

**STATE FINANCE COMMITTEE
STATE OF WASHINGTON**

**AGREEMENT
FOR
FISCAL AGENCY SERVICES**

February 1, 2015

James McIntire
State Treasurer
Chairman, State Finance Committee

STATE OF WASHINGTON
STATE FINANCE COMMITTEE

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STATE OF WASHINGTON
STATE FINANCE COMMITTEE
P.O. BOX 40200
OLYMPIA, WASHINGTON 98504-.0200

**AGREEMENT FOR
FISCAL AGENCY SERVICES**

TERMS AND CONDITIONS

1. INTRODUCTION

This Agreement is entered into as of October 21, 2014, to become effective February 1, 2015, by and between the State Finance Committee, as agent of the state of Washington (the "State"), and U.S. Bank National Association ("U.S. Bank"), (the "Fiscal Agent").

WHEREAS the State issued a Request for Proposals ("RFP") dated May 5, 2014, for the purpose of obtaining proposals for fiscal agency services; and

WHEREAS U.S. Bank is the successful bidder;

The State, acting by and through the State Finance Committee, hereby awards this Agreement for Fiscal Agency Services to U.S. Bank, subject to and in accordance with the terms set forth herein. This Agreement consists of the *Terms and Conditions, Exhibit A — Scope of Services, Exhibit B — Schedule of Fees*, and any subsequently adopted amendments, which by this reference are incorporated herein. This Agreement also contains *Exhibit C—COP Trust Agreement and Master Assignment*. Exhibit C is attached for reference only, the terms of which do not constitute terms of this Agreement.

2. DEFINITIONS

2.1 Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth below:

2.1.1 "**Agreement**" means this Agreement for Fiscal Agency Services between the Fiscal Agent and the State.

2.1.2 "**Authorizing Documents**" means resolutions, trust indentures, ordinances, or any other legislative action authorizing the issuance of Bonds by an Issuer, and a bond purchase contract or certificate containing terms of the Bonds as applicable.

2.1.3 "**Bonds**" means any agreement, which may or may not be represented by a physical instrument, including bonds, notes, anticipation notes, warrants, financing contracts, or Certificates of Participation ("COPs"), that evidence an obligation of any Issuer or a fund thereof, where the Issuer agrees to pay a specified amount of money, with or without interest, at a designated time or times to either registered owners or bearers.

2.1.4 "**Bond Holder**" means the registered owner or beneficial owner of Bonds.

- 2.1.5 **"Business Day(s)"** means Monday through Friday, 8:00 AM to 5:00 PM, Pacific Time and on payment dates with automatic ACH payments, 6:00 AM to 5:00 PM, Pacific Time, except for holidays observed by the State or the Fiscal Agent.
- 2.1.6 **"Calendar Day(s)"** means day reckoned from midnight to midnight.
- 2.1.7 **"Due Care"** means the degree of care and skill demonstrated by agents acting in like capacity, in good faith.
- 2.1.8 **"Exhibit A"** means the Scope of Services including any addenda attached thereto.
- 2.1.9 **"Exhibit B"** means the Fiscal Agent's Schedule of Fees for all Services provided under this Agreement.
- 2.1.10 **"Exhibit C"** means the COP Trust Agreement, Master Assignment, and COP Definitions as attached as E-1, E-2, and E-3 in the RFP and agreed to by the Fiscal Agent in Exhibit A. The documents contained in Exhibit C may be amended from time to time.
- 2.1.11 **"Fiscal Agent"** is U.S. Bank National Association acting through U.S. Bank Global Corporate Trust Services appointed pursuant to Chapter 43.80 RCW, which has entered into this Agreement with the State. Except for purposes of Section 3.12, the term "Fiscal Agent" shall also include any subsidiary, affiliate, agent, Subcontractor, representative or employee retained by the Fiscal Agent as permitted under the terms of this Agreement.
- 2.1.12 **"Fiscal Agent's Account Manager"** means an employee of Fiscal Agent who is assigned as the primary contact person for purposes of the Agreement.
- 2.1.13 **"Issuer"** means the State, any county, city, town, special purpose district, political subdivision, municipal corporation, public authority or agency, or quasi-municipal corporation of the State, including any public corporation created by such an entity, when using the State's selected Fiscal Agent in connection with the issuance of Bonds.
- 2.1.14 **"Laws and Regulations"** means all applicable laws, codes, ordinances, rules, restrictions, regulations, and orders of the Federal, State, regional, or any local government, and any judicial or administrative order or decree in effect as of the commencement date of this Agreement or any time thereafter during the term of this Agreement.
- 2.1.15 **"LOCAL Participant"** means a local government participating in the State's Certificate of Participation program as described in the Scope of Services.
- 2.1.16 **"Permitted Investments"** means
- (a) any debt obligation issued by the U.S. government, its agencies or instrumentalities;

- (b) certificates of deposit where the certificates are collaterally secured by securities of the type described in clause (a) of this definition and held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest, but this collateral is not required to the extent the certificates of deposit are insured by an agency of the Government;
 - (c) repurchase agreements when collateralized by securities of the type described in clause (a) of this definition and held by a third party as escrow agent or custodian, of a market value not less than the amount of the repurchase agreement so collateralized, including interest;
 - (d) money market funds that invest solely in obligations of the United States, its agencies and instrumentalities, and having a rating by a Nationally Recognized Rating Agency at least equivalent to, or higher than, the rating of the United States Government; and
 - (e) legal investments of the State that preserve principal and meet prudent investment standards.
- 2.1.17 "Notice of Termination"** means a written notice provided by the State Contract Administrator terminating this Agreement.
- 2.1.18 "Payor"** means any governmental entity (typically a county acting as treasurer for a special district) that acts on behalf of an Issuer to make scheduled Bond payments.
- 2.1.19 "Prior Fiscal Agent"** means collectively The Bank of New York Mellon and The Bank of New York Mellon Trust Company N.A.
- 2.1.20 "RCW"** means the Revised Code of Washington.
- 2.1.21 "Services"** or "Fiscal Agency Services" means and includes all of the services to be performed by the Fiscal Agent pursuant to this Agreement, including those listed in Exhibit A.
- 2.1.22 "State Contract Administrator"** means the State Treasurer
- 2.1.23 "State Contracting Officer"** means the Deputy State Treasurer for Debt Management or his or her designee.
- 2.1.24 "State COP Program"** means the Certificate of Participation Program administered by the Office of the State Treasurer ("OST") for the purchase of real and personal property on behalf of State agencies and LOCAL Participants.
- 2.1.25 "Subcontractor"** means one not in the employment of the fiscal agent, who is performing all or part of the Services under this Agreement..
- 2.1.26 "WAC"** means the Washington Administrative Code.
- 2.1.27 "Web-based services"** means the internet accessible information maintained by the Fiscal Agent for the benefit of all Issuers and Payors under this Agreement in accordance with the Scope of Services set forth in Exhibit A.
- 2.1.28 "Working Balances"** means all funds received by the Fiscal Agent for the payment of principal of and interest on Bonds prior to payment dates and all uncashed Bond

owner checks. This includes all balances held by the Fiscal Agent as of the date received until actually drawn down after Bond owner checks are presented to the Fiscal Agent for payments made by Issuers/Payors for payments in advance of the payment date; balances attributable to un-presented Bonds; collected funds held including the "float" earnings resulting from uncashed registered and bearer Bond interest checks on funds held in Fiscal Agent's accounts; amounts returned by any depository as a result of wire payment; and any earnings resulting from payment of any depository or Bond owner in clearinghouse funds.

3. GENERAL PROVISIONS

3.1 ENTIRE AGREEMENT

This Agreement, which includes these Terms and Conditions, and all attachments, exhibits, except Exhibit C, and amendments thereto, constitutes the entire agreement between the Fiscal Agent and the State and no other statements or representations, written or oral, shall be deemed a part thereof. Exhibit C is attached for reference purposes only.

3.2 AMENDMENTS

This Agreement may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties. All amendments, addenda, and orders signed during the life of this Agreement shall be governed by this Agreement. The parties further agree that additional Services, appropriate to the scope of this Agreement, may be added to this Agreement only by an instrument in writing and with the written consent of both parties. Such writing shall include a specific description of the additional Services, pricing, and additional terms and conditions as relevant. The additional Services shall be available under the same terms and conditions established herein except as specifically amended between the parties.

3.3 NOTICES AND COMMUNICATIONS

3.3.1 Third Party Communications. The Fiscal Agent shall provide communications to Bond owners, rating agencies, the Municipal Securities Rulemaking Board, bond insurers, securities depositories, escrow agents, Payors and other entities upon request of any Issuer or Payor or as required by the Authorizing Documents.

3.3.2 Notices Between the Parties. Any notice or demand which, under this Agreement or applicable Laws and Regulations, must or may be given by the Fiscal Agent or the State shall be in writing, properly addressed and, as an alternative to personal delivery, made by the most expeditious means available, with regard given to the time sensitivity of notice or demand being made.

to the Fiscal Agent:
U.S. Bank National Association
Global Corporate Trust Services
Attn: Dyan Huhta, Senior Vice
President
1420 5th Avenue, Floor 7
Seattle, WA 98101

to the State:
Office of the State Treasurer
State of Washington
Attention: Deputy State Treasurer for Debt
Management
Legislative Building, Room 230
P.O. Box 40200, Olympia, WA 98504-0200

3.4 PERSONAL LIABILITY

It is agreed by and between the parties hereto that in no event shall any official or employee of the State or the Fiscal Agent (and including the officers or employees of any Subcontractor) be in any way personally liable or responsible for any covenant or agreement herein contained, whether expressed or implied, nor for any statement or representation made herein or in any connection with this Agreement.

3.5 INDEMNIFICATION

3.5.1 The State agrees to be responsible to the Fiscal Agent and the Fiscal Agent agrees to be responsible to the State for its own acts and/or omissions and those of its officers, employees and agents including but not limited to claims or lawsuits brought by third parties resulting from such acts or omissions.

3.5.2 The Fiscal Agent agrees to be responsible to any Issuer/Payor for all losses, including reasonable attorneys' fees, suffered by such Issuer/Payor which may be caused by the negligence, fraud, or failure to exercise Due Care in the Fiscal Agent's performance of its duties under this Agreement, including but not limited to all losses, including attorneys' fees, which relate to or result from claims brought by third parties.

3.5.3 Issuers agree to be responsible to the Fiscal Agent for losses, including reasonable attorneys' fees, suffered by the Fiscal Agent which may be caused by the default or bankruptcy of the Issuer.

3.5.4 Nothing in this Section 3.5 shall be construed to mean that either party is prevented from commencing a legal action against the other.

3.6 INTERPRETATION; SEVERABILITY

3.6.1 The headings used in this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions.

3.6.2 If any provision of this Agreement is deemed to conflict with any statute or rule of law, that provision shall be deemed modified to conform to the statute or rule of law.

3.6.3 In the event of any inconsistency in this Agreement, the inconsistency shall be resolved in the order of precedence stated below:

Applicable Laws and Regulations.

Amendments to this Agreement (in order of most recent to least recent).

The Terms and Conditions of this Agreement.
Exhibit A — Scope of Services.
Exhibit B — Schedule of Fees.

- 3.6.4** Any provision of this Agreement found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of this Agreement.
- 3.6.5** If the Fiscal Agent is not able to comply with the Authorizing Documents because they conflict with either this Agreement or Laws and Regulations, the Fiscal Agent will promptly notify the Issuer/Payor and the State.

3.7 WAIVER

In the event of any breach of contract, no provision in this Agreement shall be construed, expressly or by implication, as a waiver by the State of any right to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement or by law, or as the acceptance of (or payment for) services, or to release the Fiscal Agent from any responsibilities or obligations imposed by this Agreement or by law. Acceptance by the State of breach, or of unsatisfactory or deficient performance, with or without objection or reservation, shall neither waive the right to claim damages for breach nor constitute a waiver of requirements for complete and satisfactory performance of any obligation remaining to be performed by the Fiscal Agent

3.8 CERTAIN COMPLIANCE REQUIREMENTS

- 3.8.1** Minimum Requirements. At all times during the term of this Agreement, the Fiscal Agent must:
- (a) have paid-up capital and surplus of not less than \$100,000,000;
 - (b) be a member of the Federal Reserve System, and the National Automated Clearing-House Association ("NACHA"), the New York Automated Clearinghouse ("NYACH"), or other applicable automated clearinghouse ("Other ACH");
 - (c) be authorized to provide Bond payments and notices through The Depository Trust Company, including the ability to close Bond issues by Fast Automated Securities Transfer; and
 - (d) be a corporation, authorized to execute corporate trust powers in the state of Washington and in the Fiscal Agent's state of domicile.
- 3.8.2** Gifts and Gratuities. The Fiscal Agent expressly acknowledges and agrees to comply with RCW 39.26.020(2), which provides in pertinent part that it is unlawful for the Fiscal Agent to give, loan, transfer or deliver to any person something of economic value, receipt of which could cause a State or local government officer or employee to be in violation of State ethics laws applicable to state or local government officers or employees.

3.9 ISSUERS/PAYORS

3.9.1 The parties agree that all Issuers/Payors are intended third-party beneficiaries under the terms of this Agreement, but such third-party beneficiary status is limited. When an Issuer/Payor alleges the Fiscal Agent has breached the terms of this Agreement with respect to an Issuer/Payor, and the Issuer/Payor and the Fiscal Agent cannot agree to an appropriate remedy under this Agreement, the State may, at its discretion, bring a cause of action for breach on behalf of the Issuer/Payor, elect to not bring a cause of action, or allow the Issuer/Payor to bring on its own a cause of action for breach.

In no event will the Fiscal Agent be responsible for the acts or omissions of the Prior Fiscal Agent and no action may be brought against the Fiscal Agent for such acts or omissions.

3.9.2 Any Issuer and/or Payor that utilizes the services of the Fiscal Agent pursuant to the terms of this Agreement agrees to be bound by the terms of Paragraph 3.5.3, 4.3 and 6.3. In the event a dispute arises, the Fiscal Agent will notify the State Contract Administrator. No independent action may be taken by the Fiscal Agent against an Issuer and/or Payor, other than the State, without the consent of the State Contract Administrator.

3.10 ACTS OR OMISSIONS OF PRIOR FISCAL AGENT

With respect to any claim or lawsuit brought by a third party resulting from the acts or omissions of the Prior Fiscal Agent, the State agrees to cooperate with the Fiscal Agent by exercising any right the State has under Section 3.5 of the Amended and Restated Agreement for Fiscal Agency Services dated as of February 1, 2011 between the State and the Prior Fiscal Agent against the Prior Fiscal Agent.

3.11 GOVERNING LAW AND VENUE

This Agreement shall be governed in all respects by, and construed in accordance with, the laws of the state of Washington. The venue of any action hereunder shall be exclusively in the Superior Court for Thurston County, Washington.

3.12 ASSIGNMENT

The Fiscal Agent shall not assign any of its rights or obligations under this Agreement without the prior written consent of the State Contract Administrator in his or her sole discretion. Any purported assignment without the prior written consent of the State Contract Administrator may, at the State's sole discretion, declare the assignment null and void.

3.13 SUBCONTRACTING

Consistent with all other terms of this Agreement including the Services described in Exhibit A, the Fiscal Agent may subcontract for the performance of all or any part of its duties and obligations under this Agreement, provided that (a) any Subcontractor must agree to be bound to the same extent as the Fiscal Agent by all of the provisions of this Agreement and (b) the Fiscal Agent shall remain jointly and severally liable with all Subcontractors. The Fiscal Agent shall enter into such a contract only after receiving prior and specific written authorization from the State Contract Administrator upon at least 30 days' notice of the proposed subcontract, provided,

however, that failure to obtain such advance written authorization shall not relieve either the Fiscal Agent or the Subcontractor from any of its obligations under this Agreement. In no event shall the existence of a subcontract operate to release or reduce the liability of the Fiscal Agent for any breach or deficiency in the performance of the Fiscal Agent's duties under this Agreement. The Fiscal Agent further agrees to indemnify, defend, and hold harmless the State and all issuers/Payors, from and against acts or omissions of all Subcontractors and all Subcontractors' employees and agents in the manner set forth in Section 3.5.

3.14 INDEPENDENT CAPACITY

The parties intend that an independent contractor relationship will be created by this Agreement. The Fiscal Agent and its employees and agents performing under this Agreement are not employees of the State. The Fiscal Agent will not hold itself out as nor claim to be an officer or employee of the State by reason hereof, nor will the Fiscal Agent make any claim of right, privilege or benefit which would accrue to such employee or agent under law. Conduct and control of the work will be solely with the Fiscal Agent.

4. FISCAL AGENCY SERVICES

4.1 SERVICE SPECIFICATIONS

The Fiscal Agent agrees to provide the Services as set forth in Exhibit A, on the terms set forth in this Agreement and any amendments hereto.

4.2 GUARANTEE OF VOLUMES

Since transaction volumes may be impacted by legislative changes, the discretion of the State and Payors to act as their own fiscal agent, and other factors, the State cannot guarantee transaction volumes over the life of this Agreement. The Fiscal Agent agrees that the transaction volumes that were provided in the RFP are not guaranteed over the life of this Agreement.

4.3 INFORMATION SUPPLIED TO FISCAL AGENT

When using the services of the Fiscal Agent, Issuers, or others on behalf of Issuers, will, absent extraordinary circumstances, provide, or cause to be provided, to the Fiscal Agent:

- (a) Copies of Authorizing Documents, and official statements or limited offering or private placement memoranda, if any, a minimum of three Business Days prior to closing;
- (b) A supply of printed or electronic certificates deemed adequate by the Fiscal Agent, in consultation with Bond counsel and underwriter, a minimum of three Business Days prior to closing;
- (c) A list of registered owners, with addresses and tax identification numbers, and principal amounts and denominations of Bonds, a minimum of three Business Days prior to closing;
- (d) Resolution or letter of instructions directing the authentication and delivery of Bonds by the Fiscal Agent, a minimum of three Business Days prior to closing;
- (e) A complete transcript; and

(f) CUSIP numbers.

4.4 ACCEPTANCE OF COP TRUST AGREEMENTS ENTERED INTO BY PRIOR FISCAL AGENT

Upon successful transition of the Services to Fiscal Agent, Fiscal Agent agrees to accept all outstanding COP Trust Agreements entered into by the Prior Fiscal Agent.

4.5 OTHER SERVICES FOR STATE, PAYORS AND ISSUERS

Nothing in this Agreement shall preclude the State, any Issuer, or any Payor from contracting separately with the Fiscal Agent for services not within the scope of this Agreement.

4.6 SERVICES ASSOCIATED WITH PAYMENTS AND OTHER ACTIVITIES OCCURRING ON OR AFTER FEBRUARY 1, 2015.

Prior to the effective date of the Agreement, U.S. Bank will take such action necessary, including but not limited to billing for debt service payments that will occur on or after February 1, 2015, to insure the Payor's are timely notified of payment requirements and remittance instructions for principal and interest payments occurring on or after February 1, 2015.

5. AGREEMENT TERM AND TERMINATION

5.1 TERM OF AGREEMENT AND SURVIVAL OF TERMS

5.1.1 The initial term of this Agreement shall be for four years unless otherwise terminated in accordance with this Agreement. The initial term shall commence on February 1, 2015, and end on January 31, 2019.

5.1.2 Upon mutual agreement, as evidenced by a formally executed Amendment to this Agreement, this term may be renewed for additional periods not to exceed four years, for a maximum length of eight years.

5.1.3 Upon the expiration of the initial term of this Agreement plus any extension(s) pursuant to Section 5.1.2, if the State has not entered into a replacement contract for fiscal agency services to its satisfaction, the State shall have the right to enter into a short-term extension of this Agreement by written notification to the Fiscal Agent until such time as a replacement contract can be entered into.

5.1.4 Upon any expiration or termination of this Agreement and the selection of another fiscal agent by the State, the State shall have the right to extend this Agreement for up to an additional one year to permit the appropriate transition and unwinding of the Services under this Agreement.

5.2 TERMINATION AND REMEDIES

5.2.1 Termination for Convenience. The State may terminate this Agreement, in whole or in part, at any time and for any reason by giving 120 Calendar Days' written termination notice to the Fiscal Agent,

5.2.2 Termination for Reduction in Funding or Withdrawal of Authority. In the event that any funding from the State or Issuer/Payor is withdrawn, reduced, or limited, or the authority of the State to perform any of its duties is withdrawn, reduced, or limited in any way after the effective date of this Agreement and prior to its normal completion, the State may terminate this Agreement, in whole or in part, at any time by giving 60 Calendar Days' written termination notice to the Fiscal Agent.

5.2.3 Termination for Breach, The State shall be entitled, by written notice stating the date of termination, to cancel this Agreement in its entirety or in part for breach of any of the terms herein, and to retain all other rights against the Fiscal Agent by reason of the Fiscal Agent's breach as provided by law.

A "breach" means one or more of the following events: (1) the Fiscal Agent fails to perform the Services in the manner or by the time and date required; (2) the Fiscal Agent fails to perform or comply with any term in this Agreement; (3) the Fiscal Agent fails to exercise Due Care as to any aspect of this Agreement; (4) the Fiscal Agent makes any general assignment for the benefit of creditors; (5) the Fiscal Agent becomes insolvent or in an unsound financial condition so as to endanger performance hereunder; (6) the Fiscal Agent becomes the subject of any proceeding under any law relating to bankruptcy, insolvency or reorganization or relief from debtors; (7) any receiver, trustee or similar official is appointed for the Fiscal Agent or any of the Fiscal Agent's property; or (8) the Fiscal Agent no longer meets the minimum requirements in Section 3.8.1.

If it is subsequently found that the Fiscal Agent was not in breach, the rights and obligations of the parties shall be the same as if a notice of termination had been issued pursuant to Section 5.2.1.

The State Contract Administrator reserves the right to issue a written notice of breach and provide the Fiscal Agent a reasonable opportunity to cure. Time allowed for cure shall not diminish or eliminate the Fiscal Agent's liability for damages.

If the breach remains, after the Fiscal Agent has been provided an opportunity to cure, the State may do one or more of the following:

Exercise any remedy provided by Laws and Regulations;
Terminate this Agreement and any related contracts or portions thereof, by written notice; and
Seek damages.

5.2.4 Termination by Mutual Agreement. The State and the Fiscal Agent may terminate this Agreement in whole or in part, at any time, by mutual agreement.

5.2.5 Termination for Merger or Acquisition. The Fiscal Agent may propose the substitution of another qualified organization to act as Fiscal Agent under this Agreement in the event of a merger or acquisition involving the Fiscal Agent, provided that the proposed successor fiscal agent can meet all required terms of this Agreement and that the State's Contracting Officer is given written notice by the Fiscal Agent, not less than 60 Calendar Days prior to the effective date of such merger or acquisition. In this event, the successor fiscal agent shall agree to be bound by all terms of this Agreement and provide an automatic continuation of Services to be rendered under this Agreement. The State reserves the right to terminate the Agreement in the event a successor Fiscal

Agent is substituted,

- 5.2.6 Termination Procedure.** In addition to the procedures set forth below, if the State terminates this Agreement, the Fiscal Agent shall follow any additional procedures the State specifies in its Notice of Termination.

Upon termination of this Agreement, the State, in addition to any other rights provided in this Agreement, may require the Fiscal Agent to deliver to the State any property specifically produced or acquired for the performance of such part of this Agreement. The rights and remedies of the State or Issuers/Payors provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

- 5.2.7 Termination-related Obligations.** Upon nearing the end of the final term of this Agreement, and without respect to either the cause or time of such termination, the Fiscal Agent shall take all reasonable and prudent measures to facilitate and ensure the orderly transition to the successor fiscal agent and will make certifications to the successor fiscal agent as to the accuracy of the information it has provided for transitioning.

- 5.2.8 Termination-Related Duties,** No later than 120 Calendar Days prior to the expiration of the initial four-year term of this Agreement, and 120 Calendar Days prior to the expiration of any extension to this Agreement, or upon written notice of termination in accordance with this Agreement, the Fiscal Agent shall take all available measures to facilitate and ensure an orderly and efficient transition to any successor Fiscal Agent designated by the State, and the Fiscal Agent shall at all times cooperate and coordinate with the State and such successor fiscal agent(s) to ensure the uninterrupted provision of Services to Issuers/Payors. Such cooperation and coordination may require additional transition responsibilities beyond the termination of this Agreement. The Fiscal Agent agrees to coordinate with the State, in good faith, to permit a limited extension of this Agreement (per Section 5.1.5) to facilitate the unwinding of this Agreement.

5.3 CONFLICT OF INTEREST

The Fiscal Agent warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with its performance of Services required under this Agreement. The Fiscal Agent shall promptly notify the State of any potential or anticipated conflict of interest with the Fiscal Agent's performance of Services under this Agreement. If such conflict cannot be resolved to the State's satisfaction, the State reserves the right to immediately terminate this Agreement.

6. CONTRACT ADMINISTRATION

6.1 STATE CONTRACT ADMINISTRATION

- 6.1.1** The State Contract Administrator will manage this Agreement on behalf of the State. The State Contract Administrator has designated the Deputy State Treasurer for Debt Management to act as the State Contracting Officer. The State will notify the Fiscal Agent, in writing, in the event that there is a change in staffing and a new State Contract Administrator is assigned to this Agreement.

- 6.1.2** The State Contracting Officer will be the principal point of contact for the Fiscal Agent on all matters pertaining to the contract. The State Contracting Officer will manage the day to day operations of the Agreement.

6.2 FISCAL AGENT CONTRACT ADMINISTRATION

The Fiscal Agent shall appoint an individual who will be the Fiscal Agent's Account Manager for the State account. The Fiscal Agent's Account Manager will be the principal point of contact for the State concerning the Fiscal Agent's performance hereunder. The Fiscal Agent's Account Manager will also serve as the focal point for business matters, support coordination, and administrative activities. The Fiscal Agent shall timely notify the State, in writing, if a new Fiscal Agent's Account Manager is assigned.

