and Interest Components evidenced and represented by the Certificates.

PART 3.  
MISCELLANEOUS PROVISIONS

The following provisions shall apply to this Series #1# Agreement:

(a) **No Personal Recourse.** No director, officer, agent or employee, past, present or future, of the State, the Corporation, any Agency or the Trustee, or of any successor body thereto, shall be individually or personally liable for the payment of the State Payments or the Agency Payments, or any Additional Costs or other obligations, or for the observance or performance of any other covenants or agreements, under this Series #1# Agreement or the Certificates, including but not limited to the payment of the principal, Prepayment Price, or interest evidenced and represented by the Certificates, and each Party hereby releases each and every such person from any such liability; but nothing in this paragraph shall relieve any such Person from the performance of any official duty provided hereby or thereby or by any applicable provision of law.

(b) **Notices.** All written notices, requests, directions and demands to be given under this Series #1# Agreement shall be given in person or by registered mail or overnight courier delivery to the Party entitled thereto at its address set forth below, or at such other address as such Party may provide to the other Parties in writing from time to time:

To the Corporation:	Washington Finance Officers Association 2601 Fourth Avenue, Suite 800 Seattle, WA 98121-1280 Attn: President Telephone: (206) 625-1300 Telecopy: (206) 625-1220
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To the Trustee:	U.S. Bank National Association Corporate Trust Services 1420 5th Avenue, 7 <sup>th</sup> Floor Seattle, WA 98101
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Telephone: (206) 344-4678  
Telecopy: (206) 344-4632

To the Agencies: *To the address specified in the respective Agency  
Financing Agreement*

With a copy to: The State Treasurer

To the State Treasurer: Office of the State Treasurer  
State Legislative Building  
P.O. Box 40200  
Olympia, Washington 98504  
Attention: State Treasurer  
Telephone: (360) 902-9000  
Telecopy: (360) 902-9044

The Parties may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. Unless otherwise specifically required by the context of this Series #1# Agreement, any notices required to be given hereunder to any Party may be given by any form of electronic transmission capable of producing a written record. Each such Party shall file with the other Parties information appropriate to receiving such form of electronic transmission. A duplicate copy of each notice, request, direction, demand or other communication given hereunder to any one Party shall also be given to the other Parties.

(c) ***Waiver of Notice.*** Except as otherwise provided herein, whenever in this Series #1# Agreement the giving of notice is required, the giving of such notice may be waived in writing by the Person entitled to receive such notice, and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

(d) ***Successors and Assigns.*** Whenever any Party to this Series #1# Agreement or any officer thereof is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in such Party or such officer, and all agreements, conditions, covenants and terms required hereby to be observed or performed by or on behalf of such Party or any officer thereof shall bind and inure to the benefit of the respective successors and permitted assigns thereof whether so expressed or not.

(e) ***Limitation of Rights.*** All the covenants, agreements, terms and conditions in this Series #1# Agreement to be observed or performed by or on behalf of the State Treasurer, the Corporation, each Agency, the Trustee or any Paying Agent shall be for the sole and exclusive benefit of the other Parties hereto, whether so expressed or not, and nothing contained herein, express or implied, is intended to or shall give any other Person other than the State Treasurer, the Corporation, each Agency, the Trustee and the Paying Agents any legal or equitable right, remedy or claim hereunder.

(f) **Counterparts.** This Series #1# Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall together constitute but one and the same instrument.

(g) **Applicable Law; Venue; Time of the Essence.** This Series #1# Agreement and the rights and obligations hereunder of the Parties hereto shall be governed by and construed in accordance with the laws of the State. Time is of the essence in the performance of the obligations under this Series #1# Agreement. Venue for any action brought under this Series #1# Agreement shall be had in the Superior Court of Thurston County, and the Parties hereby stipulate to such venue.

(h) **Payments Due on Non-Business Days.** If the date for making any payment, or the last date for the performance of any act or forbearance therefrom or the exercise of any right, as provided in this Series #1# Agreement, shall be a date other than a Business Day, then such payment may be made, such act performed or forbearance observed, or such right exercised on the next succeeding day which is a Business Day with the same force and effect as if done on the date otherwise provided in this Series #1# Agreement. No additional interest on any such payment shall accrue for the period until such next succeeding Business Day except as otherwise provided in this Series #1# Agreement.