6.3 PAYMENT

Issuers/Payers shall pay the Fiscal Agent in accordance with the schedule set forth in Exhibit B of this Agreement. The Fiscal Agent shall bill Issuers/Payers annually for administrative services pursuant to the following conditions:

- (a) The billing period for administrative fees will be July 1 through June 30 and will be as of the first day service is to be provided;
- (b) Invoices will be posted on the CID each year during the month of July, but in no event later than October 31 of the current billing period;
- (c) Issues that close after July 1 will be billed on the next scheduled billing cycle as follows: 1) in arrears from the date of closing through June 30, and 2) from July 1 through June 30 for the then current billing cycle;
- (d) Issues that are not administered for a full year of service, but are charged for a full year of service will be prorated and any refund owed to an issuer will be applied based on the number of days service is provided and will be refunded at the time of the next billing cycle;
- (e) The first invoice will include a prorated fee from February 1, 2015, or the date service is first provided by the Fiscal Agent, whichever is later, through June 30, 2015 in addition to the annual fee for the July 1, 2015 through June 30, 2016 period; and
- (f) Administrative fees billed hereunder are fees for services provided by the Fiscal Agent throughout the year and will only be charged for periods in which service is provided notwithstanding the manner and timing of the billing cycle.

The Fiscal Agent is responsible for the timely billing of administrative fees. In the event invoices for administrative fees due are not posted by October 31, the Fiscal Agent waives its right to payment for that year.

Except as otherwise provided herein, such payments shall be due and payable within 60 Calendar Days after receipt of properly prepared and submitted invoices.

In no event will the State be responsible to the Fiscal Agent for payment of any fees, administrative or otherwise, owed hereunder by any other Issuer and/or Payor, other than those incurred by the State as Issuer and/or Payor.

Notwithstanding anything to the contrary in this Agreement, Issuers/Payors shall have the right to deduct and set off any amounts owed by the Fiscal Agent against amounts that would otherwise be payable in accordance with Exhibit B.

6.4 TAXES AND OTHER EXPENSES

It is mutually agreed and understood that all payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance or other expenses for the Fiscal Agent's staff shall be the sole liability of the Fiscal Agent.

6.5 NOTICE OF MATERIAL CHANGES IN BUSINESS OPERATIONS

The Fiscal Agent will notify the State Contract Administrator of any internal changes to the Fiscal Agent's business, including but not limited to staffing changes, that impact the way in which services are delivered under this Agreement.

7. FISCAL AGENT RESPONSIBILITIES

7.1 RESPONSIBILITY OF FISCAL AGENT TO ACT WITH DUE CARE

The Fiscal Agent shall exercise Due Care in performing its Services hereunder.

7.2 CONFIDENTIALITY OF STATE AND ISSUER RECORDS

7.2.1 The Fiscal Agent acknowledges that documents and information of the State, Issuers and Payors that have or will come into its possession or knowledge in connection with this Agreement, or its performance of Services hereunder, may include confidential and proprietary data, the disclosure of which to, or use by, third parties could be damaging.

7.2.2 The Fiscal Agent agrees to hold all such documents and information in strictest confidence, to make use thereof only for the performance of Services under this Agreement, to release it only to authorized employees of the Fiscal Agent (or of a Subcontractor) requiring such information, and not to release, sell or disclose it to any other party.

7.2.3 Notwithstanding anything to the contrary in the preceding provisions of this Section 7.2, the Fiscal Agent may release the material and information described in this Section 7.2 to its internal and external auditors (whether employees of the Fiscal Agent or others) for official use and may also release it pursuant to a subpoena or other order issued by a court of competent jurisdiction. The Fiscal Agent shall promptly notify the State and any other Issuer/Payor involved of any such subpoena or order upon its receipt.

7.3 REGISTRATION WITH THE DEPARTMENT OF REVENUE

The Fiscal Agent shall complete registration with the Department of Revenue, General Administration Building, Olympia, Washington 98504, and be responsible for payment of all taxes due on payments made under this Agreement.

7.4 LICENSING AND ACCREDITATION STANDARDS

The Fiscal Agent shall comply with all applicable local, state, and federal licensing requirements and standards necessary in the performance of this Agreement.

7.5 INSURANCE

7.5.1 Workers' compensation insurance coverage. The Fiscal Agent shall provide or purchase applicable workers' compensation insurance coverage prior to performing work under this Agreement. The State will not be responsible for payment of industrial insurance premiums for the Fiscal Agent, or any Subcontractor or employee of the Fiscal Agent, which might arise under the workers' compensation insurance laws during performance of duties and Services under this Agreement. Should the Fiscal Agent fail to secure workers' compensation insurance coverage or fail to pay premiums on behalf of employees, the State may deduct the amount of premiums owing from the amounts payable to the Fiscal Agent under this Agreement and transmit the same to the appropriate workers' compensation insurance fund.

7.5.2 Maintain and keep current all insurance policies previously set forth in the RFP response for the entire term of this Agreement

The following language from the Fiscal Agent's RFP Response is restated below and incorporated into this Agreement:

U.S. Bancorp is currently the fifth largest financial services holding company in the country. It secures a variety of insurance coverage appropriate for an organization of its type and size. In addition, other coverage has been secured to comply with various regulations such as workers' compensation. Currently, U.S. Bancorp carries a Financial Institution Bond, fiduciary liability, fidelity, and errors and omissions coverage with limits exceeding \$25MM. The Financial Institution Bond includes coverage for securities held on premises, in transit, forgery and alteration, and computer/computer related theft. Evidence of coverage is available in one business day upon request as required by contract.

7.6 PUBLICITY

7.6.1 The award of this Agreement to the Fiscal Agent is not in any way an endorsement of the Fiscal Agent or its products by the State and shall not be so construed by the Fiscal Agent in any advertising or other publicity materials.

7.6.2 The Fiscal Agent agrees to submit to the State Contract Administrator all advertising, sales promotion, and other publicity materials relating to this Agreement furnished by the Fiscal Agent wherein the State's name is mentioned, language is used, or Internet links are provided from which the connection of the State's name therewith may, be inferred or implied. The Fiscal Agent further agrees not to publish or use such advertising, sales promotion materials, publicity or the like through print, voice, the World Wide Web, and other communication media in existence or hereinafter developed without the express written consent of the State Contract Administrator prior to such use. Nothing herein shall preclude the Fiscal Agent from citing the Services

performed under this Agreement in resumes or proposals for future work with the State or other entities.

7.6.3 The provisions in this Article shall survive the expiration or termination of this Agreement,

7.7 AUDITS AND RECORDS

The Fiscal Agent shall permit representatives of the State Treasurer, an auditor selected by the State, or the Auditor of the state of Washington or their authorized agents to examine the records of the Fiscal Agent relating to the Services rendered under this Agreement. If the Fiscal Agent has contracted with any Subcontractors, the Fiscal Agent shall require each Subcontractor to provide similar access to the designated State officials or their representatives.

Any audits conducted under this Section 7.7 which do not necessitate the compilation of records in addition to those which are otherwise required by other Sections of this Agreement may be conducted without notice. Any audits conducted under this Section 7.7 which require the compilation of records in addition to those which are otherwise required by this Agreement may be conducted upon 10 Business Days' written notice from the State to the Fiscal Agent. The State shall bear the cost of conducting audits conducted under this Section 7.7, except that the Fiscal Agent shall bear all costs and expenses of any audits conducted as a result of the Fiscal Agent's breach of any provision of this Agreement.

The provisions of this Section 7.7 shall remain in effect for three years after the expiration, or sooner termination, of the term of this Agreement. If any litigation, claim or audit is started before the expiration of the three year period, the records shall be retained until one year following the termination of such litigation, claim, or audit, including any appeals thereto.

The Fiscal Agent shall maintain all books, records, documents, data and other evidence relating to this Agreement and performance of the Services described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Agreement. The Fiscal Agent shall retain such records for a period of six years following the date of final payment. If any litigation, claim or audit is started before the expiration of the six year period, the records shall be retained the longer of either one year following the termination of said litigation, claim or audit, including all appeals or six years from the date of final payment on this Agreement

7.8 PUBLIC RECORDS

Any documents and records that are provided to the State or any Issuer or Payor, including those provided by the Fiscal Agent are public records under the Washington Public Records Act, Chapter 42.56 RCW, and as such may be subject to public disclosure.

The State recognizes that certain documents and records may contain proprietary information exempt from disclosure under the Public Records Act, may constitute trade secrets as defined in RCW 19.108.010(4), and may include confidential information that is otherwise subject to protection from misappropriation or disclosure. Should such records become the subject of a request for public disclosure, the following provisions shall apply:

The State shall immediately notify the Fiscal Agent of such request and the date by which the State anticipates producing the requested records.

The Fiscal Agent must then assert in writing to the State any claim that such records contain proprietary or confidential information that the Fiscal Agent believes is exempt from disclosure under the Public Records Act or is subject to protection pursuant to Chapter 19.108 RCW or other State law so that the State may consider the Fiscal Agent's assertion in responding to the requestor.

If, within eight Business Days after the date the State notifies the Fiscal Agent of such request, the Fiscal Agent makes no assertion that the requested records should be exempt, the State will make the appropriate disclosure without further notice to the Fiscal Agent.

If the Fiscal Agent makes a timely assertion that the requested records are or should be exempt from disclosure, and the State does not agree that a statutory exemption exists to preclude such disclosure, the State will allow the Fiscal Agent an additional 10 Business Days for the Fiscal Agent to seek judicial protection of the records pursuant to RCW 42.56.540. Such an action shall be at the Fiscal Agent's expense. If the Fiscal Agent does not seek judicial protection of the records within 10 Business Days after notifying the State of its belief that the records contain proprietary or confidential information or trade secrets, then the State may release the records to the requestor.

If prior to judicial consideration, the State, in its sole discretion believes the Fiscal Agent does not have a valid claim, it shall so notify the Fiscal Agent no less than five Business Days prior to the date the State intends to make the disclosure to allow the Fiscal Agent to take such action as it deems appropriate prior to disclosure. The State will not make such a disclosure while an action to enjoin disclosure is pending under RCW 42.56.540.

If the Fiscal Agent believes that any documents or records subject to transmittal or review by the State under the terms of this Agreement contain proprietary, trade secret or other materials that are exempt or protected from disclosure pursuant to applicable Laws and Regulations, the Fiscal Agent shall identify and clearly mark such information prior to such transmittal or review. The provisions of this Section 7.9 shall apply even though the Fiscal Agent may fail to identify and clearly mark such information prior to transmittal or review.

7.9 LEGAL COMPLIANCE

The Fiscal Agent shall comply with all Applicable Laws and Regulations, including but not limited to, all applicable nondiscrimination laws and regulations, including but not limited to; Title VI, Non-Discrimination, Title 49 C.F.R., Part 21 and Title VII of the Civil Rights Act; 42§ 12101 et seq., the Americans with Disabilities Act; and Title 49.60 RCW, Washington Law Against Discrimination. In the event of a Fiscal Agent noncompliance or refusal to comply with any nondiscrimination law, regulation or policy, OST may terminate this Agreement, in whole or in part, and/or declare the Fiscal Agent ineligible for other contracts with the State.

7.10 OWNERSHIP OF DATA

The State shall own the data compiled in performing Services under this Agreement, regardless of the software used to manage the data or the media upon which the data are stored or used. With the consent of the State, the Fiscal Agent may convert the database to other software. The Fiscal Agent shall be responsible for the safekeeping and accurate maintenance of the data, and shall provide the data to the State, or its agents or contractors, as authorized by the State. The Fiscal Agent is authorized to use and copy the data, and to keep copies of the data at the termination or conclusion of this Agreement.

7.11 RISK OF LOSS

The Fiscal Agent acknowledges that by State statute, RCW 43.80.150, OST, the State Treasurer, and other fiscal officers of any subdivision of the State are prohibited from being held responsible for funds remitted to the Fiscal Agent. As such, the Fiscal Agent agrees to bear the risk of loss of funds remitted to it by the Issuers/Payers.

8. CONTRACT EXECUTION

8.1 COUNTERPARTS

This Agreement may be executed in duplicate originals and each duplicate shall be deemed an original copy of the Agreement signed by each party, for all purposes.

[SIGNATURE PAGE FOLLOWS]


8.2 SIGNATURE BLOCKS

In Witness Whereof the parties hereto, having read this Agreement for Fiscal Agency Services in its entirety, including all attachments hereto, do agree in each and every particular and certify as to having authorization to contract on behalf of the party represented.

APPROVED

State of Washington,
State Finance Committee

/s/ James L. McIntire


Chairman, State Finance
Committee

Date 10-21-14

APPROVED

U.S. Bank

/s/ Dyan M. Huhta

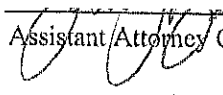
Title SENIOR VICE PRESIDENT
DYAN M. HUHTA

Date 10/21/14

APPROVED AS TO FORM

State of Washington,
Office of the Attorney General

/s/ John J. Ryan


Assistant Attorney General

Date 10/21/14

Exhibit A

7. SERVICES PERFORMED

Section II: MINIMUM QUALIFICATION REQUIREMENTS

A Proposer must meet the following minimum qualification requirements to be eligible to provide Fiscal Agency Services. Such requirements must be maintained during the term of the Agreement. Unless a waiver has been granted, failure to meet such requirements shall result in elimination from further consideration.

1. PROPOSERS MUST MEET THE FOLLOWING:

- 1.1 Have paid-up capital and surplus of not less than 100 million dollars.*
- 1.2 Be a member of the Federal Reserve System, and the National Automated Clearing House Association ("NACHA"), the New York Automated Clearing House ("NYACH"), or other applicable automated clearinghouse ("Other ACH").*
- 1.3 Be authorized to provide Bond payments and notices through The Depository Trust Company, including the ability to close Bond issues by Fast Automated Securities Transfer.*
- 1.4 Be a corporation, authorized to execute corporate trust powers in the state of Washington and in the Fiscal Agent's state of domicile.*

Response:

1. PROPOSERS MUST MEET THE FOLLOWING:

- 1.1 Have paid-up capital and surplus of not less than 100 million dollars.*

U.S. Bank currently meets the above criteria listed in RFP question # 7 – Section II. 1.1. As of March 31, 2014 U.S. Bank has a combined capital and surplus of \$8,236,000,000 and \$3.6 Trillion of assets under trust.

- 1.2 Be a member of the Federal Reserve System, and the National Automated Clearing House Association ("NACHA"), the New York Automated Clearing House ("NYACH"), or other applicable automated clearinghouse ("Other ACH").*

U.S. Bank is a direct member of NACHA and we hold a seat on their Board of Directors. We have several interfaces with the Federal Reserve Bank and are an owner bank of The Clearing House (EPN), which used to be NYACH.

EPN is our primary ACH Operator, though we do process some activity with the Federal Reserve Bank.

- 1.3 Be authorized to provide Bond payments and notices through The Depository Trust Company, including the ability to close Bond issues by Fast Automated Securities Transfer.*

U.S. Bank is a registered transfer agent with the Securities and Exchange Commission which provides us the ability to make bond payments and process notices through The Depository Trust Company.

7. SERVICES PERFORMED (continued)

U.S. Bank is an authorized participant of The Depository Trust Company as represented by our Fast Automated Securities Transfer (FAST) Participant Number 9968. This provides us the ability to close Bond issues by FAST with The Depository Trust Company.

1.4 Be a corporation, authorized to execute corporate trust powers in the state of Washington and in the Fiscal Agent's state of domicile

U.S. Bank is a national banking association having trust powers in all 50 states. U.S. Bank is the 5th largest bank in the United States and operates under National Charter #24, signed by Abraham Lincoln's Comptroller of the Currency, Hugh McCullough, and is the second oldest active national bank charter in the nation.

SECTION III: SCOPE OF SERVICES

1. FISCAL AGENCY SERVICES

Response:

1.1 Paying Agent.

Make payments on behalf of Issuers, as described below, but only if the Fiscal Agent has received funds from or on behalf of the Issuer in an amount sufficient to make the payment.

U.S. Bank's Global Corporate Trust Services Payment Division of its' Support Services Group, located in St. Paul, MN, processes approximately 24,500 registered and bearer physical presentments on a monthly basis, but only upon the receipt from the appropriate party of the funds necessary to make the payment. For each payment, the Payment Division conducts a quality audit of the check, ACH or wire transfer that will be sent to the holder to ensure accuracy.

1.1.1 Bearer Bonds.

Pay bearer Bonds and coupons immediately upon presentment on or after the due date.

U.S. Bank's Global Corporate Trust Services Payment Division of its' Support Services Group, located in St. Paul, MN, will receive all presentments from its' Mail Department, determine that it is the authorized paying agent, review/approve all legal documentation, if any, check bonds and/or coupons for authenticity, and make the appropriate principal and/or interest payment, either on or after the due date, by check ACH or wire transfer, utilizing our Bondmaster accounting system. If applicable, it then cancels the physical bond(s) with an appropriate 'cancelled' stamp and files the completed batch work in accordance with the Securities and Exchange Commission guidelines for Transfer Agent's. The Payment Division also processes all Bond Drop window presentments in St. Paul, MN. And all items presented and paid at U.S. Bank branches in the State of Washington.

7. SERVICES PERFORMED (continued)

1.1.2 Registered Bonds.

Pay principal of registered/non-book entry Bonds immediately upon presentment on or after the due date. Pay interest on registered Bonds by check, wire transfer, automated clearinghouse, or direct deposit to Bondowners' accounts as provided in the Authorizing Documents. Pay registered Bonds in book-entry form as provided in the letter of representations with the Bonds depository. Bonds held by the U.S. Department of Agriculture shall be paid as provided in the Authorizing Documents.

U.S. Bank's Global Corporate Trust Services Payment Division of its' Support Services Group, located in St. Paul, MN, will receive all presentments from its' Mail Department, determine that it is the authorized paying agent, review/approve all legal documentation, if any, check the bonds for authenticity, and make the appropriate principal and/or interest payment, either on or after the due date, by check, ACH or wire transfer, utilizing our Bondmaster accounting system. This process pertains to either registered book entry or non-book entry bonds. If applicable, it then cancels the physical bond(s) with an appropriate 'cancelled' stamp and files the completed batch work in accordance with the Securities and Exchange Commission guidelines for Transfer Agent's. The Payment Division also processes all Bond Drop window presentments in St. Paul, MN and all items presented and paid at U.S. Bank branches in the State of Washington. U.S. Bank branches in the State of Washington will be able to pay interest to the appropriate registered holder of non-book entry bonds by direct deposit to the Bondowners' accounts until 3:30 PM Pacific Time, but only after proper verification of the presentment. U.S. Bank will be able to pay bonds held by the U.S. Department of Agriculture as provided in the Authorizing Documents.

1.2 Local Paying Agent.

Provide the Paying Agent services through a Washington branch network located throughout the state that includes: (i) paying bearer Bonds and coupons upon presentation, and (ii) paying principal of registered/non-book-entry Bonds when due, either at maturity or on early redemption. This service may be performed through a Subcontractor with the State's prior written consent.

U.S. Bank's Washington State branch network, with 184 branch locations throughout the state, stands ready to pay, upon presentment, all authorized bonds (either bearer, registered book-entry or registered non-book entry) and bearer bond coupons that have matured or been called for early redemption. Upon presentation of any of the aforementioned bonds and/or coupons, at a given teller's window, that teller will phone U.S. Bank's Global Corporate Trust Services Support Services Group in St. Paul, MN. to receive confirmation that the items presented are valid and payable. With this confirmation, the teller will offer the bondholder the option of payment by cash or cashier's check or, if applicable, by direct credit to a U.S. Bank checking or savings account. Presentations for immediate payment will be accepted at branches from opening for business in the morning until 3:30 PM Monday through Friday. Many branches are open for business until 6:00PM and on Saturdays; items presented after 3:30PM or on Saturdays will be paid the following business day upon confirmation of validity. These procedures are an exception to standard branch payment policies, offered as an accommodation only to the State of Washington and local obligors in connection with the fiscal agency services contract. Standard U.S. Bank policies provide for payment only to U.S. Bank customers, but we agree to make immediate payment to any presenter of valid State of Washington Fiscal Agency items. Upon award of the State of Washington Fiscal Agency Services contract, U.S. Bank will ensure that our branch network is fully aware of the procedures outlined in this section.

7. SERVICES PERFORMED (continued)

1.3 Registrar.

Register Bonds and maintain an accurate record of registered owners of registered Bonds (including bearer Bonds registered as to principal only and Bonds in fully registered form). For book-entry-only Bonds, register global certificates in the nominee name of the depository, post reductions of principal amounts in records, and cancel global certificates when any maturity is paid in full. The Fiscal Agent will forward Bond certificates in "nonnegotiable" form by first class mail and Bond certificates in "negotiable" form by registered mail or other insured carrier. All such mail deliveries shall be covered, while in transit to the addresses, by insurance arranged for by the Fiscal Agent.

U. S. Bank is a Registered Transfer Agent with the Securities and Exchange Commission and follows their guidelines regarding the registration and transfer of registered book-entry and non-book entry bonds. U.S. Bank's Global Corporate Trust Services utilizes the computerized bond accounting system known as Bondmaster. This is a comprehensive system that accommodates bond recordkeeping and payment processing for i) registered book-entry bonds ii) registered book-entry nominee bonds iii) registered bearer bonds as to principal only and iv) mixed-issue bonds. This recordkeeping includes the registration of bonds in either the nominee name of the depository or other designated proper registration names, the post reductions of principal amounts and the notation of any bonds, whether a global certificate or not, that have been paid due to maturity or an early redemption.

U.S. Bank's Global Corporate Trust Services will forward Bond certificates in 'nonnegotiable' form by first class mail and Bond certificates in 'negotiable' form by registered mail or other insured carrier. All such mail deliveries shall be covered, while in transit to the addressees, by our arranged insurance coverage.

The Fiscal Agent shall monitor and follow DTC operating procedures and requirements with respect to the administration of outstanding Bonds, including but not limited to Bonds with put features.

Our Support Services Group is well trained and experienced in adhering and following The Depository Trust Company's operating procedures and requirements with respect to the administration of outstanding bonds, including but not limited to Bonds with put features. The Bondmaster recordkeeping system provides the Support Services Group with a systematic way of conforming to The Depository Trust operating procedures and requirements.

Another system utilized by U.S. Bank's Global Corporate Services relative to bond recordkeeping is the software application known as Corporate Trust Desktop. This is an administrative and management supplemental application for the PC that interfaces with Bondmaster. It creates a flexible environment for streamlining workflows and integrating information based processing activities for all U.S. Bank's Global Corporate Trust Services employees.

Both Bondmaster and Corporate Trust Desktop are easily accessible for employees to utilize to answer customer questions and any inquiries from The Depository Trust Company.

7. SERVICES PERFORMED (continued)

The Fiscal Agent shall (a) authenticate the Bond certificates in accordance with the Authorizing Documents and deliver the non-book entry certificates to the underwriter or purchaser or others at the direction of the Issuer a minimum of one Business Day prior to closing, or as requested by bond counsel; (b) maintain accurate records of all certificates received, issued and delivered; and (c) hold certificates delivered through FAST closing.

As part of the bond closing process, U.S. Bank Global Corporate Trust Services will adhere to the authentication requirements for the Bond certificates in accordance with the Authorizing Documents. These requirements may include i) the delivery of non-book entry certificates to the underwriter or purchaser or others (at the direction of the Issuer) a minimum of one Business Day prior to the bond closing or as requested by bond counsel; or ii) the acceptance and retention of global certificates delivered through a FAST closing. U.S. Bank Global Corporate Trust Services will ensure that proper and accurate records are maintained i) of all certificates received, issued and delivered at closing and/or ii) any funds required to be received and processed at closing.

1.4 Transfer Agent.

Process the registration of the transfers of Bonds, cancel all such Bonds paid or transferred, prepare and authenticate Bonds to be issued on transfer, and update the registration records.

The Transfer Division of our Support Services Group, located in St. Paul, MN., processes approximately 2,000+ transfer (or re-registrations) presentments monthly, including Fast Automated Securities Transfers (FAST). All routine transfers are processed within the SEC guideline of three business days. Upon receipt of all Bond presentments either for re-registration or payment, the Transfer Division determines that we are the transfer agent, reviews/approves all legal documentation, verifies Medallion Signature stamps per the Securities Transfer Association (STA) guidelines, checks the Bonds for authenticity, completes the re-registration or payment on our BondMaster accounting system and cancels the old certificates. They then complete a quality audit to ensure accuracy, print the new certificates on the appropriate inventory and authenticate the new certificates. The transaction information for re-registration or payment of certificates is updated on the bondholder recordkeeping system (Bondmaster) and the certificates are then mailed out and the completed batch work is filed in accordance with SEC guidelines.

1.5 Exchange Agent.

Upon request from any registered owner, exchange Bonds of an issue for other Bonds of the same issue, maturity and interest rate in accordance with the applicable Authorizing Documents. This includes the conversion of bearer Bonds to fully registered Bonds, or the reverse if permitted by the Authorizing Documents. Upon receipt, cancel Bonds received for exchange, prepare and authenticate the Bonds to be issued in exchange, and enter transaction information into the registration records.

The Transfer Division of our Support Services Group, located in St. Paul, MN., receives all Bond presents submitted for exchange, determines that we are the exchange agent, reviews/approves all legal documentation, checks the Bonds for authenticity, ensures the exchange us for the same issue, maturity and interest rate in accordance with the applicable Authorizing Documents, completes the re-registration on our Bondmaster accounting system and cancels the old certificates. They then complete a quality audit to ensure accuracy, print the new certificates on the appropriate inventory held in our vault and authenticate the certificates. The transaction information for the exchange of certificates is updated on the bondholder recordkeeping system

7. SERVICES PERFORMED (continued)

(Bondmaster) and the certificates are then mailed out and the completed batch work is filed in accordance with SEC guidelines.

The above noted process includes the conversion of bearer Bonds to fully registered Bonds, or the reverse if permitted by the Authorizing Documents.

1.6 Tender Agent.

Serve as agent for variable rate, commercial paper ("CP"), auction rate Bonds, and other Bonds where the Authorizing Documents require a depository for the "puttable bonds" to be received and processed. Work with the remarketing/auction/CP agent, using a liquidity facility, if any, as a backup, in reissuing replacement Bonds at the new rate/term.

Tender Agent processing is completed within the Payment Division of our Support Services Group located in St. Paul, MN. The Specialized Finance Group ('Spec. Fin.'), within the Payment Division, processes all reorganization transactions such as Bonds required to be 'put/tendered' during a remarketing process, along with conversions and consents.

Spec Fin is comprised of a very dedicated staff experienced in each of these complex issues as each type of transfer may require different processing based on the Authorizing Documents. Spec Fin tracks same day funds settlement daily with the Depository Trust Company to ensure timely payments of all items held in their book entry system. They also work closely with the Account Manager and Trust Finance Management to ensure the transaction is processed timely and accurately following any time constraints that may be imposed by the Authorizing Documents.

As Tender Agent for variable rate, commercial paper, auction rate and other types of Bonds requiring a depository, we work with all of the leading remarketing agents and have established procedures for receiving put/tendered Bonds and issuing new Bonds to replace them. In the event that a remarketing agent is unable to remarket Bonds which have been put/tendered and the Bonds are supported by a liquidity facility, we will draw on the liquidity facility to pay the holders who have put/tendered their Bonds. This will, of course, all be done in accordance with the Authorizing Documents.

When bonds are in commercial paper mode, we utilize our commercial paper issuing and paying agency facility located in the New York office of our Global Corporate Trust Services Group. U.S. Bank is one of the largest tax-exempt money market Instrument issuing and paying agents in the industry with over 180 programs. We have a direct connection to the Depository Trust Company via the MQ Series Link providing timely and efficient transmission of trade data.

For issues in auction rate mode, U.S. Bank has full capabilities to act as auction agent. We deliver real-time, 24/7 internet-based technology allowing our customers access to their auctions at any point or completing auctions from any locations.

7. SERVICES PERFORMED (continued)

For every auction rate transaction, we:

- Determine the floor and ceiling rates
- Receive bids from participating broker-dealers
- Complete the auction process
- Determine the winning bid rate
- Report results to issuer and participating broker-dealer
- Act as a liaison between trustees, issuers, broker-dealers and securities depositories

Plus, our online access system gives you the following benefits:

- Auction calendars for issuers and broker-dealers
- CUSIP summaries
- Daily summaries for issuers and broker-dealers
- Real-time auction results

1.7 State COP Program.

1.7.1 Trust Agreements.

For each issue of COPs, the Fiscal Agent is required to enter into a Trust Agreement with the State and the Washington Finance Officers Association. The Trust Agreement sets forth the duties and responsibilities of the Fiscal Agent for each COP issue. The Fiscal Agent will deliver the executed Trust Agreement and related documents to bond counsel as requested, but at a minimum of two Business Days prior to closing. In addition to the collection services described below in Section III – 1.7.2, the Trustee's duties under each Trust Agreement include, but may not be limited to the following:

- Enter into a Master Assignment and, pursuant to which, accept the assignment of the Master Financing Agreements,
- Authenticate and register COPs and maintain registration records for the COPs,
- Act as paying agent for the COPs,
- Receive payments from the State to make payments on the COPs, and
- Handle optional and mandatory redemptions of COPs.

The current forms of the Trust Agreement and Master Assignment are attached as Attachment E-1 and E-2, and E-3 – Form of Trust Agreement, Master Assignment and Definitions related to certain terms in Attachment E-1 and E-2 for COP's to the RFP and are incorporated into the RFP by reference. The State may amend the form of the Trust Agreement in the future, at which time the Fiscal Agent will be provided with an opportunity for review and input, to the extent the amendments may impact the duties and responsibilities of the Fiscal Agent.

U.S. Bank shall preform the duties and meet the timelines listed above or incorporated into the working agreements and shall respond with comments in a timely manner.

7. SERVICES PERFORMED (continued)

1.7.2 Collection Services.

- In connection with each COP issue involving LOCAL Participants, the Fiscal Agent shall establish accounts for each LOCAL Participant's financing contract(s) or lease(s). The Fiscal Agent shall collect principal and interest payments due to the State from the LOCAL Participants pursuant to the terms of the financing contracts and leases.

U.S. Bank administers many certificates of participation issues supported by pooled lease financing programs. An example in the Pacific Northwest, is the Special Districts Association of Oregon's FlexLease program, with about 35 separate issues.

Under a pooled lease financing program, we establish a separate bond loan on Bondmaster for each LOCAL Participant's contract/lease portion of the pooled issue. This ensures each LOCAL Participant's portion is represented by a separate account with a unique maturity billing, debt service schedule, and fee billing. It also provides a streamlined process for collecting principal and interest payments due to the State from the LOCAL Participants pursuant to the terms of the financing contracts and/or leases.

- The Fiscal Agent shall directly bill LOCAL Participants in the State's COP program by providing a bill at least 15 Calendar Days before the required due date. The due date shall be exactly one calendar month prior to the scheduled principal and interest payment date for the applicable COP issue (currently, LOCAL Participant due dates are December 1 and June 1 for January 1 and July 1 COP payments to COP owners).

All billings for funds needed to make the required debt service payments will be billed directly to the LOCAL Participants in the State's COP program at least 15 calendar days before the required due date. The due date of the debt service funds will be adjusted so that it will be one month prior to debt service payment dates due to holders

- The Fiscal Agent shall remit collections from LOCAL Participants to the State Treasurer one calendar month prior to the scheduled payment date for the applicable COP issue. (Some LOCAL Participants prepay their financing contracts. In those cases, Permitted Investments, maturing on the scheduled payment date for the applicable COP issue, are held by the Fiscal Agent in an escrow account for the benefit of the COP owners. The Fiscal Agent must have a process for handling adjustments for these prepayments to the billings to LOCAL Participants for principal and interest payments.) The State Treasurer will remit funds for the benefit of the COP owners to the Fiscal Agent on the scheduled payment dates for the COP issue.

U.S. Bank will remit debt service funds collected from the LOCAL Participants to the State Treasurer one calendar month prior to the scheduled payment date for the applicable COP issue. For LOCAL Participants that have elected to prepay their leases, separate escrow accounts will be set up to hold securities that in effect

7. SERVICES PERFORMED (continued)

defease the leases. The amount due from the State for payment of debt service on any given date will be reduced by the aggregate amount of debt service generated by escrow accounts on that date due.

- The Fiscal Agent shall charge the State an annual fee per LOCAL Participant financing contract/lease for performing the collection services.

U. S. Bank will charge the State an annual fee per LOCAL Participant financing contract/lease for performing the collection services as outlined in *Attachment D – Schedule of Proposed Fees*

1.8 School Bond Guarantee Program.

On issue set-up/data entry, the Fiscal Agent will identify/flag those school district Bonds for which it serves as Bond Registrar and Paying Agent and which also participate in the State's School Bond Guarantee Program. If an Issuer or Payor on a school district Bond that is guaranteed by the State fails to pay interest and/or principal on or prior to a payment date, the Fiscal Agent shall immediately notify the State Treasurer by (a) telephone (360-902-9000), (b) email (SchoolBondGuarantee@tre.wa.gov), and (c) first class mail to the address in Section I - 3.1.1.

U.S. Bank utilizes our on-line Account Setup Control System to accurately monitor Bond transactions with bond guarantee programs for which it serves as Bond Registrar and Paying Agent. At the initial setup of an account, specific account memos are established that indicate the action U.S. Bank will take if a school district Bond that is guaranteed by the State fails to pay interest and/or principal on or prior to a payment date. The action steps include the Fiscal Agent immediately notifying the State Treasurer by (a) telephone at (360-902-9000), (b) email (SchoolBondGuarantee@tre.wa.gov) and (c) first class mail to:

Ellen Evans, Deputy Treasurer
Office of the State Treasurer
416 Sid Snyder Ave.
Legislative Building
2nd Floor, Room 230
Olympia, WA 98504-0200

1.9 Destruction.

Securely store all Bonds canceled because of transfer, payment, exchange or for other reasons according to their Authorizing Documents or for one year before proper disposition. Provide cremation or other appropriate method of destruction services as requested by the State or Issuer in accordance with RCW 43.80.130. Provide a destruction certificate giving full descriptive reference to the instruments destroyed to the appropriate Issuer. A subsidiary destruction ledger or computer file must be maintained as a historical record to ensure proper accounting control.

U.S. Bank will adhere to the destruction provisions of the Authorizing Documents or for one year before proper disposition for all Bond transaction. U.S. Bank will mark 'canceled' all Bonds that have been presented because of transfer, payment, exchange or for other reasons. These canceled Bonds are boxed and sent by our Records Management Department of our Support Services Group, located in St. Paul, MN., to our archive vendor, Iron Mountain. The Records Department will obtain a record destruction report from Iron Mountain. This report is circulated to each processing

7. SERVICES PERFORMED (continued)

department for review and verification of the contents and age of the records set for destruction. After this review, and department approval of the destruction, the Records Department forwards an authorization of destruction to Iron Mountain. Upon confirmation of destruction, a certificate of destruction is retained by the Records Management Department. This certificate of destruction,

which gives a full description reference to the items destroyed, will be send to the appropriate Issuer. U.S. Bank will main a computer file of the items destroyed as a historical record to ensure proper accounting control.

1.10 Lost, Stolen or Destroyed Bonds.

Place stop orders on lost, stolen or destroyed Bonds when notified by an owner not to register or transfer a Bond or to pay it on maturity or redemption. Replace or pay such Bonds and coupons if a Bond owner provides satisfactory evidence of the destruction or loss of the original Bond, and provides any Bond, indemnity or evidence that is required under the Authorizing Documents and the Fiscal Agent's standard procedures which shall be provided to the State RFP Coordinator.

The Bondholder Communications Division of U.S. Bank's Support Services Group, located in St. Paul, MN., processes and replaces lost Bonds. Bondholders send written notification to U.S. Bank upon the loss, theft or destruction of their security. Upon receipt, U.S. Bank verifies the communication has been received from actual bondholder or authorized representative and places a stop on the Bond on our bondholder recordkeeping system. We then report the loss or theft to the Securities Information Center (SIC) within 24 hours of notification, as required by SEC regulations. Then U.S. Bank generates the Affidavit of Loss and any additional required documents to be completed by the holder. Along with the Affidavits of Loss and the other documentation, a surety bond fee equal to 2.25% of the current value of the bond is requested from the bondholder. Upon receipt, the Affidavits and the 2.25% premium are sent to Liberty Mutual for approval who provides insurance coverage in the event that the lost security resurfaces; this surety bond policy protects the Obligor or Issuer and U.S. Bank from further loss associated with the lost bond. After the surety bond approval is obtained, the payment or replacement is issued to the bondholder. The bondholder recordkeeping system is updated to reflect that the lost, stolen or destroyed bond has been replaced and the corresponding new bond number is recorded. If the lost, stolen or destroyed bond is presented after it has been replaced, it is retained for destruction purposes and the presenter is notified that it was previously report as lost, stolen or destroyed.

1.11 Unclaimed Property.

Act as fiduciary agent for purposes of Chapter 63.29 RCW (Uniform Unclaimed Property Act). Chapter 63.29 RCW shall govern the responsibilities of the Fiscal Agent with respect to abandoned property except as expressly provided to the contrary in the Agreement, as amended from time to time. This section describes current law; if the law changes, the Agreement will be amended to reflect the new law. Hold any funds remitted to the Fiscal Agent for redemption of coupons, registered interest checks, and Bonds in accordance with the requirements of the related Authorizing Documents. For one year after the appropriate redemption date (tracked by individual serial maturity), the Fiscal Agent shall retain unpaid balances as part of the overall investment balance total.

U.S. Bank Unclaimed Property Division of our Support Services Group, located in St. Paul, MN., processes unclaimed property according to, and is in full compliance with, Chapter 63.29 RCW

7. SERVICES PERFORMED (continued)

(Uniform Unclaimed Property Act). U.S. Bank understands that Chapter 63.29 RCW shall govern the responsibilities of the Fiscal Agent with respect to abandoned property except as expressly provided to the contrary in the Fiscal Agency Agreement, as amended from time to time. U.S.

Bank shall hold any funds remitted to it for redemption of coupons, registered interest checks, and Bonds in accordance with the Authorizing Documents. U.S. Bank concurs it will hold, for one year after the appropriate redemption date (tracked by individual serial maturity), the unpaid balances as part of the overall investment balance total.

Upon written request of an individual Issuer, the Fiscal Agent shall transfer to any individual Issuer such unpaid balances and any relevant records identifying the obligation and the registered owner, if known, on the first Business Day of the 13th month after the date due for payment or redemption.

U.S. Bank will, if requested in writing by an individual Issuer, transfer to such individual Issuer any unpaid balances and supporting identifying bondholder information, if known, on the first Business Day of the 13th month after the date due for payment or redemption.

If no written request has been received from an Issuer, the Fiscal Agent shall report and remit any such unpaid balances remaining unredeemed and in the possession of the Fiscal Agent for two years after the funds have become payable or distributable to the State Department of Revenue. Issuers are entitled to two years' of earnings on such funds.

U.S. Bank's Unclaimed Property Division prepares and completes due diligence of unclaimed funds prior to escheating to the various states. If a written request has not been received from an Issuer U.S. Bank will follow the above process and the unclaimed property shall be reported and remitted to the State Department of Revenue two years after the funds have become payable or distributable.

Funds received by the Fiscal Agent for interest payments or redemption of Bonds shall be held by the Fiscal Agent for such payment or redemption without any obligation of an Issuer or the Fiscal Agent to pay interest thereon to the owner from the due date to the date of presentment.

U.S. Bank shall hold any unclaimed funds received by it for interest payments or redemption of Bonds without any obligation of U.S. Bank or the Issuer to pay any interest thereon to the owner from the due date to the date of presentment.

Subsequent to such payment of unpaid balances to the State Department of Revenue or Issuers, as applicable, the Fiscal Agent shall have the authority to reject presentment of any unpaid coupons, Bonds or checks relative to unpaid balances that have been paid to the State Department of Revenue or Issuers, and payment for said items shall be the sole responsibility of the Issuer or the State Department of Revenue, as applicable. In the event the Fiscal Agent shall pay coupons, Bonds or checks relative to unpaid balances that have been returned to the State Department of Revenue or an Issuer, the Fiscal Agent shall immediately notify the Issuer or the Department of Revenue, as applicable, and request reimbursement of the amount paid.

7. SERVICES PERFORMED (continued)

U.S. Bank shall be reimbursed, upon written request, by the Issuer or the State Department of Revenue, as applicable, if it has paid coupons, Bonds, or checks relative to unpaid balances that have already been returned to the State Department of Revenue or an Issuer.

It should be noted that U.S. Bank is also in compliance the Securities and Exchange Commission's regulations and guidelines regarding the additional efforts that should be taken by agents to find

lost holders. U.S. Bank makes a diligent effort to search several databases along with sending second mailings in order to locate lost holders.

1.12 Redemptions.

Perform all services associated with mandatory, extraordinary and optional redemptions of Bonds either (i) as required by the Authorizing Documents or (ii) as permitted by the Authorizing Documents and requested by the Issuer.

The Payment Division of our Support Services Group, located in St. Paul, MN., performs all necessary services associated with mandatory, extraordinary and option redemptions of Bonds either (i) as required by the Authorizing Documents or (ii) as permitted by the Authorizing Documents and requested by the Issuer. The services include, but are not limited to, preparation of and mailing and/or on-line posting of the redemption notice.

1.13 Unissued Certificates.

Maintain inventory, safekeeping, accounting, and proper audit controls over all unissued certificates. Request additional certificates, as needed, from Bond counsel and/or Issuers.

The Transfer Division of our Support Services Group, located in St. Paul, MN., has strict inventory control procedures and policies in place to ensure bond certificate inventory is kept under the proper safekeeping, accounting and audit controls. A tracking mechanism is in place to monitor the balance of unissued bond certificates in order to be able to provide adequate notification to Bond Counsel and/or Issuers if additional bond certificate inventory is needed.

1.14 Continuing Disclosure.

To the extent required under the Authorizing Documents, provide notices of redemptions and defeasances in accordance with the Securities and Exchange Commission (the "SEC") Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "Rule").

U.S. Bank will file normal redemption and defeasance notices in accordance with the Securities and Exchange Commission (the "SEC") Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "Rule"). If issuer chooses to engage Fiscal Agent to preform Dissemination Agent services Issuer and Fiscal agent may enter into a separate agreement for the requested services.

1.15 Notices/Communications.

Upon request from an Issuer or if required by the Authorizing Documents, provide timely notices and communications to Bond owners, the MSRB, rating agencies, Bond insurers, Bonds depositories, escrow agents, and other information services

U.S. Bank will provide notices and/or communications, upon request from an Issuer or if required

7. SERVICES PERFORMED (continued)

by the Authorizing Documents, in a timely manner to Bond owners, the MSRB, rating agencies, Bond insurers, Bond depositories, escrow agents and any other information services as so directed.

1.16 Reporting.

1.16.1 Web-based Services

a. General Requirements

The Fiscal Agent shall provide the services listed below, through the Fiscal Agent's web-based service. The web-based service will serve as the primary reporting system for all Issuers and Payors for the delivery of and access to Issuer information held by the Fiscal Agent.

The web-based service shall provide, at a minimum, and enable Issuers and Payors to access, the following:

- i) At least 15 Calendar Days prior to the due date, invoices for payments of principal and interest ("Maturity Bill Statements"); and
- ii) Within seven Calendar Days following a maturity/payment date, updated records of the receipt and disbursement of funds for principal and interest payments (the "Cash Statements") and projected principal, interest, call premium and paydowns ("Debt Service Schedules")

b. COP Program.

In addition to Services related to COP issues, the Fiscal Agent shall provide, through a web-based service that serves as the primary reporting system for all LOCAL Participants, invoices for payments of principal and interest, Cash Statements and a schedule of principal, interest, and paydowns for their financing contracts as it would for Issuers who have issued Bonds.

In reporting to the State, the web-based service shall allow for grouping by and reporting on all the LOCAL Participants' financing contracts and leases in a manner sufficient to meet the State's needs.

c. School Bond Guarantee Program

In reporting to the State, the web-based service shall, for Maturity Bill Statements, Cash Statements and Debt Service Schedules, allow for grouping by and reporting on all school district Bonds guaranteed by the School Bond Guarantee Program. On issue set-up/data entry, the Fiscal Agent will identify those school district Bonds which participate in the State's School Bond Guarantee Program.

d. Other Requirements

- i. The web-based service shall allow Issuers/Payors and the State to group on one or more of their loan accounts for viewing, reporting, and exporting.
- ii. The web-based service shall permit the user to view, print and export (to PDF and Excel) the requested information.
- iii. Electronic documents of the Maturity Bill Statements and Cash Statements shall be archived on-line for a minimum of 18 months.

7. SERVICES PERFORMED (continued)

- iv. *The web-based service shall provide e-mail notifications to the Payors and/or Issuers when the Maturity Bill Statements and Cash Statements are available.*
- v. *Upon request from an Issuer and/or Payor, the Fiscal Agent shall provide reports illustrating the information under this Section in paper or electronic form.*
- vi. *The web-based service shall provide login and password protection for each Payor and Issuer.*
- vii. *Web-based reports shall not include any social security numbers or other sensitive Bond owner information.*

U.S. Bank has invested and continues to invest millions of dollars in technological advances to better serve our customers and their needs. One of our most recent advances is our Web-based Customer Information Delivery Portal = Trust Gateway Portal. (CID) CID is a powerful tool which can be customized to fit the needs of our clients. The requirements listed under section 1.16.1 “Web-based Services” above can be accomplished through our Customer Information Delivery Portal.

The Portal Platform is leveraged across our security services Trust Gateway Portal. The Portal is designed to deliver a sophisticated user experience for customers to access information and to provide an enhanced web experience. Features include:

- On-demand access to data and reports provided by Global Corporate Trust Services
- Single point of entry for U.S. Bank web applications
- Regularly updated market news and insights
- Fact sheets that serve as quick reference guides to the wide array of products offered by Global Corporate Trust Services

The CID Portal will provide access to account holdings, bond balances, transaction documents and compliance ticklers. The Portal also includes access to Arbitrage Rebate reports, 503(d) Disbursement reports and Letter of Credit renewal documents as well as other transaction documents. In addition the portal’s flexibility will also allow the State to setup access for **individual users by agency or issuer**. Each issuer can be restricted to only be able to access their own particular information while the State will be able to access all or any portion of the information on the system for any transactions that have been set up as fall under the Fiscal Agent contract.

At the time the decision is made to award U.S. Bank the Fiscal Agent Contract for the State of Washington the U.S. Bank team will consult with the representatives from the Office of the State Treasurer and selected issuers throughout Washington State in order to implement and take full advantage of the power of the Portal.

1.16.2 Additional Reporting.

Provide to an Issuer and/or Payor timely status reports (by issue, as appropriate) in alternative formats or means, including hard copy, CD-ROM, disk, or email, as follows:

- Within seven Calendar Days after a notice of redemption or other continuing disclosure notice is sent, the Fiscal Agent shall provide to an Issuer and/or Payor a copy of the notice, the date it was sent, and the parties the notices were sent to;

7. SERVICES PERFORMED (continued)

- Monthly Investment Working Balances and earnings on all Working Balances of the Issuer (Earnings Statements);

And upon request:

- Cancellations;
- Bonds and coupon destruction;
- Lists of registered owners by name and address;
- Issuances, exchanges, call payments, transfers and/or replacement of Bonds;
- Inventory supply of unissued certificates;
- Annual reports, such as:
 - Outstanding principal as of end of fiscal period,
 - Unclaimed property, and
 - Defeased debt.

U.S. Bank has the ability and will provide the requested reports in the timeframe outlined above in reference to 1.16.2. Also U.S. Bank will provide each issuer training on our CID portal and Trust Now Essentials (TNE see description 9.h page 61) so that the issuers may gain access to the information 24/7 through our web-based reporting systems.

1.16.3 Annual Reports to State.

No later than January 31 of each year during the term of the Agreement, Fiscal Agent shall deliver to the State Contract Administrator annual reports regarding the prior year, or portion thereof, with

a. Then-current listing of:

- the total issues outstanding,
- the scale and volume of the Issuers' accounts,
- contact information for all Issuers receiving Services under the Agreement at any time during the reporting year, and
- other pertinent volume statistics.

b. The following:

- balances representing unredeemed Bonds, coupons or registered interest checks forwarded to an Issuer during the previous calendar year, and
- balances representing unredeemed Bonds, coupons or registered interest checks forwarded to the State Department of Revenue during the previous calendar year.

Such report shall include any relevant records identifying the obligation and the registered owner, if known.

U.S. Bank has the ability and will provide the requested reports in the timeframe outlined above in reference to 1.16.3. Also note that the above information can be setup to be provided through the CID portal.

7. SERVICES PERFORMED (continued)

1.17 Records/Audits.

Maintain appropriate records in connection with Fiscal Agent services. The State or its representatives and local government Issuers and Payors shall have reasonable access to such books and records for auditing purposes during the contract period, and for three full years after the date of the final payment of a Bond issue, or as otherwise required by the IRS. A detailed audit trail must be maintained that enables all Bonds and coupons to be tracked from issuance through transfer, payment, redemption and, where appropriate, to a destruction certificate. The Fiscal Agent will permit each Issuer/Payor to inspect and make copies of the Bond register books of the Issuer and will provide copies of the same to the Issuer upon its written request. In the case of any request or demand for the inspection of the Bond register books of the Issuer/Payor by someone other than the Issuer, the Fiscal Agent shall notify the Issuer and secure instructions prior to permitting or refusing such inspection. The Fiscal Agent shall have the right to exhibit the Bond register books, to any person if it is advised by its counsel that it may be held liable for the failure to exhibit the Bond register books to such person.

The Fiscal Agent shall have an annual independent audit conducted for purposes of expressing an opinion on its financial statements and provide such audited financial statements to the State Contract Administrator annually. The Fiscal Agent shall also have an annual independent service organization audit conducted for purposes of examining controls related to the services provided in a Fiscal Agent capacity (including controls obtained in **Section III – 1.21(**Operation/System Requirements)) and provide such report to the State Contract Administrator annually.

The Fiscal Agent shall maintain an independent internal audit function that continuously conducts reviews of policies, procedures and internal controls, and provide internal audit information to the State Contract Administrator, or the state's agents, as requested. Examinations must evaluate compliance with the Fiscal Agent's policies and procedures as well as regulations applicable to the Fiscal Agent. Examinations must also address the effectiveness of accounting, operational, administrative and data processing controls associated with the Fiscal Agent services performed.

In our Global Corporate Trust Model, we have a dedicated Trust Review Group that responds to Issuer Audit Confirmations. We use a database to log receipt of all confirmations and the date of our response with electronic copies maintained. The system provides management information as to volumes and timeliness of completion for management within our guidelines.

In addition on an annual basis U.S. Bank has an independent firm audit the polices, procedures and processes of U.S. Bank Wealth Management Trust Services. This independent audit is provided as attachment C in our response to our RFP. U.S. Bank also quarterly preforms internal reviews of polices, procedures and regulations applicable to Corporate Trust Services. Examinations also address the effectiveness of accounting, operational, administrative and data processing controls associated with U.S. Bank Global Corporate Trust and the services it performs. U.S. Bank shall supply these reports upon request and annually.

1.18 Earnings.

Acting as a fiduciary, invest all Working Balances in Permitted Investments for public funds in the State of Washington. In the Agreement, the State and Fiscal Agent shall agree upon the Permitted Investments for Working Balances.

7. SERVICES PERFORMED (continued)

At least semiannually the Fiscal Agent shall pay earnings on Working Balances to the applicable Issuer or, at the Issuer's option, credit the amount of such earnings to the account of the Issuer for services rendered under this Agreement.

U.S. Bank understands and agrees that all balances associated with the Fiscal Agency are to be continuously invested. Included are funds held for items that are payable but unrepresented and funds held for checks which have been issued for payment of items but which have not cleared for settlement.

Interest earnings may be distributed by check to obligors or by credit against fees, at the election of each obligor.

1.19 Bond Holder Relations.

Provide effective and timely response to Bond Holder inquiries. Services shall be available to accommodate Bond Holders until 5:00 P.M. Pacific Time each Business Day.