(i) **No Joint Venture.** It is not intended by this Series #1# Agreement to, and nothing contained in this Series #1# Agreement shall, create any partnership, joint venture or other arrangement between or among the State Treasurer, the Corporation and the Agency. No term or provision of the Agency Financing Agreement is intended to be, or shall be, for the benefit of any Person other than the Parties thereto, nor shall any such other Person have any right or cause of action thereunder.

(j) **Partial Invalidity.** If any term, covenant, agreement or provisions of this Series #1# Agreement or the application thereof to any Person or circumstance shall, to any extent, be held to be invalid or unenforceable by any court of competent jurisdiction, the remainder of this Series #1# Agreement, or the application of such term, covenant, agreement or provisions to Persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, agreement or provision of this Series #1# Agreement shall continue to be valid and enforceable as against the Parties hereto. The Parties to this Series #1# Agreement hereby declare that they would have executed and delivered this Series #1# Agreement and each and every article, section, paragraph, subdivision, sentence, clause and phrase hereof irrespective of the fact that any one or more articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any Person or circumstances may be held to be unconstitutional, unenforceable or invalid.

(k) **No Merger.** In no event shall (a) the leasehold interest, estate or rights of the Corporation as lessee under any Site Lease, (b) the rights of the Trustee or the Owner of any Certificate under the Master Assignment or the Trust Agreement, (c) the leasehold interest, estate or rights of the State as lessee under the Master Financing Lease, and (d) the leasehold interest, estate or rights of the Agency as lessee under the Agency Financing Lease, merge with any right or interest of the Agency as the lessor under such Site Lease, it being expressly understood that



the leasehold interest, estate and rights of the Agency as lessee under the Agency Financing Lease shall be deemed to be separate and distinct from the Agency's interest, estate and rights as lessor under such Site Lease, notwithstanding that any such interests, estates or rights shall at any time or times be held by or vested in the same Person.

PART 4.  
SUPPLEMENTAL AGREEMENTS

(a) ***Amendments and Supplements Without Owners' Consent.*** This Series #1# Agreement may be amended or supplemented at any time and from time to time by a Supplemental Agreement, signed by the Parties hereto and consented to by the State Treasurer, without notice to or the consent of the Owners, upon receipt by the Parties hereto and the State Treasurer of an Opinion of Counsel to the effect that (i) the Supplemental Agreement is permitted by this Series #1# Agreement; (ii) such Supplemental Agreement will not have a material adverse effect on the interests of Owners of the Certificates; and (iii) such Supplemental Agreement shall not adversely affect the exclusion from gross income for federal income tax purposes of the Interest Component evidenced and represented by the Certificates. No Supplemental Agreement which affects the rights, duties or responsibilities of a Party shall be entered into or effective without the prior written consent of that Party.

(b) ***Amendments and Supplements with Owners' Consent.*** In addition to the authority granted under paragraph (a) of this Part 4, this Series #1# Agreement may be amended from time to time by a Supplemental Agreement approved by the Owners of a majority in aggregate Principal Component of the Certificates then Outstanding; provided, that no amendment or supplement shall be entered into or effective which affects the rights of some but fewer than all the Outstanding Certificates without the consent of the Owners of the Certificates so affected.

(c) ***Trustee Authorized to Join in Amendments and Supplements; Reliance on Counsel.*** The Trustee is authorized to join with the Parties in the execution and delivery of any Supplemental Agreement as permitted by this Part and in so doing shall be fully protected by an Opinion of Counsel that such Supplemental Agreement is so permitted.

(d) ***Effect of Supplement or Amendment.*** Upon the execution and delivery of any Supplemental Agreement, this Series #1# Agreement shall be, and be deemed to be, modified, supplemented and amended in accordance therewith, and the respective rights, duties and obligations under this Series #1# Agreement of the Parties hereto and all Owners shall thereafter be determined, exercised and enforced under this Series #1# Agreement subject in all respects to such Supplemental Agreement.