U.S. Bank's Global Corporate Trust Services has established dedicated group to handle all Bondholder inquiries. This Bondholder Communications (BHC) Group, located in St. Paul, MN., responds to both telephonic and written inquiries from various types of Bondholders, including depositories, brokerage firms, and individuals. In addition to Bondholders, the department is also responsible for handling inquiries from other departments within U.S. Bank relative to bondholder information. BHC receives a wide variety of inquiries including i) bond payment or transfer status, ii) tax information, iii) agent information, and iv) general bondholder concerns. The primary objective of the group is to provide a prompt, quality response to the various types of inquiries in accordance with internal standards as well as with SEC guidelines.

STAFF:

The staffing structure in BHC consists of 20 Customer Service Representatives and three managers, all responsible for responding to Bondholder inquiries Monday through Friday 6:00 AM to 5:00 PM Pacific Time. Each staff member completes a comprehensive training program which is focused on our commitment to providing superior customer service to our Bondholders.

BHC responds to an average of 7,000 calls a month. Telephone inquiries are monitored using two primary key performance indicators:

1. Answer incoming calls in 60 seconds or less

Some call types are able to be resolved by the Interactive Voice Response system (IVR) eliminating the need for the caller to speak with a Customer Service Representative. The remaining calls are transferred to a Customer Service Representative for resolution. Of these calls, 80% must be answered with 60 seconds or less. Call volume is fairly consistent throughout most of the year, however there are two annual events that result in a significant short term peak to call volume, they are Tax Season and Escheatment Season.

7. SERVICES PERFORMED (continued)

2. Abandon Rate

The department monitors daily call volumes to ensure the abandon rate, which is the number of callers that hang up prior to speaking to a CSR, is at or below 2% of the total call volume.

Additionally, BHC receives an average of 2,500 written inquiries a month. BHC will respond to all written inquiries within 2-10 business days of receipt into the department. Written inquiries are monitored using two key performance indicators:

1. Securities Exchange Commission (SEC) Turnaround

Some types of correspondence have specific response times that are mandated by the SEC. These types include confirms, obligor confirms, payment inquiries, status of bonds submitted for transfer and payment tracers. 100% of these inquiries must be responded to within the SEC regulated turnaround times.

2. Non SEC Turnaround, U.S. Bank BHC

BHC also receives several types of correspondence for which the response time is not mandated by the SEC, but rather determined by the business line. These types include Forgery, Agent inquiries, Check photocopies, Taxes, Complaints, Factors, Generals, Dividend Wire Instructions and Check Replacements. 90% of these inquiries must be responded to within the internal turnaround times.

INTEGRATED VOICE RESPONSE SYSTEM (IVR):

In addition to Customer Service Representatives providing personal attention during regular business hours for complex issues, U.S. Bank also provides an automated interface between telephone callers and the host computer system. It enhances the level of service to customers by giving them 24-hour, 7-days-a-week access to bondholder information and faster access to the appropriate information. This Integrated Voice Response System (IVR) allows for real time reporting as to the performance of how the call is handled. The department has a business analyst who is assigned the responsibility of monitoring all incoming call volume to ensure that all callers receive the level of service set forth by our customer service centered organization.

WEB-SITE:

In addition to the above described IVR, U.S. Bank Corporate Trust Services also offers Bondholders the ability to obtain various information from the U.S. Bank web-site located at www.usbank.com/corporatetrust. The site offers Bondholders a variety of menu selections to assist in obtaining their desired information, some of which are:

1. Frequently Asked Questions

Bondholders can obtain information regarding the following: how to report a lost or stolen certificate, how to receive call or maturity notice information, where to send bonds for payment or transfer, how to transfer ownership of a registered bond, how to request a copy of a check, and various tax information.

7. SERVICES PERFORMED (continued)

2. Commonly Used Terms

This section provides Bondholders with definitions of the financial terms used throughout the industry and on the web-site.

3. Contact Bondholder Services

This section provides the Bondholders with the phone number and hours of operation for the BHC.

4. Agent Capacity Information

This section gives the Bondholders instructions on how to obtain agent information from the IVR.

5. Bond Drop Window Information

This section provides the Bondholders with information on the various Corporate Trust bond drop window locations and hours throughout the United States.

6. Lost Bond Information

This section provides the Bondholder with an overview of the process to replace lost Bonds. The site also allows the Bondholder to download and print forms necessary to complete the lost Bond process.

7. Interest and Wire Order Information

This page lists the documents necessary for transfer or redemption of a Bond. These instructions can be downloaded and printed for future reference by the Bondholder.

8. Commonly Used Forms

This section gives the Bondholders the ability to download and print various forms required by U.S. Bank Global Corporate Trust Services in order to perform various transactions. The forms that are available are as follows: address change, bond power, declaration of loss, interest order, notification of lost security, SSN or TIN correction, structured remittance information request, W-9 form and wire transfer order forms.

9. Bearer Bond and Coupon Redemption Instructions

This section gives the Bondholders instructions on how to submit their Bearer Bond and Bear Bond with Coupons for redemption due to maturity or an early call.

BHC gives Bondholders the ability to e-mail U.S. Bank Global Corporate Trust Services directly regarding various inquiries. The Bondholder is prompted to provide certain information such as the name of registration on the Bond, the CUSIP number, and the certificate number. This information is for the safety of the Bondholder and assists BHC in ensuring they are relaying information to the proper party. A response will be provided to the Bondholder either via e-mail or in writing.

CORPORATE TRUST DESKTOP APPLICATION:

Additionally, BHC utilizes the Corporate Desktop application to track and report the results for all incoming Bondholder correspondence, including bonds presented for payment or transfer. This

7. SERVICES PERFORMED (continued)

system provides the Customer Service Representatives with the functionality to respond quickly and accurately to Bondholder inquiries. If there are special circumstances surrounding the status of the presentment or if a Bondholder has received a letter regarding their presentment, the application allows the Customer Service Representative to view important details or information sent to the bondholder, on-line. Account Managers also have access to the Corporate Trust Desktop application which provides them with the ability to review a Bondholders account should they receive inquiries from Bondholders directly.

1.20 Issuer Relations

1.20.1 Provide effective and timely response to Issuer inquiries. Services shall be available to accommodate Issuers until 5:00 P.M. Pacific Time each Business Day and on dates with scheduled automatic ACH payments shall begin at 6:00 A.M. Pacific Time. Provide either same-day resolution for problems or concerns raised by the Issuer or provide daily status updates if same-day resolution is not achieved. Provide notification to the State if the problem or concern cannot be addressed within two Business Days.

Issuer and Payor relations will be the responsibility of Carolyn Morrison, the Account Manager assigned to the Fiscal Agency Services relationship. Carolyn is a senior Account Manager with an Operations background. She is very familiar with the requirements imposed by the position, and she is acquainted with nearly every Issuer and Payor in the State. She will be assisted by Ryan Brennan who is familiar many local Issuers and Payors in the State.

Carolyn and Ryan are both located in the Seattle office of U.S. Bank's Global Corporate Trust Services. The Seattle office also serves as the headquarters for the Northwest Region of Global Corporate Trust Services. In addition to handling Issuer and Payor relations, Carolyn will also coordinate with underwriters, bond counsel, and financial advisors to prepare for and to attend bond closings. She and/or Ryan will be available each business day until 5:00 PM Pacific Time.

1.20.2 The Fiscal Agent shall provide regular outreach efforts to Issuers such as attending meetings/conferences of Washington associations of municipal finance professionals, visiting Issuers or by other means, to encourage mutual understanding and open communications.

U.S. Bank Global Corporate Trust Services will continue in its' support of various meetings/conferences of Washington associations of municipal finance professionals such as Municipal Finance Officers Association, Municipal Treasurers Association, County Treasurers' Association, etc. Upon confirmation of the dates and times of meetings/conferences, U.S. Bank will be available at these meetings/conferences to provide a demonstration of their corporate trust services.

1.20.3 Upon request, the Fiscal Agent shall provide training to Issuers and Payors on obtaining reports from the Fiscal Agent's web-based service.

U.S. Bank Global Corporate Trust Services gladly welcomes the opportunity to provide training to Issuers and Payors on our corporate trust services and our many bondholder

7. SERVICES PERFORMED (continued)

services that are available, including, but not limited to, our web-based service. These training sessions, if requested, will be done at the convenience of the Issuer and/or Payor.

1.20.4 Maintain up-to-date Issuer contact information

U.S. Bank Global Corporate Trust Services will work closely with the Issuers to ensure that all our account record systems maintain up-to-date Issuer contact information.

1.21 Operation/System Requirements.

1.21.1 Maintain and administer an efficient operation/system to process Issuer data. This includes, but is not limited to, all operations from the receipt of each item through data preparation/entry, verifying and reconciling all payments and non-payments, preparing standard monthly reports and other special analysis reports, and filing and retaining shells/coupons. Data entry and file update operations must be completed within a reasonable period after a new issue closes and other transactions or events occur.

The assigned Account Manager will review all bond issuance documentation, provide appropriate comments, and generally ensure the accuracy of documents pertaining to each bond closing from the Trustee perspective. This includes execution and authentication of bond documents evidencing acceptance of duties as Trustee. The Account Manager, along with key support personnel, will establish funds and accounts in accordance with bond issuance documentation. At the closing of the bond issuance, the Account Manager will monitor and ensure bond proceeds, including any debt service reserve amounts, are deposited and invested in accordance with the terms of bond issuance documentation.

The Account Manager is supported by a team of specialists who focus on specific operational areas. The entire team is charged with executing a service solution that meets the needs of the customer. Cash balances and investments are reconciled on SEI, our trust accounting system, and are managed by our Trust Finance Management team. Bonds outstanding are maintained on Bondmaster, our bondholder recordkeeping system that is managed by the Support Services team. Key dates, events and compliance reporting requirements are monitored through our Account Control System (ACS) that is managed by our Trust Review team. The Account Manager along with each of the three support groups (Trust Finance Management, Trust Review and Support Services) work together to ensure that these important functions are performed in an accurate and timely manner

1.21.2 Maintain adequate safeguards to prevent unauthorized access to Issuer/Payor information and to protect confidential Issuer information.

At U.S. Bank, we have an important obligation to safeguard the personal and financial information to which we have been entrusted. We will maintain the stringent safeguards that restrict unwanted or unauthorized access to client information. U.S. Bank maintains a comprehensive set of security policies modeled around the ISO 27001 security standard. These policies are reviewed and approved annually.

Client files that come into the possession of U.S. Bank customer service and account service personnel are kept in secured areas in our administrative offices, each of which

7. SERVICES PERFORMED (continued)

feature redundant access/security procedures. These files are not allowed to be removed from the premises.

U.S. Bank has a legal and ethical responsibility to ensure that its information is secure and private, is current and maintained accurately, and is available to authorized recipients when needed. The enterprise is also expected to obtain and process information fairly, keep it only for specified and lawful purposes, process data only in ways compatible with the purposes for which it was given initially, and ensure that data kept is adequate, relevant, and not excessive. Moreover, data is not kept longer than necessary for the purposes specified to the data subject, as required by applicable laws.

U.S. Bank is committed to protecting the confidentiality, integrity, availability, and privacy of confidential data. Our reputation rests, in part, upon securely maintaining our customers' information assets. We understand the importance of safeguarding all the information we have been entrusted with, regardless of who owns that information. All partner data is classified as "U.S. Bank Confidential" or "U.S. Bank Customer Confidential," as are our trade secrets and customers' personal information.

U.S. Bank follows the outline of the ISO 27001 Standards for an Information Security Management System, which is a widely accepted as a comprehensive catalog of information security controls and practices. U.S. Bank Information Security Policies have been aligned with this standard as well.

1.21.3 Maintain a tested business recovery and continuity plan to protect Issuer/Payor data and provide alternate operating capability.

Each line of business at U.S. Bank is required to establish, maintain, and exercise a viable business continuity plan. Senior management certifies that all plans are viable and updated as needed. The documented plans include: names of staff on the recovery team, location for recovery meetings, strategies, calling tree, outside contacts, and dependencies.

The U.S. Bank Business Continuity department reviews all plans and exercises for adequacy and ensures sign-off and approval by senior management. The Securities Processing Services Operations has been evaluated as a "critical" processing function and must meet defined U.S. Bank standards, including a 48 hour recovery time. The state's files will be part of the Security Processing System and recovery will meet all established, documented, and approved procedures.

The ultimate test of the business recovery and continuity plan was held In January 2013, when our NY office at 100 Wall Street was severely flooded by Super Storm Sandy, causing temporary relocation of hundreds of staff for several months, until repairs were made and building access restored. Account data, tickler systems, funds processing investments, debts service, etc. all continued without issue starting the next day. Many also worked from home and remotely via VPN connection with full access to vital systems and data files.

7. SERVICES PERFORMED (continued)

1.21.4 Maintain an internal control structure that ensures all transactions recorded are complete, accurate, properly authorized and supported by adequate documentation; and adequate policies and procedures exist to prevent and detect errors, irregularities, and illegal acts.

Once the Fiscal Agent accounts are operational, the team that manages the client's accounts will work together on a daily basis to ensure all documents are followed and all funds are moved in accordance with the guidelines of the documents. The following will be done by the team that manages the client's accounts:

The Account Manager will review and comment on all closing documents, close the transaction and work with the Trust Financial Management ("TFM") specialist to establish the required trust accounts as well as provide instructions to our operations group for setup on our bondholder recordkeeping system, BondMaster if required.

Shortly after closing, the Account Manager will establish required ticklers to monitor all duties and responsibilities of the fiscal agent (including compliance items required to be furnished to the fiscal agent). The ticklers are generated well in advance of any due date or payment date in order to provide the relationship team sufficient time to prepare for the required item.

These account setup functions are then passed on to a Trust Review person who performs a secondary review to ensure that all information has been established accurately and completely pursuant to the governing documents.

For debt service, the established, verified tickler(s) will generate well in advance of the payment due date and is the first trigger point for action by the relationship team. With oversight by the Account Manager, a determination will be made as to the interest and principal (if applicable) due for each specific bond issue based upon reports from our bondholder recordkeeping system received from our Corporate Trust Operations Group. Your U.S. Bank Corporate Trust Services Team will verify that the amounts received are correct and will provide a debt service invoice to the borrowers in advance of the payment dates stating the amounts, due dates and the issue descriptions. Spreadsheets with deal-specific information such as amounts due, account numbers and the source of funds (investment maturity, wire from the GIC provider, etc) are maintained by the team that help track the movement of funds required for debt service. As debt service is one of the most critical responsibilities of the Trustee, Registrar and Paying Agent, on the payment date the team's primary focus for that day is debt service on all issues paying on that date. Communication occurs throughout the actual payment date between your relationship team and the Corporate Trust Operations group to ensure that all funds have been received by Corporate Trust Operations for payment to the bondholders.

Throughout the administration of each account, your relationship team will communicate very closely to ensure timely coordination of all required tasks and responsibilities. The Account Manager will be your primary point of contact and we encourage your staff to work closely with the other members of our team that are dedicated to this significant relationship.

7. SERVICES PERFORMED (continued)

1.22 Additional Services.

Issuers may issue Bonds or participate in financings that include various components or characteristics, including, but not limited to:

- *Credit enhancement*
- *Bond insurance*
- *Letters of credit*
- *Liquidity facilities*
- *Tax-advantaged Bonds for which the federal government provides periodic payments*

Accordingly, the following additional services may be requested by an Issuer:

- *Bond insurance – keep policies and draw on policies as required;*
- *Letter of Credit services – maintain custody of various types of letter of credit documents, maintain and service instruments in accordance with its terms and conditions, prepare and execute draws from principal and/or interest on Bonds, track maturity and renewal dates, and monitor optional redemption;*
- *Liquidity Facilities services – maintain custody of original documents, monitor provisions relating to liquidity draws and renewal dates, and track the outstanding value of such instruments;*
- *Act as calculation agent and prepare the necessary tax forms for tax advantaged Bonds and submit such forms to the IRS in a timely manner; and*
- *Executing additional documentation confirming the foregoing services.*

As a leading domestic provider of corporate trust services, U.S. Bank is on the cutting edge in anticipating and adapting to the evolving needs of the public finance market. U.S. Bank has a vast experience in all types of complex municipal financings that include components or characteristics such as credit enhancements, bond insurance, letters of credit, liquidity facilities and tax-advantaged Bonds for which the federal government provides periodic payments.

U.S. Bank understands that with these types of complex municipal financings additional services may be requested by an Issuer. U.S. Bank is prepared to execute additional documentation confirming the performance of additional services related to, but not exclusive of, the following:

Bond Insurance: U.S. Bank is prepared to hold in safekeeping and draw upon, as required under the Authorizing Documents, Bond Insurance policies that are related to any given bond financing governed under the Fiscal Agency Services contract.

Letters of Credit: U.S. Bank is prepared to hold in custody and draw upon, as required under the Authorizing Documents, letters of credit that are related to any given bond financing governed under the Fiscal Agency Services contract. U.S. Bank has established account control measures to effectively and efficiently monitor the expiration and renewal dates of letters of credit.

Liquidity Facilities: U.S. Bank is prepared to hold in custody and draw upon, as required under the Authorizing Documents, liquidity facilities that are related to any given bond financing governed under the Fiscal Agency Services contract. U.S. Bank has established account control measures to track the outstanding value and renewal dates of the liquidity facilities.

7. SERVICES PERFORMED (continued)
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Calculation Agent: U.S. Bank is prepared to provide calculation agent services if requested to do so and submit appropriate forms with IRS as required.

1.23 Other Services.

Provide other related Bonds processing services acting in a Fiscal Agent capacity as requested by the State or an Issuer or a Payor with the State's consent.

U.S. Bank stands ready to provide such other bond processing services as may be required by the State of Washington and local obligors. We are fully committed to anticipating and providing for the needs of the rapidly-evolving municipal marketplace.

ADDENDUM

TO

EXHIBIT A (Scope of Services)

This Addendum shall clarify, or add to, certain responses provided by U.S. Bank National Association ("U.S. Bank") to the State Finance Committee State of Washington Request for Proposals for Washington State Fiscal Agency Services dated as of May 5, 2014 which responses have been incorporated in the Exhibit A (Scope of Services) as attached to the State Finance Committee State of Washington Agreement for Fiscal Agency Services dated as of _____, 2014, by and between the State Finance Committee, as agent of the state of Washington (the "State") and U.S. Bank National Association ("U.S. Bank") (the "Fiscal Agent").

*(All clarifications or additions to language are marked in **bold** lettering)*

Section III SCOPE OF SERVICES

1. Fiscal Agency Services

1.1 Paying Agent

1.1.1 Bearer Bonds

The last sentence of the stated response is amended to read as follows:

*The Payment Division also processes all Bond Drop window presentments in St. Paul, MN **and** all items presented and paid at U.S. Bank branches **(excluding in-store branches)** in the State of Washington.*

1.1.2 Registered Bonds

The stated response is amended in its entirety to read as follows:

*U.S. Bank's Global Corporate Trust Services Payment Division of its' Support Services Group, located in St. Paul, MN, will receive all presentments from its' Mail Department, determine that it is the authorized payment agent, review/approve all legal documentation, if any, check the bonds for authenticity, and make the appropriate principal and/or interest payment, either on or after the due date, by check, ACH or wire transfer, utilizing our Bondmaster accounting system. This process pertains to either registered book entry or non-book entry bonds. If applicable, it then cancels the physical bond(s) with an appropriate 'cancelled' stamp and files the completed batch work in accordance with the Securities and Exchange Commission guidelines for Transfer Agent's. The Payment Division also processes all Bond Drop window presents in St. Paul, MN and all items presented and paid at U.S. Bank branches, **excluding in-store branches**, in the State of Washington. U.S. Bank branches, **excluding in-store***

branches, in the State of Washington will make payments as described in 1.2 below. U.S. Bank will be able to pay bonds held by the U.S. Department of Agriculture as provided in the Authorizing Documents. U.S. Bank will fund the U.S. Department of Agriculture Demand Deposit Account ("DDA") on each payable date and the U.S. Department of Agriculture will originate an ACH withdrawal from their DDA.

1.2 Local Paying Agent

The stated response is amended in its entirety to read as follows:

U.S. Bank's Washington State branch network (excluding in-store branches) with 184 branch locations throughout the state, stands ready to pay, upon presentment, all authorized bonds (registered book-entry or registered non-book entry) that have matured or been called for early redemption. Upon presentation of any of the aforementioned bonds at a given teller's window, that teller will contact U.S. Bank's Global Corporate Trust Services Support Services Group in St. Paul, MN. to receive confirmation that the items presented are valid and payable. With this confirmation, the teller will offer the bondholder the option of payment by cash (limited to \$5,000.00) or cashier's check or, if applicable, by direct credit to a U.S. Bank checking or savings account. Presentations for immediate payment will be accepted at branches (excluding in-store branches) from opening for business in the morning until 3:30 PM Monday through Friday. Many branches are open for business until 6:00PM and on Saturdays; items presented after 3:30PM or on Saturdays will be paid the following business day upon confirmation of validity. These procedures are an exception to standard branch payment policies, offered as an accommodation only to the State of Washington and local obligors in connection with the fiscal agency services contract. Standard U.S. Bank policies provide for payment only to U.S. Bank customers, but we agree to make immediate payment to any presenter of valid State of Washington Fiscal Agency items. Upon award of the State of Washington Fiscal Agency Services contract, U.S. Bank will ensure that our branch network is fully aware of the procedures outlined in this Section.

1.11 Unclaimed Property

The following stated response is amended in its entirety to read as follows:

U.S. Bank's Unclaimed Property Division prepares and completes due diligence of unclaimed funds prior to escheating to the various states. If a written request has not been received from an Issuer or if the authorizing documents are silent with regards to escheatment, U.S. Bank will follow Washington state law, and the unclaimed property shall be reported and remitted to the State Department of Revenue two years after the funds have become payable or distributable. U.S. Bank will send a notice to the applicable Issuer when funds are to be escheated to the state for their respective bond issuances.

Upon written request of an individual Issuer, the Fiscal Agent shall transfer to any individual Issuer such unpaid balances and any relevant records identifying the obligation and the registered owner, if known, on the first Business Day of the 13th month after the date due for payment or redemption.

1.16 Reporting

1.16.1 Web-based Services

The following shall be added to the stated response:

U.S. Bank will provide timely confirmation by phone or email to an Issuer and/or Payor that their applicable debt service payment matches the debt service payment calculated to be due by U.S. Bank.

At least 15 Calendar Days prior to the due date, invoices for payments of principal and interest ("Maturity Bill Statements") will be available to an Issuer and/or Payor for viewing through U.S. Bank's web based portal system, CID. Any revision made to a Maturity Bill Statement will be communicated, and made available for viewing, to an Issuer and/or Payor through U.S. Bank's web based portal system, CID.

U.S. Bank fee invoices will be communicated, and made available for viewing, to an Issuer and/or Payor through U.S. Bank's web based portal system, CID by the 30th of any applicable month.

1.20 Issuer Relations

1.20.1 Issuer inquiries

The last sentence of the stated response is amended to read as follows:

She and/or Ryan will be available each business day until 5:00PM Pacific Time and will also be available at 6:00AM Pacific Time on days when an Issuer and/or Payor's automatic ACH Payments are scheduled to be received by U.S. Bank.

1.30 Data Validation

1.30.1 Data Validation

U.S. Bank will prepare an amortization schedule based on the legal documents and any call information received. U.S. Bank will do a verification prior to each payable date and debt service billing. U.S. Bank will confirm that mandatory and optional redemption date information that is received from the Prior Fiscal Agent is compared to the legal documents no later than August 1, 2015.

U.S. Bank will verify amounts outstanding with the data received from the Prior Fiscal Agent and escalate discrepancies to the State and Issuers to attempt to determine the accurate amounts outstanding and future call amounts.

U.S. Bank will not be able to confirm bondholder transfer activity or holdings. U.S. Bank will also not be able to confirm if optional calls

*were completed properly or if defeasances/refundings have occurred
unless provided with the applicable documentation.*

Exhibit B



**Updated 10-21-2014
ATTACHMENT D
PROPOSED FEE SCHEDULE**

	<u>Price by Unit or Otherwise</u>
Acceptance / Set-up Fee	
<u>Fiscal Agent Support / Closing Services:</u>	
Book Entry	Waived
Non-Book Entry	Waived
Other (<i>please specify</i>)	N/A
Annual Administrative Fee	
<u>Fixed Rate Issues:</u>	
Book Entry (<i>per series</i>)	\$300.00
Non-Book Entry (<i>per series</i>)	\$170.00
<u>Variable Rate Issues:</u>	
VRDOs (<i>per series</i>)	\$1,000.00
Commercial Paper (<i>per series</i>)	\$2,000.00
<u>LOCAL Program – Collection Services:</u>	
Annual Administrative Fee (<i>per lease</i>)	\$175.00
Other (<i>please specify</i>)	N/A
Registrar / Transfer Agent	
<i>Please specify</i>	Waived
Variable Rate Services	
Tender Agent – Book Entry	Waived
Tender Agent – Non-book Entry	Waived
Draw on Credit Facility (<i>per draw</i>) – VRDOs	Waived
Draw on Credit Facility (<i>per draw</i>) – Commercial Paper	Waived
Commercial Paper – Issuance (<i>per trade</i>)	Waived
Other (<i>please specify</i>)	Waived
Payment Services	
Per principal paid	Waived
Other (<i>please specify</i>)	Waived
Investment Service Fee	
Charge for investing Working Balances	50 Basis Points
<i>Charge is deducted Prior to distribution of earnings to Obligors.ⁱ</i>	(basis points)
Other Services	
Destruction	Waived
Bond Redemptions	Waived
Lost Bonds	Waived
EMMA Notices	Waived
Special reports (See “Additional Reporting” in Section III – 1.16.2)	Waived
Other: Routine duties of Dissemination Agent (Annual Fee) per engagement (using U.S. Bank Standard Dissemination Agreement)	\$100.00



ATTACHMENT D
PROPOSED FEE SCHEDULE
(Continued)

Additional Services

Custodial Services (See "Additional Services" in Section III – 1.22)	Waived
Escrow Services – COP Prepayment / Defeasance (<i>per escrow / per year</i>)	\$200.00
Optional Issuer Notices	Waived
Calculation agent services (See "Additional Services" in Section III – 1.22)	\$200.00
Other (<i>please specify</i>):	
Service charge for statements generated in paper form and mailed by the Fiscal Agent (per Obligor / per month)	\$20.00

Direct Out of Pocket Expenses

At Cost

U.S. Bank will bill for out of pocket expenses directly associated with the performance of its duties, including but not limited to publications and filing fees.

Extraordinary Expenses

At Cost

In the event that extraordinary services are required to be performed by U.S. Bank, the fee for service will be negotiated in advance between the State, the affected Issuer/Obligor if applicable, and U.S. Bank. Extraordinary services are those services that are necessary to the performance of the duties of the Fiscal Agent but not otherwise called out within the scope of the Agreement or in the fee schedule.

ⁱ Please note that this charge does not apply to the balance invested in either the U.S. Bank Money Market Deposit Account or U.S. Bank Open Commercial Paper. It will only be applied to the working cash balance held in U.S. Bank Deposit Demand Account for Uninvested Cash.

Exhibit C

ATTACHMENT E-1 FORM OF TRUST AGREEMENT FOR COPS

TRUST AGREEMENT, SERIES #1#

by and among the

WASHINGTON FINANCE OFFICERS ASSOCIATION

and the

STATE OF WASHINGTON

and

THE BANK OF NEW YORK MELLON,

as Fiscal Agent

Dated as of _____, 200__

Relating to

\$ _____

State of Washington

Certificates of Participation, Series #1# (_____)

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EXHIBIT A – FORM OF CERTIFICATES

TRUST AGREEMENT, SERIES #1#

THIS TRUST AGREEMENT, SERIES #1# (the "Trust Agreement"), dated as of _____, 200_, is entered into by and among the STATE OF WASHINGTON (the "State"), acting by and through the State Treasurer (the "State Treasurer"), THE BANK OF NEW YORK MELLON, a banking corporation duly organized and existing under and by virtue of the laws of the State of New York (the "Fiscal Agent"), and the WASHINGTON FINANCE OFFICERS ASSOCIATION, a nonprofit corporation duly organized and existing under and by virtue of the laws of the State of Washington (the "Corporation").

RECITALS

WHEREAS, the State, acting by and through the State Treasurer, is authorized to enter into financing contracts, including but not limited to financing leases, for and on behalf of certain state agencies (as defined in Appendix I hereto, "State Agencies") and certain local government agencies (as defined in Appendix I hereto, "Local Agencies," and together with State Agencies, "Agencies") for the use and acquisition of real and personal property pursuant to Chapter 356, Laws of Washington, 1989, codified as Chapter 39.94 of the Revised Code of Washington (the "RCW"), as supplemented and amended, (the "Act"), including but not limited to by Chapter 291, Laws of Washington, 1998; and

WHEREAS, the State Treasurer has established a consolidated program providing for the execution and delivery of certificates of participation in such financing contracts, or in master financing contracts with respect thereto, in series from time to time in order to provide financing or refinancing for the costs of acquisition or improvement of such real and personal property by such State Agencies and Local Agencies; and

[USE WITH R/E] WHEREAS, the Corporation and certain Agencies each have entered into a Site Lease, Series #1#, dated as of the Dated Date (the "Site Leases"), for the lease of certain parcels of real property (the "Site") for the sole purpose of subleasing the Site to the Corporation, which will sublease such Site to the State in order to finance or refinance the acquisition or improvement thereof (the "Projects"); and

[USE WITH R/E] WHEREAS, the Corporation and the State, acting by and through the State Treasurer, have entered into a Master Financing Lease, Series #1#, dated as of the Dated Date (the "Master Financing Lease"), which constitutes a "financing lease," a "financing contract" and a "master financing contract" as contemplated by the Act, pursuant to which the Corporation has subleased the Sites and the Projects thereon (collectively, the "Property"), as more particularly described in the Master Financing Lease, to the State; and

[USE WITH EQUIPMENT] WHEREAS, the Corporation and the State, acting by and through the State Treasurer and certain State Agencies, have entered into a Master Financing Contract, Series #1#, dated as of the Dated Date (the "Master Financing Contract" **and together with the Master Financing Lease, the "Master Financing Agreements"**), which constitutes a "conditional sales contract," a "financing contract" and a "master financing contract" as contemplated by the Act, pursuant to which the Corporation has sold certain personal property,

as more particularly described in the Master Financing Contract to the State (collectively with the Sites and the Projects, the "Property"); and

[USE WITH R/E] WHEREAS, under and pursuant to the Master Financing Lease, the State Treasurer is obligated to make Base Rent Payments (as defined in Appendix I hereto) to the Corporation for the sublease of the Property described therein from the sources set forth therein; and

[USE WITH EQUIPMENT] WHEREAS, under and pursuant to the Master Financing Contract, the State Treasurer is obligated to make Installment Payments (as defined in Appendix I hereto) to the Corporation for the acquisition of the Property described therein from the sources set forth therein; and

WHEREAS, the State Finance Committee has authorized the execution and delivery of this Trust Agreement pursuant to Resolution No. 987 adopted on October 7, 2003; and

WHEREAS, the Corporation has granted, assigned, sold, transferred and conveyed to the Fiscal Agent without recourse its right to receive the **Base Rent Payments and Installment Payments (collectively, the "State Payments")** scheduled to be made by the State under and pursuant to the respective Master Financing Agreement, together with all of its remaining right, title and interest in, to and under the **Site Leases, the Master Financing Agreements** and the Property, pursuant to the Master Assignment[s], Series #1#, each dated as of the Dated Date, by and between the Corporation and the Fiscal Agent (the "Master Assignment[s]"); and

WHEREAS, in consideration of such assignments and the execution of this Trust Agreement, the Fiscal Agent hereby agrees to execute and deliver the Certificates of Participation in an aggregate principal amount equal to the Principal Components of such State Payments, each evidencing and representing an undivided proportionate interest in such State Payments; and

WHEREAS, the State Treasurer hereby determines that all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Trust Agreement and the Certificates do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the execution and delivery of this Trust Agreement and the Certificates have been in all respects duly authorized;

NOW, THEREFORE, in consideration of these premises and the mutual covenants and agreements contained herein and for other valuable consideration, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS; CONSTRUCTION; MISCELLANEOUS PROVISIONS; SUPPLEMENTS; EQUAL SECURITY

SECTION 1.01 Definitions; Construction; Miscellaneous Provisions; Supplements. Capitalized terms used but not otherwise defined in this Trust Agreement shall have the

respective meanings given such terms in Part 1 of Appendix I, which is incorporated herein and made a part hereof by this reference. This Trust Agreement shall be construed in accordance with the Rules of Construction set forth in Part 2 of Appendix I, which is incorporated herein and made a part hereof by this reference. The miscellaneous provisions set forth in Part 3 of Appendix I are incorporated herein and made a part hereof by this reference. This Trust Agreement may be supplemented and amended from time to time in accordance with Part 4 of Appendix I, which is incorporated herein and made a part hereof by this reference.

SECTION 1.02 Content of Certificates of the State Treasurer. Every Certificate of the State Treasurer with respect to compliance with any agreement, condition, covenant or term contained herein shall include: (i) a statement that the person or persons making or giving such certificate have read such agreement, condition, covenant or term and the definitions herein relating thereto; (ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements contained in such certificate are based; (iii) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such agreement, condition, covenant or term has been complied with; and (iv) a statement as to whether, in the opinion of the signers, such agreement, condition, covenant or term has been complied with.

SECTION 1.03 Basis of Certificates of the State Treasurer. Any Certificate of the State Treasurer may be based, insofar as it relates to legal matters, upon an Opinion of Counsel. Any Opinion of Counsel may be based, insofar as it relates to factual matters information with respect to which is in the possession of the State Treasurer, upon a Certificate of the State Treasurer unless the counsel executing such Opinion of Counsel knows that the representation with respect to the matters upon which his or her opinion may be based is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

SECTION 1.04 Equal Security. In consideration of the acceptance of the Certificates by the Owners, this Trust Agreement shall be deemed to be and shall constitute a contract between the Fiscal Agent and the Owners to secure the full and final payment of the principal, Prepayment Price, if any, and interest evidenced and represented by the Certificates which may be executed and delivered hereunder, subject to the covenants, agreements, terms and conditions contained herein; and all covenants, agreements, terms and conditions contained herein required to be observed or performed by or on behalf of the Fiscal Agent shall be for the equal and proportionate benefit, protection and security of all Owners without preference, priority or distinction as to security or otherwise of any Certificates over any other Certificates by reason of the number or date thereof or the time of execution or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein. All Certificates executed and delivered hereunder and at any time Outstanding shall be equally and ratably secured with all other Outstanding Certificates, with the same right, lien, preference and priority with respect to State Payments, the Property and otherwise, except as expressly provided herein and therein.

ARTICLE II

THE CERTIFICATES

SECTION 2.01 Authorization of Certificates; Terms of Certificates.

(a) Authorization of Certificates. The Fiscal Agent is hereby authorized to prepare, execute and deliver the Certificates in an Initial Principal Amount of _____ Dollars (\$ _____), representing the aggregate of the Principal Components, and each evidencing and representing an undivided proportionate interest in the State Payments. The Certificates shall be designated the "State of Washington Certificates of Participation, Series #1# (_____)". The Certificates shall be prepared only in the form of fully registered Certificates, without coupons. The Certificates shall be in substantially the form set forth in Exhibit A hereto, with such necessary or appropriate insertions, omissions and variations as required hereby. No additional Certificates shall be executed and delivered hereunder other than in connection with transfers, exchanges, partial prepayments and replacements of Certificates.

Each Certificate shall be numbered in such manner as the Fiscal Agent shall determine. Pursuant to recommendations promulgated by the Committee on Uniform Security Identification Procedures, "CUSIP" numbers may be printed on the Certificates. The Certificates may bear such endorsement or legend relating thereto the Fiscal Agent may deem necessary or appropriate.

(b) Terms of Certificates. The Certificates shall be dated _____, 200_. The Certificates shall be payable in lawful money of the United States of America and shall be executed and delivered only in Authorized Denominations. Interest evidenced and represented by the Certificates shall be computed on the basis of a 360-day year, consisting of twelve 30-day months.

The Principal Components evidenced and represented by the Certificates shall be payable on the Principal Payment Dates and shall evidence and represent interest at the rates as follows:

Principal Payment Date	Equipment Principal Component	Real Property Principal Component	Aggregate Principal Component	Interest Rate
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The Interest Components evidenced and represented by the Certificates shall be payable on each Interest Payment Date, commencing _____, 200_.

Each Certificate shall evidence and represent interest from the Interest Payment Date next preceding its date of execution to which interest has been paid in full, unless such date of execution shall be an Interest Payment Date, in which case such Certificate shall evidence and represent interest from the date of execution thereof, or unless such date of execution shall be

after a Record Date and prior to the next succeeding Interest Payment Date, in which case such Certificate shall evidence and represent interest from such Interest Payment Date; *provided, however*, that if, as shown by the records of the Fiscal Agent, interest evidenced and represented by the Certificates shall be in default, the Certificates shall evidence and represent interest from the last date to which interest has been paid in full or duly provided for, or if no interest has been paid or duly provided for, from their date.

Payment of the Principal Component or Prepayment Price evidenced and represented by each Certificate shall be made on the Principal Payment Date or Prepayment Date upon presentation and surrender thereof at the Principal Office of the Fiscal Agent. Payment of the Interest Component evidenced and represented by each Certificate shall be made on each Interest Payment Date to and including the Principal Payment Date or Prepayment Date to the Person whose name appears on the Certificate Register as the Owner thereof as of the close of business on the Record Date, such interest to be paid by check or draft mailed by first class mail on such Interest Payment Date to such Owner at the address as it appears on such Certificate Register. CUSIP number identification shall accompany all payments with respect to interest, principal and Prepayment Price evidenced and represented by the Certificates, whether by check or by wire transfer.

The Certificates shall evidence and represent interest as provided in this Section 2.01(b) until payment of the Principal Component or Prepayment Price evidenced and represented by the Certificates shall have been made or duly provided for in accordance herewith, whether on the Principal Payment Date, upon prepayment or otherwise. The interest evidenced and represented by the Certificates shall consist of the sum of the Interest Components coming due on the respective Interest Payment Dates. The principal evidenced and represented by the Certificates due on the Principal Payment Date or Prepayment Date shall consist of the sum of the Principal Components coming due or subject to prepayment on such dates.

The Fiscal Agent and any Paying Agent may treat the Owner of any Certificate as the absolute owner thereof for all purposes, whether or not such Certificate shall be overdue, and the Fiscal Agent and the Paying Agents shall not be affected by any knowledge or notice to the contrary. Payment of the principal, interest and Prepayment Price evidenced and represented by each Certificate shall be made only to the Owner thereof, which payments shall be valid and effective to satisfy and discharge the obligation evidenced and represented by such Certificate to the extent of the sum or sums so paid.

SECTION 2.02 Execution of Certificates. The Certificates shall be executed by the Fiscal Agent by the manual signature of an authorized signatory of the Fiscal Agent. The Fiscal Agent shall deliver replacement Certificates in the manner and subject to the conditions set forth in this Article II. Such replacement Certificates shall be executed as provided herein and shall be in Authorized Denominations.

SECTION 2.03 Transfer and Exchange of Certificates.

(a) Transfer. Any Certificate may, in accordance with the terms of this Trust Agreement, be transferred, upon the Certificate Register required to be kept by the Fiscal Agent pursuant to the provisions of Section 2.04 hereof, by the Person in whose name it is registered, in

person or by the attorney of such Person duly authorized in writing, upon surrender of such Certificate for cancellation at the Principal Office of the Fiscal Agent, accompanied by a written instrument of transfer in a form approved by the Fiscal Agent duly executed. Whenever any Certificate shall be surrendered for transfer, the Fiscal Agent shall execute and deliver a new Certificate or Certificates for a like aggregate principal amount of Certificates in Authorized Denominations with the same Principal Payment Date. The Fiscal Agent shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer, and there shall be no other charge to any Owners for any such transfer.

No transfers of Certificates shall be required to be made after the Record Date and prior to the next succeeding Interest Payment Date, or during the period commencing seven (7) Business Days preceding the giving of any notice of prepayment and ending on the date such notice is given. If the Fiscal Agent makes any transfer after the date of mailing of notice of prepayment given pursuant to Section 4.04 hereof, the Fiscal Agent shall provide to any transferee who becomes an Owner after such date and prior to the Prepayment Date a copy of any notice of prepayment so mailed and shall obtain from such transferee a written acknowledgment of receipt of such notice.

(b) Exchange. Certificates may be exchanged at the Principal Office of the Fiscal Agent for a like aggregate principal amount of Certificates of Authorized Denominations with the same Principal Payment Date. The Fiscal Agent shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange, and there shall be no other charge to any Owners for any such exchange. No exchange of Certificates shall be required to be made after the Record Date and prior to the next succeeding Interest Payment Date.

SECTION 2.04 Certificate Register. The Fiscal Agent will keep or cause to be kept sufficient records for the registration and transfer of the Certificates, which records shall be open to inspection by the Corporation and the State Treasurer during the Fiscal Agent's regular business hours; and, upon presentation for such purpose, the Fiscal Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said records, Certificates as hereinbefore provided.

SECTION 2.05 Temporary Certificates. The Certificates may be executed and delivered initially in temporary form exchangeable for definitive Certificates when ready for delivery. The temporary certificates may be printed, lithographed or typewritten, shall be in Authorized Denominations, and may contain such reference to any of the provisions of this Trust Agreement as may be appropriate. Every temporary certificate shall be executed, delivered and registered by the Fiscal Agent upon the same conditions and in substantially the same manner as the definitive Certificates. If the Fiscal Agent executes and delivers temporary Certificates, it will prepare, execute and deliver definitive Certificates without delay, and thereupon the temporary Certificates may be surrendered for cancellation at the Principal Office of the Fiscal Agent. The Fiscal Agent shall cancel such temporary Certificates and shall execute and deliver in exchange for such temporary Certificates definitive Certificates in Authorized Denominations in an equal aggregate principal amount. Until so exchanged, the temporary Certificates shall be

entitled to the same benefits under this Trust Agreement as definitive Certificates executed and delivered hereunder.

SECTION 2.06 Certificates Mutilated, Lost, Destroyed or Stolen. If any Certificate shall become mutilated, the Fiscal Agent, at the expense of the Owner of said Certificate, shall execute and deliver a new Certificate of like tenor in exchange and substitution for the Certificate so mutilated, but only upon surrender to the Fiscal Agent of the Certificate so mutilated. Every mutilated Certificate so surrendered to the Fiscal Agent shall be delivered to the Fiscal Agent for cancellation, shall be cancelled by the Fiscal Agent, and shall be destroyed. If any Certificate executed and delivered hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Fiscal Agent, and if such evidence is satisfactory to the Fiscal Agent and the State Treasurer and indemnity satisfactory to the Fiscal Agent and the State Treasurer shall be given, the Fiscal Agent, at the expense of the Owner, shall execute and deliver a new Certificate of like tenor in lieu of and in substitution for the Certificate so lost, destroyed or stolen (or if the Principal Component evidenced and represented by any such Certificate shall have become due and payable or shall be about to become due and payable, instead of executing and delivering a substitute Certificate the Fiscal Agent may pay the same without surrender thereof). The Fiscal Agent may require payment of a reasonable fee for each new Certificate executed and delivered under this Section and payment of the expenses which may be incurred by the State Treasurer and the Fiscal Agent. Any Certificate executed and delivered under the provisions of this section in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits of this Trust Agreement with all other Certificates secured hereby.

The Fiscal Agent shall not be required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining any percentage of Certificates Outstanding hereunder, but both the original and replacement Certificate shall be treated as one and the same.

SECTION 2.07 Book-Entry Only System. (a) Except as otherwise provided in subsections (b) and (c) of this Section 2.07, the Certificates initially executed and delivered hereunder shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, or such other nominee as DTC shall request. The Certificates shall initially be executed and delivered in the form of a single fully registered Certificate evidencing and representing the aggregate of the Principal Components. Payments of interest, principal and any Prepayment Price evidenced and represented by the Certificates shall be made to the account of Cede & Co. on each Principal Payment Date, Prepayment Date and Interest Payment Date, as applicable, at the address indicated for Cede & Co. in the Certificate Register maintained by the Fiscal Agent by transfer of immediately available funds. DTC has represented to the Corporation and the State Treasurer that it will maintain a book-entry system in recording ownership interests of its participants (the "Direct Participants") and the ownership interests of a purchaser of a beneficial interest in the Certificates (a "Beneficial Owner") will be recorded through book entries on the records of the Direct Participants.

(b) With respect to Certificates so registered in the name of Cede & Co., the Corporation, the State, the Fiscal Agent, and the Paying Agent shall have no responsibility or obligation to any Direct Participant or to any Beneficial Owner of such Certificates. Without

limiting the immediately preceding sentence, the Corporation, the State, the Fiscal Agent, and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Direct Participant with respect to any beneficial ownership interest in the Certificates, (ii) the delivery to any Direct Participant, Beneficial Owner or other Person, other than DTC, of any notice with respect to the Certificates, including any notice of prepayment, (iii) the payment to any Direct Participant, Beneficial Owner or other Person, other than DTC, of any amount with respect to the principal or Prepayment Price or interest evidenced and represented by the Certificates or (iv) any consent given or other action taken by DTC as Owner of the Certificates. The Corporation, the State, the Fiscal Agent, and the Paying Agent may treat DTC as, and deem DTC to be, the absolute owner of each Certificate for all purposes whatsoever including (but not limited to) (x) payment of the principal or Prepayment Price and interest evidenced and represented by each such Certificate, (y) giving notices of prepayment and other matters with respect to such Certificates and (z) registering transfers with respect to such Certificates. The Fiscal Agent shall pay the principal or Prepayment Price and interest evidenced and represented by all Certificates only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the State's obligations with respect to such principal or Prepayment Price and interest, to the extent of the sum or sums so paid. No Person other than DTC shall receive a Certificate evidencing the obligation of the State to make payments of principal or Prepayment Price and interest evidenced and represented by the Certificates pursuant to this Trust Agreement. Upon delivery by DTC to the Fiscal Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the transfer provisions hereof, the word "Cede & Co." in this Trust Agreement shall refer to such new nominee of DTC.

(c) (1) DTC may determine to discontinue providing its services with respect to the Certificates at any time by giving reasonable written notice to the State Treasurer, the Fiscal Agent and the Paying Agent and discharging its responsibilities with respect thereto under applicable law.

(2) The State Treasurer, in its sole discretion and without the consent of any other Person, may terminate, upon provision of notice to the Fiscal Agent and the Paying Agent, the services of DTC with respect to the Certificates if the State Treasurer determines that the continuation of the system of book-entry only transfers through DTC (or a successor securities depository) is not in the best interests of the Beneficial Owners of the Certificates or is burdensome to the State Treasurer, and shall terminate the services of DTC with respect to the Certificates upon receipt by the Corporation, the State Treasurer, the Fiscal Agent and the Paying Agent of written notice from DTC to the effect that DTC has received written notice from Direct Participants having interests, as shown in the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount evidenced and represented by the then Outstanding Certificates to the effect, that: (i) DTC is unable to discharge its responsibilities with respect to such Certificates, or (ii) a continuation of the requirement that all of the Outstanding Certificates be registered in the Certificate Register maintained by the Fiscal Agent in the name of Cede & Co., as nominee of DTC, is not in the best interest of the Beneficial Owners of such Certificates.

(d) Upon the termination of the services of DTC with respect to the Certificates pursuant to subsection (c)(2)(ii) hereof, or upon the discontinuance or termination of

the services of DTC with respect to the Certificates pursuant to subsection (c)(1) or subsection (c)(2)(i) hereof after which no substitute securities depository willing to undertake the functions of DTC hereunder can be found or which, in the opinion of the State Treasurer, is willing and able to undertake such functions upon reasonable and customary terms, the Certificates shall no longer be restricted to being registered in the Certificate Register maintained by the Fiscal Agent in the name of Cede & Co., as nominee of DTC. In such event, the Fiscal Agent shall execute and deliver, transfer and exchange Certificates as requested by DTC or Direct Participants of like principal amount and Principal Payment Date, in Authorized Denominations, to the identifiable Beneficial Owners in replacement of such Beneficial Owners' beneficial interests in the Certificates.

(e) Notwithstanding any other provision of this Trust Agreement to the contrary, so long as any Certificate is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal or Prepayment Price, and interest, evidenced and represented by such Certificate and all notices with respect to such Certificate shall be made and given, respectively, to DTC as provided in the Letter of Representation.

(f) In connection with any notice or other communication to be provided to Owners of Certificates pursuant to this Trust Agreement by the Corporation, the State Treasurer or the Fiscal Agent with respect to any consent or other action to be taken by Owners of Certificates, the Fiscal Agent shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

(g) Notwithstanding any provision herein to the contrary, the Corporation, the State Treasurer and the Fiscal Agent may agree to allow DTC, or its nominee, Cede & Co., to make a notation on any Certificate prepaid in part to reflect, for informational purposes only, the principal amount and date of any such prepayment.

ARTICLE III

DELIVERY OF CERTIFICATES; CREATION OF FUNDS

SECTION 3.01 Delivery of Certificates. The Fiscal Agent is hereby directed to execute and deliver the Certificates in an Initial Principal Amount of _____ Dollars (\$_____). The Fiscal Agent shall deliver the Certificates to the Underwriter upon receipt of the proceeds of sale thereof.

SECTION 3.02 Application of Proceeds of Certificates. [USE WITH R/E/] A portion of the proceeds from the sale of the Certificates (namely, \$ _____) shall be transferred to the State Treasurer for deposit in the Project Fund. [USE WITH EQUIPMENT] A portion of the proceeds from the sale of the Certificates (namely, \$ _____) shall be deposited in the Acquisition Fund. The remaining net sale proceeds (namely, \$ _____) shall be used to pay Costs of Issuance.

SECTION 3.03 Project Fund and Acquisition Fund.

(a) **[USE WITH R/E]** The State Treasurer shall establish and maintain the "State of Washington Certificates of Participation, Series #1# Project Fund" (the "Project Fund"), as agent for the Corporation. The moneys in the Project Fund shall be held by the State Treasurer in trust for the benefit of the Owners and applied to the payment of the Project Costs (including reimbursement to the Corporation, or to the State Treasurer or any Agency, in its capacity as agent of the Corporation, for any such costs theretofore paid by such Party), including but not limited to the Costs of Issuance. Moneys in the Project Fund shall be invested by the State Treasurer in Qualified Investments. Disbursements by the State Treasurer from the Project Fund to pay or reimburse the Project Costs of the related Property or the Projects to be acquired, constructed, financed or refinanced by each Agency shall not exceed the amount in the Project Fund allocable to such Agency, as determined by the State Treasurer. When the Projects and the related Property have been acquired, constructed, financed, or refinanced and all of the Project Costs and Costs of Issuance have been paid, the State Treasurer shall transfer any remaining balance in the Project Fund to the Agency Rent Payment Fund.

(b) **[USE WITH EQUIPMENT]** The State Treasurer shall establish and maintain the "State of Washington Certificates of Participation, Series #1# Acquisition Fund" (the "Acquisition Fund"), as agent for the Corporation. The moneys in the Acquisition Fund shall be held by the State Treasurer in trust for the benefit of the Owners and applied to the payment of the Acquisition Costs of the Property described in the Master Financing Contract (including reimbursement to the Corporation, or to the State Treasurer or any Agency in its capacity as agent of the Corporation, for any such costs theretofore paid by such Party), including but not limited to the Costs of Issuance. Moneys in the Acquisition Fund shall be invested by the State Treasurer in Qualified Investments. Disbursements by the State Treasurer from the Acquisition Fund to pay or reimburse the Acquisition Costs of Property to be acquired by each Agency shall not exceed the amount in the Acquisition Fund allocable to such Agency, as determined by the State Treasurer. When the Property has been acquired or refinanced and all of the Acquisition Costs and Costs of Issuance have been paid, the State Treasurer shall transfer any remaining balance in the Acquisition Fund to the Agency Installment Payment Fund.

ARTICLE IV

PREPAYMENT OF CERTIFICATES

SECTION 4.01 Prepayment of Certificates.

(a) Optional Prepayment. The Certificates with Principal Payment Dates on and after _____, 20__ are subject to prepayment prior to their respective stated Principal Payment Dates, as a whole or in part in Authorized Denominations on any date on or after _____, 20__, upon the exercise by the State, at the direction of any Agency, of its option to prepay the Principal Components evidenced and represented by such Certificates, at the Prepayment Prices (expressed as a percentage of the Principal Components prepaid) of 100% plus accrued interest, if any, evidenced and represented thereby to the Prepayment Date.

(b) Mandatory Prepayment. The Certificates with a Principal Payment Date of _____, 20__ are subject to mandatory prepayment prior to their stated Principal Payment Date, in part by lot in Authorized Denominations, from State Payments on the Principal Payment Dates on and after _____, 20__, in the amount of the Principal Component evidenced and represented thereby being prepaid, plus accrued interest evidenced and represented thereby to the Prepayment Date, without premium, as follows:

<u>Mandatory Prepayment Date</u>	<u>Principal Component</u>
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*Final Maturity.

The Certificates with a Principal Payment Date of _____, 20__ are subject to mandatory prepayment prior to their stated Principal Payment Date, in part by lot in Authorized Denominations, from State Payments on the State Payment Dates on and after _____, 20__, in the amount of the Principal Component evidenced and represented thereby being prepaid, plus accrued interest evidenced and represented thereby to the Prepayment Date, without premium, as follows:

<u>Mandatory Prepayment Date</u>	<u>Principal Component</u>
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*Final Maturity.

The Certificates with a Principal Payment Date of _____, 20__ are subject to mandatory prepayment prior to their stated Principal Payment Date, in part by lot in Authorized Denominations, from State Payments on the State Payment Dates on and after _____, 20__, in the amount of the Principal Component evidenced and represented thereby being prepaid, plus accrued interest evidenced and represented thereby to the Prepayment Date, without premium, as follows:

<u>Mandatory Prepayment Date</u>	<u>Principal Component</u>
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*Final Maturity.

The Certificates with a Principal Payment Date of _____, 20__ are subject to mandatory prepayment prior to their stated Principal Payment Date, in part by lot in Authorized Denominations, from State Payments on the State Payment Dates on and after _____, 20__, in the amount of the Principal Component evidenced and represented thereby being prepaid, plus accrued interest evidenced and represented thereby to the Prepayment Date, without premium, as follows:

<u>Mandatory Prepayment Date</u>	<u>Principal Component</u>
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*Final Maturity.

The Certificates with a Principal Payment Date of _____, 20__ are subject to mandatory prepayment prior to their stated Principal Payment Date, in part by lot in Authorized Denominations, from State Payments on the State Payment Dates on and after _____, 20__, in the amount of the Principal Component evidenced and represented thereby being prepaid, plus accrued interest evidenced and represented thereby to the Prepayment Date, without premium, as follows:

<u>Mandatory Prepayment Date</u>	<u>Principal Component</u>
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*Final Maturity.

(c) Extraordinary Mandatory Prepayment. [USE WITH/ R/E] The Certificates are subject to prepayment on any date prior to their respective Principal Payment Dates, as a whole, or in part by lot in Authorized Denominations, upon certain governmental takings, loss of title, and casualty loss, from amounts deposited in the Prepayment Account pursuant to Section 5.03 hereof, in the amount of the Principal Component evidenced and represented thereby being prepaid, plus accrued interest evidenced and represented thereby to the Prepayment Date, without premium.

SECTION 4.02 Selection of Certificates for Prepayment. If the Certificates are in book-entry form at the time of prepayment, and less than all of the State Payments are being prepaid, the Fiscal Agent will direct DTC to instruct the DTC Participants to select such Certificates for prepayment by lot among all Beneficial Owners of the Principal Payment Date being prepaid. Neither the State nor the Fiscal Agent will have responsibility to insure that DTC or its participants properly select such Certificates for prepayment. If the Certificates are not

then in book-entry form at the time of prepayment, the Fiscal Agent shall select such Certificates for prepayment, randomly among Owners, to the greatest extent possible, subject to maintaining Authorized Denominations.

SECTION 4.03 Notice of Prepayment. [After receipt of the notice specified in Section 4.3 of the applicable Master Financing Agreement,] notice of prepayment pursuant to Section 4.01 hereof shall be given by the Fiscal Agent not less than thirty (30) nor more than sixty (60) days prior to the Prepayment Date, to (i) the State Treasurer, (ii) the Owner of each Certificate affected at the address shown on the Certificate Register on the date such notice is mailed, (iii) the Securities Depositories, and (iv) to the MSRB. Each notice of prepayment shall state the date of such notice, the date of execution and delivery of the Certificates, the Prepayment Date, the Prepayment Prices, the place or places of prepayment (including the name and appropriate address or addresses of the Fiscal Agent), the CUSIP number of the Certificates being prepaid, the source of the funds to be used for such prepayment, the Principal Component due evidenced and represented by the Certificates, the distinctive certificate numbers of the Certificates or portions thereof to be prepaid, the rate or rates of interest evidenced and represented by the Certificates to be prepaid, and the Principal Payment Dates of the Certificates to be prepaid. Such notice shall also state that the interest evidenced and represented by the Certificates designated for prepayment shall cease to accrue from and after such Prepayment Date, and that on said date there will become due and payable with respect to each of said Certificates the Prepayment Price of such Certificate to be prepaid, and interest, if any, accrued thereon to the Prepayment Date. Such notice shall require that such Certificates be then surrendered at the address or addresses of the Fiscal Agent specified in the prepayment notice.

With respect to any notice of optional prepayment of Certificates unless, upon the giving of such notice, such Certificates shall be deemed to have been paid within the meaning of Article X hereof or unless the Fiscal Agent has cash or Government Obligations sufficient to pay Prepayment Price, such notice may state that such prepayment shall be conditional upon the receipt by the Fiscal Agent on or prior to the date fixed for such prepayment of moneys sufficient to pay the Prepayment Price due evidenced and represented by such Certificates and interest payable with respect thereto, and that if such moneys shall not have been so received said notice shall be of no force and effect and the Fiscal Agent shall not be required to prepay such Certificates. In the event that such notice of prepayment contains such a condition and such moneys are not so received, the prepayment shall not be made and the Fiscal Agent shall within a reasonable time thereafter give notice, in the manner in which the notice of prepayment was given, that such moneys were not so received.

SECTION 4.04 Partial Prepayment of Certificates. Upon surrender of any Certificate prepaid in part only, the Fiscal Agent shall provide a replacement Certificate or Certificates evidencing and representing a principal amount equal to the portion of the Principal Component evidenced and represented by such Certificate not prepaid, and deliver it to the Owner thereof. The Certificate so surrendered shall be cancelled by the Fiscal Agent as provided herein.

SECTION 4.05 Effect of Prepayment. If notice of prepayment has been duly given as aforesaid, and moneys sufficient for the payment of the Prepayment Price are held by the Fiscal Agent, the Certificates so called for prepayment shall, on the Prepayment Date designated in such notice, become due and payable at the Prepayment Price specified in such notice. From and

after such date interest on the Certificates so called for prepayment shall cease to accrue, said Certificates shall cease to be entitled to any lien, benefit or security hereunder or under the applicable Master Financing Agreement, and the Owners of said Certificates shall have no rights in respect thereof except to receive payment of the Prepayment Price evidenced thereby, which moneys are hereby pledged to such payment. If such moneys are invested, they shall be invested as needed only in Government Obligations having a maturity of no more than thirty (30) days.

The Fiscal Agent shall, upon surrender for payment of any of the Certificates being prepaid, pay such Certificates at the Prepayment Price thereof. All Certificates fully prepaid pursuant to the provisions of this Article IV shall be cancelled upon surrender thereof and may be destroyed by the Fiscal Agent, which shall deliver to the State Treasurer, upon its request, a certificate evidencing such destruction.

ARTICLE V

STATE PAYMENTS; FUNDS AND ACCOUNTS; INVESTMENTS

SECTION 5.01 State Payments Held in Trust. The State Payments are hereby irrevocably pledged and shall be applied to pay the Principal Component and Interest Component evidenced and represented by the Certificates when due, and shall not be used or applied for any other purpose while any of the Certificates remain Outstanding. This pledge shall constitute a first and exclusive lien on and security interest in the State Payments for the benefit of the Owners of the Certificates.

All State Payments shall be paid directly by the State Treasurer to the Fiscal Agent, as assignee of the Corporation, and if received by the Corporation at any time shall be deposited by the Corporation with the Fiscal Agent within one (1) Business Day after the receipt thereof. All State Payments shall be immediately deposited by the Fiscal Agent in the appropriate funds provided in Section 5.02 hereof, whereupon they shall be applied immediately to the payment or prepayment, as appropriate, of Certificates except as otherwise expressly provided in Section 5.02 hereof, but if for any reason not so applied, held in trust by the Fiscal Agent in such fund for the benefit of the Owners from time to time.

SECTION 5.02 Deposit of State Payments. The Fiscal Agent hereby agrees to establish, maintain and hold in trust the "State of Washington Certificates of Participation, Series #1# Certificate Fund" (the "Certificate Fund") for so long as any Certificates remain Outstanding. The Fiscal Agent shall deposit all State Payments, including prepayments, in the following Accounts within the Certificate Fund, each of which the Fiscal Agent hereby agrees to establish and maintain, at the times, in the manner and in the order of priority as set forth below, and the moneys in each of such Accounts shall be disbursed only for the purposes and uses hereinafter authorized.

(a) Interest Account. On each Interest Payment Date, the Fiscal Agent shall deposit in the Interest Account that amount of moneys evidencing the Interest Components due on such Interest Payment Date. Moneys in the Interest Account shall be withdrawn and used by the Fiscal Agent solely for the purpose of paying the interest evidenced and represented by the Certificates due and payable on such Interest Payment Date.

(b) Principal Account. On each Principal Payment Date and Prepayment Date, the Fiscal Agent shall deposit in the Principal Account that amount of moneys evidencing the Principal Components due on such Principal Payment Date or Prepayment Date. Moneys in the Principal Account shall be withdrawn and used by the Fiscal Agent solely for the purpose of paying the principal evidenced and represented by the Certificates due and payable on such Principal Payment Date or Prepayment Date.

(c) Prepayment Account. On each date on which the State Treasurer makes a prepayment of Principal Components at the Prepayment Price therefor (and related payments of Interest Components, if any) pursuant to a Master Financing Agreement, the Fiscal Agent shall deposit in the Prepayment Account the amount of such prepayment and related payments. Moneys in the Prepayment Account shall be withdrawn and used by the Fiscal Agent solely for the purpose of paying the Prepayment Price evidenced and represented by Certificates prepaid on such date pursuant to Section 4.01(a) or (b) **[DO NOT REFERENCE (b) IF NO TERM BONDS]** hereof and the accrued interest, if any, evidenced and represented by the Certificates so prepaid.

SECTION 5.03 Application of Insurance Proceeds and Eminent Domain Awards. The proceeds of any casualty insurance with respect to any of the Property, if received by the State or any Agency, shall immediately be paid to the Fiscal Agent. Within ninety (90) days of payment of such proceeds to the Fiscal Agent, the respective Agency shall notify the Fiscal Agent in writing as to whether it elects to repair or replace such Property. In the event that the Agency elects to repair or replace such Property, such amounts shall be disbursed by the Fiscal Agent to pay the costs of such repair or replacement. In the event that the Agency elects not to repair or replace the property damaged, destroyed or taken, the Fiscal Agent shall transfer all such amounts to the Prepayment Account and apply such amounts to the prepayment of Outstanding Certificates pursuant to Section 4.01(a) and (b) hereof at the earliest possible Prepayment Date. Any eminent domain award, the proceeds of any sale under threat of condemnation, and the net proceeds of any title insurance in connection with a loss of title with respect to any Property, if received by the State or any Agency, shall immediately be paid to the Fiscal Agent. The Fiscal Agent shall transfer all such amounts to the Prepayment Account and apply such amounts to the prepayment of Outstanding Certificates pursuant to **Section 4.01(c)** hereof at the earliest possible Prepayment Date. To the extent that such amounts are not sufficient, in whole or in part, to prepay Principal Components evidenced and represented by the Certificates in Authorized Denominations, such amounts shall be applied to provide for the payment thereof pursuant to Section 10.01(b) hereof.

SECTION 5.04 Investment of Moneys. All moneys in any of the funds or accounts established and maintained by the Fiscal Agent pursuant to this Trust Agreement shall be invested by the Fiscal Agent, at the written direction of the State Treasurer, solely in Qualified Investments. The written investment instruction to the Fiscal Agent shall contain a statement that such investments are Qualified Investments as required by this Trust Agreement. The Fiscal Agent may rely on the investment instructions of the State Treasurer as to the suitability and legality of the instructed investments, and the Fiscal Agent shall not be responsible for losses incurred in making investments in accordance with the State Treasurer's investment instructions.

Qualified Investments may be purchased at such prices as the Fiscal Agent may in its discretion determine or as may be directed by the State Treasurer. All investment instructions to the Fiscal Agent shall be subject to the limitations set forth in Section 6.05 hereof, the limitations as to maturities hereinafter in this Section set forth and such additional limitations or requirements consistent with the foregoing as may be established by the State Treasurer.

Moneys in all funds and accounts maintained by the Fiscal Agent shall be invested in Qualified Investments maturing not later than the date on which such moneys will be required for the purposes specified in this Trust Agreement. Notwithstanding anything else in this Section 5.04, any moneys held for the payment of Certificates pursuant to Section 5.02 or Section 10.02 hereof, shall be invested only at the written direction of the State Treasurer and only in Government Obligations (or in shares of a taxable government money market fund restricted to Government Obligations rated in the highest rating category applicable to such funds by at least one Rating Agency) which mature not later than the date on which it is estimated that such moneys will be required to pay such Certificates (but in any event maturing in not more than thirty days).

All interest, profits and other income received from the investment of moneys in any fund or account established pursuant to this Trust Agreement shall be deposited in the fund or account which gave rise to the investment earnings. For the purpose of determining the amount in any fund or account, all Qualified Investments credited to such fund or account shall be valued at the lesser of cost or par value.

Subject to any written instruction from the State Treasurer pursuant to Section 6.05 hereof, moneys in any and all funds and accounts may be commingled for investment purposes; provided, that the Fiscal Agent shall at all times account for such investments strictly in accordance with the funds and accounts to which they are credited and otherwise as provided in this Trust Agreement. The Fiscal Agent and its affiliates may act as principal or agent in the making or disposing of any investment. The Fiscal Agent may sell or present for redemption any Qualified Investments so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund or account to which such Qualified Investment is credited, and the Fiscal Agent shall not be liable or responsible for any loss resulting from such investment or disposition. The Fiscal Agent and its affiliates may act as sponsor, advisor or depository with regard to any Qualified Investments.

SECTION 5.05 Non-Presentation of Certificates. In the event that any Certificates shall not be presented for payment when the principal or Prepayment Price evidenced and represented thereby becomes due, either at a Principal Payment Date, Prepayment Date or otherwise, if moneys sufficient to pay such principal or Prepayment Price shall have been deposited in the Principal Account or the Prepayment Account, as applicable, all liability of the Fiscal Agent and the State to the Owner thereof for payment with respect to such Certificate shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Fiscal Agent to hold such moneys (subject to Section 10.03 hereof), without liability for interest thereon, for the benefit of the Owner of such Certificate who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature on his or her part hereunder or on or with respect to such Certificate.

SECTION 5.06 Repayment to State Treasurer. When there are no longer any Certificates Outstanding, and all fees, charges and expenses of the Fiscal Agent and any Paying Agents have been paid or provided for, and all expenses of the Corporation and the State Treasurer relating to the Master Financing Agreements and this Trust Agreement have been paid or provided for, and all other amounts payable hereunder and under the Master Financing Agreements have been paid, and this Trust Agreement has been discharged and satisfied, the Fiscal Agent shall pay to the State Treasurer any amounts remaining in any fund or account established and held hereunder.

ARTICLE VI

COVENANTS OF THE CORPORATION, THE STATE AND THE FISCAL AGENT

SECTION 6.01 Compliance with Trust Agreement. The Fiscal Agent will not execute or deliver any Certificates in any manner other than in accordance with the provisions hereof. The Corporation, the State and the Fiscal Agent will faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms hereof required to be complied with, kept, observed and performed by each of them.

SECTION 6.02 Compliance with and Amendment of Master Financing Agreements. The Corporation, the State and the Fiscal Agent, as assignee of the Corporation, will faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms contained in the Master Financing Agreements required to be complied with, kept, observed and performed by each of them, and the Fiscal Agent will, to the extent required hereunder, enforce such agreement against the State in accordance with its terms.

The State will not alter, amend or modify the Master Financing Agreements without the prior written consent of the Fiscal Agent. Such consent of the Fiscal Agent shall be given only (i) if the Fiscal Agent receives an Opinion of Counsel to the effect that such alterations, amendments or modifications will not have a material adverse effect on the interests of the Owners of the Certificates, or (ii) if the Fiscal Agent first obtains the written consent of the Owners of a majority in aggregate Principal Component evidenced and represented by the Certificates then Outstanding to such alterations, amendments or modifications; provided, that no such alteration, amendment or modification shall reduce the amount or extend the time for payment of any State Payment without the prior written consent of the Owners of the Certificates evidencing and representing any portion thereof.

SECTION 6.03 Other Liens. So long as any Certificates are Outstanding, the Corporation, the State and the Fiscal Agent will not create or suffer to be created any pledge of, lien on or security interest in the State Payments other than the pledge and lien hereof and security interest hereunder.

SECTION 6.04 Prosecution and Defense of Suits. The State will defend against every action, suit or other proceeding at any time brought against the Corporation, the Fiscal Agent or any Owner upon any claim arising out of the receipt, deposit or disbursement of any of the State Payments or involving the rights or obligations of the Corporation, the Fiscal Agent or any

Owner hereunder; *provided, however*, that the Corporation or any Owner, at its election and at its sole cost and expense, and the Fiscal Agent (at the reasonable cost and expense of the Corporation or the State, but only if (i) the employment of such counsel has been authorized by the Corporation or the State, or (ii) the Corporation and the State shall have failed promptly after receiving notice of such action from the Fiscal Agent to assume the defense of such action and employ counsel reasonably satisfactory to the Fiscal Agent, or (iii) the State, the Corporation and the Fiscal Agent shall have agreed, or a court of competent jurisdiction shall have determined, that there is a conflict of interest between the Fiscal Agent and the Corporation or the State on any legal issue pertaining to such action, or (iv) the Fiscal Agent has received the written legal opinion of outside counsel to the Fiscal Agent that there is a conflict of interest between the Fiscal Agent and the Corporation or the State on any legal issue pertaining to such action, and such action does not involve an action, suit or proceeding between the Fiscal Agent and the Corporation or the State), may appear in and defend any such action, suit or other proceeding.

SECTION 6.05 Accounting Records and Statements. The Fiscal Agent will keep proper accounting records in accordance with corporate trust accounting standards in which complete and correct entries shall be made of all transactions relating to the receipt, investment, deposit, application and disbursement of the State Payments, and such accounting records shall be available for inspection by the State Treasurer or any Owner or agent duly authorized in writing at reasonable hours and under reasonable conditions. Not later than December 1 in each year, commencing on December 1, 20__, and continuing for so long as any Certificates are Outstanding, the Fiscal Agent will furnish, or cause to be furnished to the State Treasurer and any Owner who may so request (at the expense of such Owner) a complete statement covering the receipts, investment, deposits, application and disbursements of the State Payments for the twelve-month period ending on the preceding July 1.

Such records shall specify the fund or account to which each investment (or portion thereof) held pursuant to this Trust Agreement is to be allocated and shall set forth, in the case of each Qualified Investment, (a) its purchase price, (b) identifying information, including par amount, coupon rate, and payment dates, (c) the amount received at maturity or its sale price, as the case may be, (d) the amounts and dates of any payments made with respect thereto, and (e) such other documentation as is required by the State Treasurer in writing.

SECTION 6.06 Recording and Filing. The Fiscal Agent, upon receipt of a written request of the State Treasurer, shall execute, and the State or the Corporation shall file, record, register, renew, refile and rerecord, all such documents, including but not limited to the **Site Leases, the Master Financing Agreements, the Agency Financing Agreements and the Master Assignment[s], [CHANGE DEPENDING ON IF EQUIPMENT, RE OR COMBINED]** as may be required by law in order to maintain a security interest in the State Payments, all in such manner, at such times and in such places as may be required and to the extent permitted by law in order to fully perfect, preserve and protect the security of the Owners and the rights and interests of the Fiscal Agent; *provided, however*, that the Fiscal Agent will not be required to execute a special or general consent to service of process, or to qualify as a foreign corporation in connection with any such filing, recording, registration, refileing or rerecording in any jurisdiction in which it is not now so subject.

SECTION 6.07 Further Assurances. Whenever and so often as requested to do so by the Fiscal Agent or any Owner, the Corporation and the State Treasurer will promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments and promptly do or cause to be done all such other and further things as may be necessary or desirable in order to further and more fully vest in the Fiscal Agent and the Owners all advantages, benefits, interests, powers, privileges and rights conferred upon them hereby and by the Master Financing Agreements.

ARTICLE VII

EVENTS OF DEFAULT; REMEDIES

SECTION 7.01 Events of Default; Remedies; Waiver. If an Event of Default (as that term is defined in Appendix I hereto) shall occur and be continuing, then such Event of Default shall constitute a default hereunder, and in each and every such case during the continuance of such Event of Default, the Fiscal Agent may, and upon the written request of the Owners of not less than a majority in aggregate Principal Component evidenced and represented by the Certificates then Outstanding and receipt of indemnity satisfactory to it shall, exercise the remedies provided to the Corporation and the Fiscal Agent, as assignee of the Corporation, hereunder and under the Master Financing Agreements.

The Fiscal Agent may, in its discretion, waive any default or Event of Default and its consequences hereunder and annul any notice thereof by written notice to the State Treasurer to such effect, and thereupon the respective rights of the Parties hereunder shall be as they would have been if such default or Event of Default had not occurred.

SECTION 7.02 Other Remedies of the Fiscal Agent. The Fiscal Agent may, and upon the written request of the Owners of not less than a majority in aggregate Principal Component evidenced and represented by the Certificates then Outstanding and receipt of indemnity satisfactory to it, shall:

(a) by mandamus or other action or proceeding or suit, action or proceeding at law or in equity enforce its rights against the State or any Agency or any officer or employee thereof, and to compel the State or any such Agency or any such officer or employee to perform or carry out its duties under law and the agreements and covenants required to be performed by it or him or her contained herein and in the Master Financing Agreements;

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Fiscal Agent; or

(c) by suit in equity upon the happening of any default hereunder to require the State or any Agency and its officers and employees to account as the trustee of an express trust.

Nothing herein shall be deemed to authorize the Fiscal Agent to authorize or consent to or accept or adopt on behalf of any Owner any plan of reorganization, arrangement, adjustment, or composition affecting the Certificates or the rights of any Owner thereof, or to authorize the

Fiscal Agent to vote in respect of the claim of any Owner in any such proceeding without the approval of the Owners so affected.

SECTION 7.03 Application of Moneys. If an Event of Default shall have occurred and be continuing, all moneys received by the Fiscal Agent shall be applied, first, to the payment of the reasonable fees, costs and expenses incurred by the Fiscal Agent and the Owners in connection with such default (including but not limited to the reasonable fees and expenses of their counsel and agents); second, to the payment of the Interest Components evidenced and represented by the Certificates accrued to the date of application thereof *pro rata* among the Owners entitled thereto; third, to the payment of the Principal Components evidenced and represented by the Certificates and the Prepayment Price, if any, then due hereunder *pro rata* among the Owners entitled thereto; and fourth, when no Certificates remain Outstanding, to pay or reimburse the State for its costs and expenses, including reasonable attorneys' fees, incurred in connection with the Certificates, the Master Financing Agreements, the Agency Financing Agreements and this Trust Agreement.

SECTION 7.04 Non-Waiver. A waiver of any default or breach of duty or contract by the Fiscal Agent shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Fiscal Agent to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Fiscal Agent by law or by this Article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Fiscal Agent.

If any action, proceeding or suit to enforce any right or to exercise any remedy is abandoned or determined adversely to the Fiscal Agent, the Fiscal Agent, the Corporation and the State Treasurer shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

SECTION 7.05 Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Fiscal Agent is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by any law.

SECTION 7.06 Fiscal Agent May Enforce Claims Without Possession of Certificates. All rights of action and claims under this Trust Agreement or the Certificates may be prosecuted and enforced by the Fiscal Agent without the possession of any of the Certificates or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Fiscal Agent shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Fiscal Agent, its agents and counsel, be for the ratable benefit of the Owners of the Certificates in respect of which such judgment has been recovered.

SECTION 7.07 Limitation on Actions by Owners. The Owners of not less than a majority in aggregate Principal Component evidenced and represented by the Certificates then

Outstanding shall have the right to direct the method and place of conducting any proceeding or remedy available to the Fiscal Agent, or exercising any trust or power conferred on the Fiscal Agent, hereunder or under the Master Financing Agreement in connection with the enforcement of the covenants, agreement, terms and conditions hereof and thereof; *provided*, that any such direction shall not be contrary to law, this Trust Agreement or the **applicable** Master Financing Agreement, and is not unduly prejudicial to the interest of the Owners not joining in such direction; and *provided further*, that the Fiscal Agent may take any other action which it deems necessary or appropriate and not inconsistent with such direction.

No Owner shall have the right to institute any action, suit or proceeding for the enforcement hereof or of either Master Financing Agreement, or to pursue any remedy available hereunder or under such Master Financing Agreement unless:

(a) the Fiscal Agent shall have been given written notice of an Event of Default by such Owner;

(b) the Owners of at least a majority in aggregate Principal Component evidenced and represented by the Certificates then Outstanding respecting which there has been an Event of Default shall have requested the Trustee, in writing, to exercise the powers granted by this Trust Agreement or the Master Financing Agreements, or to institute such action, suit or proceeding, or to pursue such remedy in it or their name or names;

(c) the Fiscal Agent shall have been offered indemnity satisfactory to it against its costs, expenses and liabilities in connection therewith; and

(d) the Fiscal Agent shall have failed to comply with such request within sixty (60) days, or such shorter period as shall be reasonable under the circumstances.

SECTION 7.08 No Liability by the Corporation to the Owners. Except for the observance and performance of the agreements and covenants required to be observed and performed by it contained herein, the Corporation shall not have any obligation or liability to the Owners with respect to this Trust Agreement, or the payment when due of the State Payments by the State, or with respect to the observance or performance by the State of the other agreements and covenants required to be observed and performed by the State contained in the Master Financing Agreements or herein, or with respect to preparation, execution, delivery or transfer of the Certificates or the disbursement of the State Payments by the Fiscal Agent to the Owners, or with respect to the observance or performance by the Fiscal Agent of any agreements, covenants, terms or obligations required to be performed or observed by it contained herein.

SECTION 7.09 No Liability by the State to the Owners. Except for the payment when due of the State Payments and the observance and performance of the other agreements and covenants required to be observed and performed by it contained in the Master Financing Agreements and herein, the State shall not have any obligation or liability to the Owners with respect to this Trust Agreement, or the preparation, execution, delivery or transfer of the Certificates or the disbursement of the State Payments by the Fiscal Agent to the Owners, or with respect to the observance or performance by the Fiscal Agent of any agreements, covenants, terms or obligations required to be observed or performed by it contained herein.

SECTION 7.10 No Liability by the Fiscal Agent to the Owners. Except as expressly provided herein, the Fiscal Agent shall not have any obligation or liability to the Owners with respect to the payment when due of the State Payments by the State, with respect to the observance or performance by the State of the other agreements and covenants required to be observed and performed by it contained in the Master Financing Agreements or herein or with respect to the observance or performance by the Corporation of the agreements and covenants required to be observed and performed by it contained herein.

ARTICLE VIII

THE FISCAL AGENT AND PAYING AGENTS

SECTION 8.01 Appointment of Fiscal Agent; Duties, Immunities and Liabilities. The Corporation and the State Treasurer hereby appoint the Fiscal Agent to receive, deposit and disburse the State Payments, to prepare, execute, deliver and transfer the Certificates, and to perform the other functions and responsibilities set forth herein; all in the manner and subject to the terms and conditions set forth herein. By executing and delivering this Trust Agreement, the Fiscal Agent hereby accepts such appointment.

The Fiscal Agent shall, prior to an Event of Default, and after the curing of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Trust Agreement. The Fiscal Agent shall, during the existence of any Event of Default (which has not been cured), exercise such of the rights and powers vested in it by this Trust Agreement, and use the same degree of care and skill in their exercise, as prudent persons would exercise or use under the circumstances in the conduct of their own affairs. Notwithstanding any other provision of this Trust Agreement, the Fiscal Agent shall perform all duties required of it hereunder.

No provision of this Trust Agreement shall be construed to relieve the Fiscal Agent from liability for its own negligent action or its own negligent failure to act, except that:

(a) Prior to an Event of Default hereunder and after the curing of all Events of Default which may have occurred,

(1) the duties and obligations of the Fiscal Agent shall be determined solely by the express provisions of this Trust Agreement, and the Fiscal Agent shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Trust Agreement, and no implied covenants or obligations shall be read into this Trust Agreement against the Fiscal Agent; and

(2) in the absence of bad faith on the part of the Fiscal Agent, the Fiscal Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Fiscal Agent conforming to the requirements of this Trust Agreement; but in the case of any such certificate or opinion which by any provision hereof is specifically required to be furnished to the Fiscal Agent the Fiscal Agent shall be under a duty to examine the same to determine whether or not it conforms on its face to the requirements of this Trust Agreement; and

(b) At all times, regardless of whether or not any Event of Default shall exist,

(1) the Fiscal Agent shall not be liable for any error of judgment made in good faith by a duly authorized officer of the Fiscal Agent unless it shall be proved that the Fiscal Agent was negligent in ascertaining the pertinent facts; and

(2) the Fiscal Agent shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority, or such other percentage as may be required hereunder, in aggregate Principal Component evidenced and represented by the Certificates at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Fiscal Agent, or exercising any trust or power conferred upon the Fiscal Agent under this Trust Agreement.

SECTION 8.02 Right of Fiscal Agent to Rely upon Documents, Etc. Except as otherwise provided in Section 8.01:

(a) The Fiscal Agent may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, certificate or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) Any notice, request, direction, election, order or demand of the State Treasurer referred to herein shall be sufficiently evidenced by an instrument signed in the name of the State Treasurer by a Treasurer Representative, and any resolution of the State Treasurer may be evidenced to the Fiscal Agent by a certified copy thereof;

(c) The Fiscal Agent may consult with counsel (who may be counsel for the State or Certificate Counsel) and the opinion of such counsel or Opinion of Counsel shall be full and complete authorization and protection in respect of any action, including but not limited to any consent or waiver under any of the Series #1# Agreements, taken, given or suffered by it hereunder in good faith and in accordance with the opinion of such counsel and may receive an Opinion of Counsel to the effect that such action (i) is permitted by the related Series 1# Agreement, (ii) will not have a material adverse effect on the interests of Owners of the Certificates, and (iii) will not adversely affect the exclusion from gross income for federal income tax purposes of the Interest Component evidenced and represented by the Certificates;

(d) Whenever in the administration of the trusts of this Trust Agreement the Fiscal Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Fiscal Agent, be deemed to be conclusively proved and established by a Certificate of the State Treasurer; and such Certificate of the State Treasurer shall, in the absence of negligence or bad faith on the part of the Fiscal Agent, be full warrant to the Fiscal Agent for any action taken or suffered by it under the provisions of this Trust Agreement in reliance thereon; and

(e) The Fiscal Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys, and the Fiscal

Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder. The Fiscal Agent is also entitled, in exercising its rights or duties under this Trust Agreement in connection with the administration of the Property following the occurrence of a Permitted Termination Event, to retain at the expense of the Owners, act through, and rely upon the opinion or advice of, accountants, appraisers, consultants or other experts.

SECTION 8.03 Fiscal Agent Not Responsible for Recitals.

(a) The recitals contained herein and in the Certificates shall be taken as the statements of the State Treasurer, and the Fiscal Agent assumes no responsibility for the correctness of the same except (with respect to the Fiscal Agent) for its execution thereof. The Fiscal Agent makes no representation as to the validity or sufficiency of this Trust Agreement or of the Master Financing Agreements or of the assignment of the right to receive State Payments or of the Certificates. The Fiscal Agent shall not be accountable for the use or application by the Corporation or the State of the proceeds of any of the Certificates executed or delivered hereunder.

(b) In accepting the trust hereby created, the Fiscal Agent acts solely as Fiscal Agent for the Owners of Certificates and not in its individual capacity, and all Persons, including, without limitation, the Owners, having any claim against the Fiscal Agent arising from the Trust Agreement shall look only to the funds and accounts held by the Fiscal Agent hereunder for payment, except as otherwise provided herein. Under no circumstances shall the Fiscal Agent be liable in its individual capacity for the obligations evidenced and represented by the Certificates.

(c) The Fiscal Agent makes no representation or warranty, express or implied as to the title, value, design, compliance with specification or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the State or the Agencies of the Property. In no event shall the Fiscal Agent be liable for incidental, indirect, special or consequential damages in connection with or arising from the Master Financing Agreements or this Trust Agreement or for the existence, lease or use of the Property.

(d) No provision of this Trust Agreement shall require the Fiscal Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.

(e) The Fiscal Agent shall not be deemed to have knowledge of any default or Event of Default, except for the failure by the State to timely make any State Payments, unless and until an officer at the Fiscal Agent's corporate trust offices responsible for the administration of its duties hereunder shall have actual knowledge thereof or the Fiscal Agent shall have received written notice thereof at its corporate trust offices.

(f) The permissive right of the Fiscal Agent to do things enumerated in this Trust Agreement shall not be construed as a duty and the Fiscal Agent shall not be answerable for other than its negligence or willful default. The Fiscal Agent shall not be required to give

any bond or surety in respect of the execution of the trusts and powers or otherwise in respect of the premises.

(g) Before taking any action under this Trust Agreement relating to an Event of Default or in connection with its duties under this Trust Agreement other than making payments of principal of and interest on the Certificates as they become due or causing an acceleration of the Certificates whenever required by the Trust Agreement, the Fiscal Agent may require that a satisfactory indemnity bond be furnished by the Owners of the related Certificates for the reimbursement of all expenses to which it may be put and to protect it against all liability, including, but not limited to, any liability arising directly or indirectly under any federal state or local statute, rule, laws or ordinance related to the protection of the environment or hazardous substances and except liability which is adjudicated to have resulted from its negligence or willful default in connection with any action so taken.

(h) The Fiscal Agent shall have no responsibility or liability with respect to any information, statements or recitals in any official statement or other disclosure material prepared or distributed with respect to the issuance of Certificates.

(i) The Fiscal Agent agrees to accept and act upon instructions or directions pursuant to this Trust Agreement sent by unsecured email, facsimile transmission or other similar unsecured electronic methods; provided, however, that the Fiscal Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. This Fiscal Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Fiscal Agent's reliance upon and compliance with such instructions. The State and the Corporation agree to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Fiscal Agent, including without limitation the risk of the Fiscal Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

(j) In acting or omitting to act pursuant to the Master Financing Agreement or the Master Assignment, the Fiscal Agent shall be entitled to all of the rights, immunities and indemnities accorded to it under this Trust Agreement and the Master Financing Agreement including, but not limited to, this Article VIII.

SECTION 8.04 Right of Fiscal Agent to Acquire Certificates. The Fiscal Agent and its officers and directors may buy, sell, own, hold and deal in, or become the pledgee of, Certificates, may otherwise deal with or be engaged or have an interest in, any financial or other transaction with the State or the Corporation, as either principal or agent, in the manner and to the same extent and with like effect as though it were not the Fiscal Agent hereunder, and may act as agent, depository or trustee for any committee or body of the Owners of owners of other obligations of the State or the Corporation as though it were not the Fiscal Agent hereunder.

SECTION 8.05 Compensation of Fiscal Agent. The State shall from time to time, subject to any written agreement then in effect with the Fiscal Agent, pay the Fiscal Agent compensation for its services and reimburse the Fiscal Agent for all its advances and

expenditures hereunder, including but not limited to advances to and fees and expenses of accountants, agents, appraisers, consultants, counsel or other experts employed by it in the exercise and performance of its rights and obligations hereunder; *provided, however*, that the Fiscal Agent shall not have any lien for such compensation or reimbursement against any moneys held by it in any of the funds or accounts established hereunder, although it may take whatever legal actions are lawfully available to it directly against the State. When the Fiscal Agent incurs expenses or renders services after the occurrence of an Event of Default, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

SECTION 8.06 Qualifications of Fiscal Agent. There shall at all times be a Fiscal Agent hereunder which shall either be (a) the fiscal agency of the State selected pursuant to chapter 43.80 RCW; or (b) a bank, trust company or national association organized and doing business under the laws of the United States of America or of a state thereof, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least one hundred million dollars (\$100,000,000), and subject to supervision or examination by federal or state authority. If such corporations or banking associations publish reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority referred to above, then for the purposes of this section the combined capital and surplus of such corporations or banking associations shall be deemed to be their combined capital and surplus as set forth in their most recent reports of condition so published. In case at any time the Fiscal Agent shall cease to be eligible in accordance with the provisions of this Section, the Fiscal Agent shall resign immediately in the manner and with the effect specified in Section 8.07 hereof.

SECTION 8.07 Resignation and Removal of Fiscal Agent and Appointment of Successor Fiscal Agent.

(a) The Fiscal Agent may at any time resign by giving written notice to the State Treasurer, the Paying Agents and to the Owners. Upon receiving such notice of resignation, the State Treasurer shall promptly appoint a successor Fiscal Agent by an instrument in writing. If no successor Fiscal Agent shall have been so appointed and have accepted such appointment within thirty (30) days after the giving of such notice of resignation, the resigning Fiscal Agent may petition any court of competent jurisdiction for the appointment of a successor Fiscal Agent, or any Owner who has been a *bona fide* Owner of a Certificate for at least six months may, on behalf of itself and others similarly situated, petition any such court for the appointment of a successor Fiscal Agent. Such court may thereupon, after such notice, if any, as it may deem proper and may prescribe, appoint a successor Fiscal Agent.

(b) In case at any time either of the following shall occur:

(1) the Fiscal Agent shall cease to be eligible in accordance with the provisions of Section 8.06 and shall fail to resign after written request therefor by the State Treasurer or by any Owner who has been a *bona fide* Owner of a Certificate for at least six months, or

(2) the Fiscal Agent shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Fiscal Agent or of its property shall be appointed, or any public officer shall take charge or control of the Fiscal Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, the State Treasurer may remove the Fiscal Agent and appoint a successor Fiscal Agent by an instrument in writing, or any such Owner may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Fiscal Agent and the appointment of a successor Fiscal Agent. Such court may thereupon, after such notice, if any, as it may deem proper and may prescribe, remove the Fiscal Agent and appoint a successor Fiscal Agent.

(c) The State Treasurer or the Owners of a majority in aggregate Principal Component evidenced and represented by the Certificates at the time Outstanding may at any time remove the Fiscal Agent and appoint a successor Fiscal Agent by an instrument or concurrent instruments in writing signed by the State Treasurer or such Owners, as the case may be.

(d) Any resignation or removal of the Fiscal Agent and appointment of a successor Fiscal Agent pursuant to any of the provisions of this section shall become effective upon acceptance of appointment by the successor Fiscal Agent, as provided in Section 8.08 hereof. Anything herein to the contrary notwithstanding, the State Treasurer may not remove the Fiscal Agent without cause if an Event of Default shall have occurred and be continuing.

SECTION 8.08 Acceptance of Trust by Successor Fiscal Agent. Any successor Fiscal Agent appointed as provided in Section 8.07 hereof shall execute, acknowledge and deliver to the State Treasurer and to its predecessor Fiscal Agent an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor Fiscal Agent shall become effective and such successor Fiscal Agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor in the trusts hereunder, with like effect as if originally named as Fiscal Agent herein; but, nevertheless, on the written request of the State Treasurer or the request of the successor Fiscal Agent, the Fiscal Agent ceasing to act shall execute and deliver an instrument transferring to such successor Fiscal Agent, upon the trusts herein expressed, all the rights, powers and trusts of the Fiscal Agent so ceasing to act. Upon request of any such successor Fiscal Agent, the State Treasurer and the Corporation shall execute any and all instruments in writing necessary or desirable for more fully and certainly vesting in and confirming to such successor Fiscal Agent all such rights, powers and duties.

No successor Fiscal Agent shall accept appointment as provided in this Section 8.08 unless at the time of such acceptance such successor Fiscal Agent shall be eligible under the provisions of Section 8.06 hereof. Upon acceptance of appointment by a successor Fiscal Agent as provided in this Section, the State Treasurer or such successor Fiscal Agent shall give the Owners notice of the succession of such Fiscal Agent to the trusts hereunder in the manner prescribed in Section 8.07 hereof for the giving of notice of resignation of the Fiscal Agent.

SECTION 8.09 Merger or Consolidation of Fiscal Agent. Any corporation or banking association into which the Fiscal Agent may be merged or with which it may be consolidated, or

any corporation or banking association resulting from any merger or consolidation to which the Fiscal Agent shall be a party, or any corporation or banking association succeeding to all or substantially all of the business of the Fiscal Agent, shall be the successor of the Fiscal Agent hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided, that such successor Fiscal Agent shall be eligible under the provisions of Section 8.06 hereof.

SECTION 8.10 General Applicability. Whether or not herein or therein expressly so provided, every provision of the Trust Agreement, the Master Financing Agreements and the Master Assignment relating to the conduct or affecting the liability of or affording protection to the Fiscal Agent shall be subject to the provisions of this Article VIII.

SECTION 8.11 Paying Agents. The State Treasurer may appoint one or more Paying Agents (which shall meet the qualifications of the Fiscal Agent set forth in Section 8.06 hereof) in such place or places as the State Treasurer may designate, for the payment of the principal, Prepayment Price and the interest evidenced and represented by the Certificates. All provisions of this Article VIII which apply to any Fiscal Agent shall apply to any Paying Agent appointed hereunder. It shall be the duty of the Fiscal Agent to make such arrangements with any such Paying Agent as may be necessary to assure, to the extent of the moneys held by the Fiscal Agent for such payment, the prompt payment of the principal, Prepayment Price and the interest evidenced and represented by the Certificates. The State Treasurer hereby appoints the fiscal agencies of the State as designated from time to time pursuant to chapter 43.80 RCW as Paying Agents hereunder.

ARTICLE IX

AMENDMENT OR SUPPLEMENT OF TRUST AGREEMENT

SECTION 9.01 Amendment or Supplement; Consents. This Trust Agreement and the rights and obligations of the State, the Owners, the Fiscal Agent or any Paying Agent hereunder may be amended or supplemented at any time as provided in Part 4 of Appendix I hereto. No such amendment or supplement shall (1) extend the stated Principal Payment Date of any Certificate, or reduce the rate of interest evidenced and represented thereby, or extend the time of payment of such interest, or reduce the amount of the Principal Component evidenced and represented thereby, or reduce any Prepayment Price evidenced and represented thereby, without the prior written consent of the Owner of the Certificate so affected; or (2) reduce the percentage of Owners whose consent is required for the execution of any amendment hereof or supplement hereto; or (3) modify any of the rights or obligations of the Fiscal Agent or any Paying Agent without its prior written consent thereto.

SECTION 9.02 Disqualified Certificates. Certificates owned or held by or for the account of the State (but excluding Certificates held in any pension or retirement fund of the State) or any Agency shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Certificates provided herein, and shall not be entitled to consent to or take any other action provided herein; except that in determining whether the Fiscal Agent shall be protected in relying upon any consent or other actions of an Owner, or in calculating Outstanding Certificates hereunder, only Certificates which the Fiscal Agent actually

knows to be owned or held by or for the account of the State or any Agency shall be disregarded unless all Certificates are so owned or held by or for the account of the State or any Agency, in which case such Certificates shall be considered Outstanding for the purpose of such determination. The Fiscal Agent may adopt appropriate regulations to require each Owner, before consent provided for herein shall be deemed effective, to reveal if the Certificates as to which such consent is given are disqualified as provided in this Section.

SECTION 9.03 Endorsement or Replacement of Certificates After Amendment or Supplement. After the effective date of any action taken as provided above, the Fiscal Agent may determine that the Certificates may bear a notation by endorsement in a form approved by the Fiscal Agent as to such action, and in that case upon demand of the Owner of any Outstanding Certificate and presentation of such Owner's Certificate for such purpose at the Principal Office of the Fiscal Agent a suitable notation as to such action shall be made on such Certificate. If the Fiscal Agent shall so determine, new Certificates so modified as in the opinion of the Fiscal Agent shall be necessary to conform to such action shall be prepared, and in that case upon demand of the Owner of any Outstanding Certificates such new Certificates shall be exchanged at the Principal Office of the Fiscal Agent without cost to each Owner for Certificates then Outstanding upon surrender of such Outstanding Certificates.

SECTION 9.04 Amendment by Mutual Consent. The provisions of this Article shall not prevent any Owner from accepting any amendment to the particular Certificates held by it; *provided*, that due notation thereof is made on such Certificates.

ARTICLE X

DISCHARGE AND DEFEASANCE

SECTION 10.01 Discharge of Trust Agreement; Defeasance of Certificates.

(a) Discharge of Trust Agreement. When the obligations of the State under the Master Financing Agreements shall cease pursuant to Section 4.3 of the Master Financing Contract and Section 4.5 of the Master Financing Lease (except for the right of the Fiscal Agent and the obligation of the State to have the money and Qualified Investments referenced therein applied to the payment of State Payments as therein set forth), then and in that case the obligations created by this Trust Agreement shall thereupon cease, terminate, become void and be completely discharged except for the right of the Owners and the obligation of the Fiscal Agent to apply such moneys and Qualified Investments to the payment of the Certificates as herein set forth and the right of the Fiscal Agent to collect any fees or expenses due or indemnities provided by Owners hereunder. The Fiscal Agent shall turn over to the State Treasurer, as an overpayment of State Payments, any surplus in the Certificate Fund and all balances remaining in any other funds or accounts other than moneys and Qualified Investments held for the payment of the Certificates on the Principal Payment Dates or Prepayment Dates thereof, which moneys and Qualified Investments shall continue to be held by the Fiscal Agent in trust for the benefit of the Owners and shall be applied by the Fiscal Agent to the payment, when due, of the principal, Prepayment Price and interest evidenced and represented by the Certificates, and after such payment, this Trust Agreement shall become void. The Fiscal Agent shall thereafter execute and deliver to the State such other documents and instruments as may be

necessary or desirable, as requested by or on behalf of the State, to evidence such discharge and satisfaction of this Trust Agreement.

(b) Defeasance of Certificates. Any Outstanding Certificates shall be deemed to have been paid with the meaning and effect expressed in paragraph (a) above if there shall be irrevocably deposited and held in trust by the Fiscal Agent moneys or Qualified Investments in the amount necessary to pay or prepay the principal or Prepayment Price and interest evidenced and represented thereby as provided in Section 10.02.

(c) Notice of Defeasance. If moneys or Qualified Investments are deposited with and held by the Fiscal Agent as hereinabove provided, the Fiscal Agent shall within thirty (30) days after such moneys or Qualified Investments shall have been deposited with it, mail a notice, first class postage prepaid, to the Owners of the Certificates that have been defeased at the addresses listed on the registration books kept by the Fiscal Agent pursuant to Section 2.04 hereof, setting forth (a) the date or dates fixed for payment or prepayment of the Certificates, (b) a description of the moneys or Qualified Investments so held by it, and (c) that such Certificates have been defeased and are no longer deemed to be Outstanding hereunder, and/or that this Trust Agreement has been released and discharged in accordance with the provisions of this Section.

SECTION 10.02 Deposit of Money or Securities with Fiscal Agent. Whenever in this Trust Agreement or the Master Financing Agreements it is provided or permitted that there be deposited with or held in trust by the Fiscal Agent money and/or securities (such money and/or securities certified to be sufficient by a report of an independent certified public accountant or firm of accountants, or an independent financial advisor or consultant or firm of such advisors or consultants) in the necessary amount to pay or prepay the principal and interest evidenced and represented by all or a portion of the Certificates, the money or securities to be so deposited or held may include money or securities held by the Fiscal Agent in the funds and accounts established pursuant to this Trust Agreement and shall be:

(a) lawful money of the United States of America in an amount equal to the principal amount evidenced and represented by such Certificates and all unpaid interest evidenced and represented thereby to the respective Principal Payment Dates thereof, except that, in the case of Certificates which are to be prepaid prior to their respective Principal Payment Dates and in respect of which notice of such prepayment shall have been given as in Article IV provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice, the amount to be deposited or held shall be the Prepayment Price plus accrued interest to such date of prepayment, if any, evidenced and represented by such Certificates; or

(b) Government Obligations, the principal of and interest on which when due will provide money sufficient, without reinvestment, to pay the principal or Prepayment Price, and accrued interest to the Principal Payment Date or to the Prepayment Date, as the case may be, evidenced and represented by the Certificates to be paid or prepaid, as such amounts become due; *provided* that, in the case of Certificates which are to be prepaid prior to the Principal Payment Date thereof, notice of such prepayment shall have been given as in Article IV provided or provision satisfactory to the Fiscal Agent shall have been made for the giving of such notice;

further provided, in each case, that the Fiscal Agent shall have been irrevocably instructed (by the terms of this Trust Agreement and the Master Financing Agreements or by written request of the State Treasurer) to apply such money to the payment of such principal, Prepayment Price and interest, if any, evidenced and represented by such Certificates.

SECTION 10.03 Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Fiscal Agent in trust for the payment and discharge of the principal, Prepayment Price or interest evidenced and represented by any of the Certificates which remain unclaimed for two (2) years after the date when the principal, Prepayment Price or interest evidenced and represented by such Certificates have become payable, shall at the written request of the State Treasurer be repaid by the Fiscal Agent (without liability for interest) to the State Treasurer as its property free from trust, and the Fiscal Agent shall thereupon be released and discharged with respect thereto and the Owners shall look only to the State Treasurer for the payment of the principal, Prepayment Price or interest evidenced and represented by such Certificates.

ARTICLE XI

MISCELLANEOUS

SECTION 11.01 Execution of Documents by Owners. Any declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys duly appointed in writing. The fact and date of the execution by any Owner or his or her attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state or territory in which he or she purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him or her the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer, or by such other proof as the Fiscal Agent may accept which it may deem sufficient. The ownership of any Certificates and the amount, payment date, number and date of owning the same may be proved by the records required to be kept by the Fiscal Agent pursuant to the provisions of Section 2.04 hereof.

SECTION 11.02 Binding Effect. Any declaration, request, consent, direction or other instrument in writing of the Owner of any Certificate shall bind all future Owners of such Certificate with respect to anything done or suffered to be done by the State Treasurer or the Fiscal Agent in good faith and in accordance therewith.

SECTION 11.03 Acquisition of Certificates by State; Destruction of Certificates. All Certificates acquired by the State, whether by purchase or gift or otherwise, shall be surrendered to the Fiscal Agent for cancellation. Whenever in this Trust Agreement provision is made for the cancellation by the Fiscal Agent of any Certificates, the Fiscal Agent shall, in accordance with its internal procedures, destroy such Certificates and deliver a certificate of such destruction to the State Treasurer upon its request.

SECTION 11.04 Funds and Accounts. Any fund required to be established and maintained herein by the Fiscal Agent or the State Treasurer may be established and maintained in the accounting records of the Fiscal Agent or the State Treasurer, respectively, either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof, and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such funds shall at all times be maintained in accordance with prudent accounting practice and with due regard for the protection of the security of the Certificates and the right of the Owners.

SECTION 11.05 Notices to Rating Agencies. The Fiscal Agent shall provide to each Rating Agency then rating the Certificates prompt written notice of (i) the appointment of any successor Fiscal Agent or Paying Agent; (ii) any amendment to this Trust Agreement or the Master Financing Agreements; (iii) any prepayment of the Certificates; and (iv) any defeasance or discharge of the Certificates or this Trust Agreement pursuant to Article X hereof.

SECTION 11.06 Effective Date. This Trust Agreement shall become effective upon its execution and delivery.

IN WITNESS WHEREOF, the Washington Finance Officers Association, the Office of the State Treasurer and The Bank of New York Mellon, as Fiscal Agent, have caused this Trust Agreement to be executed and delivered by their duly authorized officers, respectively, all as of the day and year first above written.

WASHINGTON FINANCE OFFICERS
ASSOCIATION

By _____
Authorized Corporation Representative

STATE OF WASHINGTON
OFFICE OF STATE TREASURER

By _____
Treasurer Representative

THE BANK OF NEW YORK MELLON, as Fiscal
Agent

By _____
Its _____

EXHIBIT A

[FORM OF CERTIFICATES]

[REVISE THIS EXHIBIT AS APPROPRIATE BEFORE USING]

No. R-__

\$ _____

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), **ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL** inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**STATE OF WASHINGTON
CERTIFICATE OF PARTICIPATION, SERIES #1# (_____)
Evidencing and Representing an Undivided Proportionate
Interest of the Registered Owner hereof in
State Payments
to be made by the
STATE OF WASHINGTON**

PRINCIPAL PAYMENT DATE:	ORIGINAL DATED DATE:	INTEREST RATE:	CUSIP NO.:
_____	_____	_____ %	_____

Registered Owner: CEDE & CO.

Principal Component: _____ DOLLARS

THIS IS TO CERTIFY that the registered owner named above, or registered assigns, of this Certificate of Participation (the "Certificate"), one of a series of Certificates of Participation, Series #1# (_____) (the "Certificates"), is the registered owner of an undivided proportionate interest in the right to receive certain State Payments (as that term is defined in the Trust Agreement hereinafter mentioned) under and pursuant to the Master Financing Contract, Series #1# (the "Master Financing Contract"), and the Master Financing Lease, Series #1# (the "Master Financing Lease, and collectively with the Master Finance Contract, the "Master Financing Agreement"), each by and between the Washington Finance Officers Association (the "Corporation"), a nonprofit corporation duly organized and existing under and by virtue of the laws of the state of Washington, and the state of Washington (the "State"), acting by and through the Office of State Treasurer (the "State Treasurer") and certain State Agencies (as that term is defined in the Trust Agreement hereinafter mentioned), and dated as of _____, all of which rights to receive such State Payments and other rights under the Master Financing Agreement have been granted, sold, assigned, transferred and conveyed without recourse by the Corporation to The Bank of New York Mellon, as Fiscal Agent (the "Fiscal Agent"), a banking corporation duly organized and

existing under and by virtue of the laws of the State of New York and having a principal corporate trust office in New York, New York.

The registered owner of this Certificate is entitled to receive, subject to the terms of the Master Financing Agreement, on the Principal Payment Date specified above (the "Principal Payment Date"), the principal amount specified above representing a portion of the State Payments designated as principal coming due on the Principal Payment Date, and to receive as interest thereon, payable on January 1 and July 1 of each year, commencing _____, 20__ (each, an "Interest Payment Date"), from the Interest Payment Date next preceding the date of execution hereof (unless such date of execution is as of a day during the period from the Record Date (as defined below) next preceding any Interest Payment Date to such Interest Payment Date, inclusive, in which event this Certificate shall evidence and represent interest from such Interest Payment Date, or unless such date of execution is prior to _____, in which event it shall evidence and represent interest from _____, and continuing to the Principal Payment Date or the date of prior prepayment hereof, whichever is earlier, the Owner's undivided proportionate share of the State Payments designated as interest coming due on each Interest Payment Date in each year. (Such interest is calculated on the basis of a 360-day year comprised of twelve 30-day months.) Said undivided proportionate share of interest is the result of the multiplication of the aforesaid portion of the State Payment designated as principal coming due on the Principal Payment Date by the rate per annum stated above. Said principal amount is payable in lawful money of the United States of America upon surrender at the Principal Office of the Fiscal Agent. Said interest amounts are payable by check or draft mailed by first class mail to the Owner hereof as of the close of business on the fifteenth day of the month preceding the respective Interest Payment Date (a "Record Date") at its address as it appears on the Certificate Register maintained by the Fiscal Agent, or by wire transfer within the United States of America to any Owner of at least \$1,000,000 in principal amount of Certificates if such Owner has submitted a written request for such wire transfer to the Fiscal Agent prior to the applicable Record Date, all as provided in the Trust Agreement.

This Certificate has been executed and delivered by the Fiscal Agent as indicated below pursuant to the terms of the Trust Agreement (the "Trust Agreement") by and among the Corporation, the Fiscal Agent and the State Treasurer, dated as of _____. All capitalized terms used but not defined herein, unless otherwise indicated by their context, shall have the meaning ascribed to such terms in the Trust Agreement. Copies of the Trust Agreement are on file at the corporate trust office of the Fiscal Agent in New York, New York, and reference is hereby made to the Trust Agreement and to any and all amendments thereof and supplements thereto for a description of the covenants, agreements and pledges securing the Certificates, for the nature, extent and manner of enforcement of such covenants, agreements and pledges, for the rights and remedies of the registered owners of the Certificates with respect thereto, and for the other terms and conditions upon which the Certificates are executed and delivered thereunder. To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement may be amended or supplemented by the parties thereto, but no such amendment or supplement shall (1) extend the stated payment date of this Certificate, or reduce the rate of interest evidenced and represented hereby, or extend the time of payment of such interest, or reduce the amount of principal evidenced and represented hereby, or reduce any Prepayment Price evidenced and represented hereby, without the prior written consent of the registered owner hereof, or (2) reduce the percentage of registered owners of Certificates whose consent is required for the execution of any amendment or supplement to the Trust Agreement, or (3) modify any rights or obligations of the Fiscal Agent without its prior written consent thereto.

The Certificates shall be executed and delivered in the form of fully registered Certificates in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, provided in the Trust Agreement, Certificates may be exchanged for

a like aggregate principal amount of fully registered Certificates of other authorized denominations having the same Principal Payment Date.

This Certificate is transferable by the Owner hereof, in person or by his or her attorney duly authorized in writing, at the Principal Office of the Fiscal Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Trust Agreement, and upon surrender and cancellation of this Certificate. Upon such transfer a new Certificate or Certificates, having the same Principal Payment Date and of authorized denomination or denominations, and for the same aggregate principal amount, will be executed and delivered to the transferee in exchange therefor. The Fiscal Agent may treat the Owner hereof as the absolute owner hereof for all purposes, whether or not this Certificate shall be overdue, and the Fiscal Agent shall not be affected by any knowledge or notice to the contrary.

The Fiscal Agent shall not be required to transfer or exchange any Certificate after such Certificate has been selected for prepayment or during the fifteen (15) days next preceding the date of selection of Certificates for prepayment.

The Certificates with Principal Payment Dates on and after _____ 1, 20__, are subject to prepayment prior to their respective stated Principal Payment Dates, as a whole or in part in Authorized Denominations (and by lot within a Principal Payment Date if less than all of the Certificates due on such Principal Payment Date are prepaid) on any date on or after _____ 1, 20__, upon the exercise by the State at the direction of any Agency, of its option to prepay the Principal Components evidenced and represented by such Certificates, at a price of par, plus accrued interest, if any, evidenced and represented thereby to the Prepayment Date. Under certain circumstances described in the Master Financing Agreement and the Trust Agreement, the Certificates are subject to extraordinary mandatory prepayment.

[ADD MANDATORY REDEMPTION, IF ANY]

Notice of any prepayment as specifically set forth in the Trust Agreement shall be given by the Fiscal Agent by mail not less than 30 days nor more than 60 days prior to the Prepayment Date to the State Treasurer and the registered owners of each Certificate at the address shown on the Certificate Register maintained by the Fiscal Agent.

The Certificates each evidence and represent an undivided proportionate interest in the State Payments in an amount equal to the aggregate principal amount of Certificates originally executed and delivered by the Fiscal Agent pursuant to the Trust Agreement.

THIS CERTIFICATE SHALL NOT CONSTITUTE A DEBT OR A GENERAL OBLIGATION OF THE STATE OF WASHINGTON OR OF ANY STATE AGENCY, THE CONTRACTING OF AN INDEBTEDNESS BY THE STATE OR BY ANY STATE AGENCY, OR A PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE STATE OR OF ANY STATE AGENCY, FOR PURPOSES OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION UPON DEBT OR THE CONTRACTING OF INDEBTEDNESS. THIS CERTIFICATE REPRESENTS AN UNDIVIDED PROPORTIONATE INTEREST IN STATE PAYMENTS TO BE MADE UNDER THE MASTER FINANCING AGREEMENT. THE STATE PAYMENTS TO BE MADE UNDER THE MASTER FINANCING AGREEMENT ARE PAYABLE SOLELY FROM THE SOURCES IDENTIFIED THEREIN, AND MAY BE SUBJECT TO TERMINATION UPON THE OCCURRENCE OF CERTAIN OTHER EVENTS SPECIFIED IN SAID MASTER FINANCING AGREEMENT. THE OBLIGATION OF THE STATE TO MAKE AGENCY PAYMENTS, BOTH FOR STATE AGENCY PROPERTY AND ON BEHALF OF LOCAL AGENCIES FOR LOCAL AGENCY PROPERTY, IS SUBJECT TO APPROPRIATION AND TO EMERGENCY REDUCTION IN FUNDING UNDER CERTAIN CIRCUMSTANCES, ALL AS SET FORTH IN THE MASTER FINANCING

AGREEMENT. NOTHING IN THIS CERTIFICATE OR IN THE MASTER FINANCING AGREEMENT SHOULD BE CONSIDERED AS OR CONSTRUED TO IMPLY A MORAL OBLIGATION ON THE PART OF THE STATE OF WASHINGTON OR ANY STATE AGENCY TO MAKE THE PAYMENTS DUE HEREUNDER OR THEREUNDER.

The Fiscal Agent has no obligation or liability to the registered owners for the payment of the principal, Prepayment Price or interest evidenced and represented by the Certificates.

No recourse shall be had for the payment of the principal, Prepayment Price or interest evidenced and represented by the Certificates or for any claim based thereon or upon any obligation, covenant or agreement contained in the Trust Agreement, against any past, present or future member, director, officer, employee or agent of the Corporation, or through the Corporation, or any successor to the Corporation, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such member, director, officer, employee or agent as such is hereby expressly waived and released as a condition of and in consideration for the execution of the Trust Agreement and the execution and delivery of any of the Certificates.

The registered owner of this Certificate shall have no right to enforce the provisions of the Trust Agreement or to institute any action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Trust Agreement, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Trust Agreement. If an Event of Default occurs and is continuing, the principal evidenced and represented by all Certificates then outstanding executed and delivered under the Trust Agreement may become due and payable upon the conditions and in the manner and with the effect provided in the Trust Agreement.

The State, the Fiscal Agent and any Paying Agent may treat the Person in whose name this Certificate is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Certificate be overdue, and the State, the Fiscal Agent and any Paying Agent shall not be affected by notice to the contrary.

The Trust Agreement prescribes the manner in which it may be discharged and after which the Certificates shall no longer be secured by or entitled to the benefits of the Trust Agreement, except for the purposes of registration and exchange of Certificates and of payment of the principal, Prepayment Price and interest evidenced and represented by the Certificates as the same become due and payable, including a provision that under certain circumstances the Certificates shall be deemed to be paid if certain securities, as defined therein, maturing as to principal and interest in such amounts and at such times as to insure the availability of sufficient moneys to pay the principal, Prepayment Price and interest evidenced and represented by the Certificates and all necessary and proper fees, compensation and expenses of the Fiscal Agent shall have been deposited with the Fiscal Agent.

THE STATE TREASURER HAS CERTIFIED that all acts, conditions and things required by law and by the Trust Agreement, to exist, to have happened and to have been performed, precedent to and in connection with the execution and delivery of this Certificate, do exist, have happened and have been performed, in regular and due time, form and manner as required by law, and that the Fiscal Agent is duly authorized to execute and deliver this Certificate, and that the amount of this Certificate, together with all other Certificates executed and delivered under the Trust Agreement, is not in excess of the amount of Certificates authorized to be executed and delivered thereunder.

IN WITNESS WHEREOF, this Certificate has been executed by the manual signature of an authorized signatory of the Fiscal Agent as of the date below.

REGISTRATION

DATE: _____

THE BANK OF NEW YORK MELLON,
As Fiscal Agent

By _____
Authorized Signatory

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Certificate and do(es) hereby irrevocably constitute and appoint _____ attorney, to transfer the same on the books of the Fiscal Agent with full power of substitution in the premises.

Dated: _____ By _____

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular, without alteration or enlargement or any change whatsoever.

Signature Guaranteed:

Social Security Number, Taxpayer
Identification Number or Other
Identifying Number of Assignee:

NOTICE: Signature must be guaranteed
by an eligible guarantor institution.

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Recording Requested by and Return To:
WASHINGTON FINANCE OFFICERS ASSOCIATION
c/o Foster Pepper PLLC
1111 Third Avenue, Suite 3400
Seattle, Washington 98101
Attn: William G. Tonkin

Document Title(s)
(or transactions contained therein):

MASTER ASSIGNMENT, SERIES #1#
(Real Property)

Assignor:

Washington Finance Officers Association

Assignee:

The Bank of New York Mellon

Abbreviated Legal Description:

Full Legal Description

See Exhibit B

Assessor's Tax Parcel ID No.

**Reference number(s) of related/
assigned/released/document(s):**

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**MASTER ASSIGNMENT, SERIES #1#
(Real Property)**

by and between the

WASHINGTON FINANCE OFFICERS ASSOCIATION

and

THE BANK OF NEW YORK MELLON,

as Fiscal Agent

Relating to

**\$ _____
State of Washington
Certificates of Participation, Series #1#**

Dated as of _____, 200_

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MASTER ASSIGNMENT, SERIES #1# (Real Property)

THIS MASTER ASSIGNMENT, SERIES #1# (the "Master Assignment"), is entered into as of _____, 200__ (the "Dated Date"), by and between the Washington Finance Officers Association (the "Corporation"), a nonprofit corporation duly organized and existing under and by virtue of the laws of the state of Washington, and The Bank of New York Mellon (the "Fiscal Agent"), a banking corporation duly organized and existing under and by virtue of the laws of the state of New York, as Fiscal Agent under the Trust Agreement (as defined below).

RECITALS

WHEREAS, Chapter 356, Laws of Washington, 1989, codified as Chapter 39.94 of the Revised Code of Washington (the "RCW"), as supplemented and amended (the "Act"), authorized and confirmed the authority of the State, its agencies, departments and instrumentalities, the state board for community and technical colleges and the state institutions of higher education (as defined in Appendix I hereto, "State Agencies") to enter into financing contracts for the acquisition for public purposes of real and personal property; and

WHEREAS, the state of Washington (the "State"), acting by and through the State Treasurer (the "State Treasurer"), is authorized to enter into financing contracts, including but not limited to financing leases, for and on behalf of certain local government agencies (as defined in Appendix I hereto, "Local Agencies," and together with State Agencies, "Agencies") for the use and acquisition of real and personal property pursuant to the Act, including but not limited to by Chapter 291, Laws of Washington, 1998; and

WHEREAS, the State Treasurer has established a consolidated program providing for the execution and delivery of certificates of participation in such financing contracts, or in master financing contracts with respect thereto, in series from time to time in order to provide financing or refinancing for the costs of acquisition of such real and personal property by Agencies; and

WHEREAS, the Corporation intends to assist certain Agencies as set forth in Exhibit A hereto in financing or refinancing the acquisition or improvement (collectively, the "Projects") of certain parcels of real property as set forth in Exhibit B hereto (collectively, the "Sites"), pursuant to the Act, by entering into certain Site Leases with such Agencies as set forth in Exhibit A hereto (collectively, the "Site Leases"); and

ATTACHMENT E-2 MASTER ASSIGNMENT FOR COPS

WHEREAS, the Corporation has entered into the Site Leases with the Agencies for the lease of the Sites for the sole purpose of subleasing the Sites and the Projects (collectively, the "Property") to the State; and

WHEREAS, the Corporation and the State, acting by and through the State Treasurer, have entered into a Master Financing Lease, Series #1#, dated as of the Dated Date (the "Master Financing Lease"), which constitutes a "financing lease," a "financing contract" and a "master financing contract" as contemplated by the Act pursuant to which the Corporation has subleased the Property to the State; and

WHEREAS, under and pursuant to the Master Financing Lease, the State Treasurer is obligated to make Base Rent Payments (as defined in Appendix I hereto) to the Corporation for the sublease of the Property; and

WHEREAS, simultaneously with the execution of the Master Financing Lease, the State is entering into Financing Leases with the Agencies, pursuant to which the Agencies have subleased the Property; and

WHEREAS, the Corporation desires to grant, sell, assign, transfer and convey without recourse to the Fiscal Agent all of its rights to receive the Base Rent Payments scheduled to be made by the State Treasurer under and pursuant to the Master Financing Lease, and all of its remaining right, title and interest in, to and under the Site Leases, the Master Financing Lease and the Property; and

WHEREAS, in consideration of such assignment and pursuant to the Trust Agreement, Series #1# (the "Trust Agreement"), dated as of the Dated Date, by and among the Fiscal Agent, the State Treasurer and the Corporation, the Fiscal Agent has agreed to execute and deliver the State of Washington Certificates of Participation, Series #1# (_____), in an aggregate principal amount of \$_____ (the "Certificates") for the purpose of generating proceeds to be used to finance or refinance of the Projects; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Master Assignment do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Parties hereto are now duly authorized to execute, deliver and perform their respective obligations under this Master Assignment;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other valuable consideration, the Parties hereto do hereby agree as follows:

ATTACHMENT E-2 MASTER ASSIGNMENT FOR COPS

SECTION 1. Definitions; Construction; Miscellaneous Provisions; Supplements. Capitalized terms used but not otherwise defined in this Master Assignment shall have the respective meanings given such terms in Part 1 of Appendix I, which is incorporated herein and made a part hereof by this reference. This Master Assignment shall be construed in accordance with the Rules of Construction set forth in Part 2 of Appendix I, which is incorporated herein and made a part hereof by this reference. The miscellaneous provisions set forth in Part 3 of Appendix I are incorporated herein and made a part hereof by this reference. This Master Assignment may be supplemented and amended from time to time in accordance with Part 4 of Appendix I, which is incorporated herein and made a part hereof by this reference.

SECTION 2. Assignment. The Corporation, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby unconditionally grant, sell, assign, transfer and convey to the Fiscal Agent without recourse (i) all of its rights to the Sites pursuant to the Site Leases; (ii) all of its rights to receive the Base Rent Payments and any Additional Rent under and pursuant to the Master Financing Lease; (iii) its right to take all actions, exercise all remedies, and give all consents under and pursuant to the Site Leases and the Master Financing Lease; (iv) all of its remaining right, title and interest in, to and under the Site Leases, the Master Financing Lease, the Financing Leases and in and to the Property and any rents or profits generated therefrom; and (v) its right of access more particularly described in the Master Financing Lease.

SECTION 3. Acceptance. The Fiscal Agent hereby accepts the foregoing grant, sale, assignment, transfer and conveyance for the benefit of the Owners of the Certificates, subject to the conditions and terms of the Trust Agreement, and all such Base Rent Payments and Additional Rent shall be applied and all of such right, title and interest shall be exercised by the Fiscal Agent as provided in the Trust Agreement. The Fiscal Agent hereby agrees to keep, perform and observe all of the terms, conditions, covenants and agreements under the Site Leases and the Master Financing Lease from and after the date hereof.

SECTION 4. Acknowledgement. The Fiscal Agent and the Corporation hereby acknowledge and agree that (i) this grant, sale, assignment, transfer and conveyance by the Corporation is intended to be a true sale of the Corporation's right, title and interest in, to and under the Site Leases, the Master Financing Lease and in and to the Property; (ii) the Corporation shall hereafter cease to have any rights, duties or obligations under the Site Leases, the Master Financing Lease or with respect to the Property; (iii) the Fiscal Agent shall hereafter have all the rights, duties and obligations of the Corporation thereunder as if the Fiscal Agent had been the original party thereto; and (iv) except where the context otherwise requires, every reference in the Site Leases and the Master Financing Lease to the Corporation shall be deemed and construed to refer to the Fiscal Agent.

ATTACHMENT E-2 MASTER ASSIGNMENT FOR COPS

SECTION 5. Conditions. This Master Assignment shall confer no rights and shall impose no obligations upon the Fiscal Agent other than those expressly provided in the Trust Agreement.

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Master Assignment by their duly authorized officers as of the day and year first above written.

WASHINGTON FINANCE OFFICERS
ASSOCIATION

By _____
Its President

THE BANK OF NEW YORK MELLON, as
Fiscal Agent

By _____
Its _____

ATTACHMENT E-2 MASTER ASSIGNMENT FOR COPS

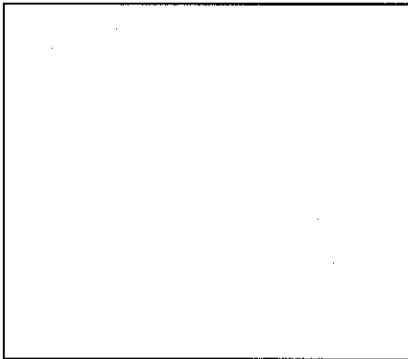
STATE OF WASHINGTON)

) ss.

COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that [s]he signed this instrument, on oath stated that [s]he was authorized to execute the instrument and acknowledged it as the President of the WASHINGTON FINANCE OFFICERS ASSOCIATION to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____



(Use this space for notarial stamp/seal)

(Signature of Notary)

Print Name _____
(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at _____

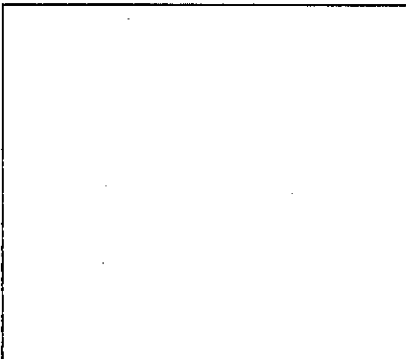
My commission expires _____

ATTACHMENT E-2 MASTER ASSIGNMENT FOR COPS

STATE OF NEW YORK)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that [s]he signed this instrument, on oath stated that [s]he was authorized to execute the instrument and acknowledged it as the _____ of THE BANK OF NEW YORK MELLON to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____



(Use this space for notarial stamp/seal)

(Signature of Notary)

Print Name _____
(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of New York, residing at _____

My commission expires _____

ATTACHMENT E-2 MASTER ASSIGNMENT FOR COPS

Exhibit A

Agencies

Agency

Transaction No.

ATTACHMENT E-2 MASTER ASSIGNMENT FOR COPS

Exhibit B

Full Legal Description

[Agency name], Transaction No. _____

[legal description]

[Agency name], Transaction No. _____

[legal description]

APPENDIX I
to
Master Financing Contract
Master Financing Lease
[IN MIXED REPLACE ABOVE TWO WITH Master Financing Agreements]
Trust Agreement
Master Assignment[s]
Site Leases
Financing Leases
Agency Financing Contracts
Disclosure Agreement

PART 1.
DEFINITIONS

The following terms shall have the following meanings when used in this Series [COP Series ID] Agreement:

[USE FOR EQUIPMENT] *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.

[USE FOR EQUIPMENT] *Acquisition Fund* means the "State of Washington Certificates of Participation, Series [COP Series ID] Acquisition Fund" established by the State Treasurer pursuant to the Trust Agreement and the Master Financing Contract.

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

[USE FOR EQUIPMENT] *Additional Costs* means all costs, expenses, insurance premiums, Impositions and other payments, including Administrative Fees and Expenses, that are the obligations of the State Treasurer or the Agency pursuant to the terms of the Master Financing Contract or the Agency Financing Contract, as the case may be.

[INSERT ANY OR ALL OF FOLLOWING AS APPROPRIATE FOR ADDITIONAL LEASE OPTION AND PUT IN ALPHABETICAL ORDER AS APPLICABLE]

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

Additional Financing Lease Agreements means, collectively, any Additional Local Agency Financing Lease, [Additional State Agency Financing Lease Addendum,] 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(c) 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/Additional State Agency Financing Lease Addendum.

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

[USE FOR RE] ***Additional Rent*** means all costs, expenses, insurance premiums, Impositions and other payments, including Administrative Fees and Expenses, that are the obligations of the State Treasurer or the Agency pursuant to the terms of the Master Financing Lease or each Financing Lease, as the case may be.

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 [COP Series ID] Agreements.

Agency means a State Agency or Local Agency.

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

[USE FOR COMBINED ONLY] ***Agency Financing Agreement*** means each Financing Lease and Agency Financing Contract.

[USE FOR EQUIPMENT S&L] ***Agency Financing Contract*** means the Local Agency Financing Contract or the State Agency Financing Addendum.

[USE FOR EQUIPMENT] ***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.

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

[USE FOR EQUIPMENT]*Agency Installment Payment Fund* means the fund of that name maintained by the State Treasurer pursuant to the Master Financing Contract.

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

[USE FOR COMBINED]*Agency Interest Component* means that portion of each Agency Payment denominated as and comprising interest as set forth in each Agency Financing Agreement. **[OR USE FOLLOWING (EDITED)]** *Agency Interest Component* means that portion of each [Agency Rent Payment/Agency Installment Payment] denominated as and comprising interest as set forth in each [Financing Lease/Agency Financing Contract].

[USE FOR COMBINED ONLY]*Agency Payment* means each Agency Rent Payment and Agency Installment Payment.

[USE FOR COMBINED]*Agency Principal Component* means that portion of each Agency Payment denominated as and comprising principal as set forth in each Agency Financing Agreement. **[OR USE FOLLOWING EDITED IF ONLY ONE]** *Agency Principal Component* means that portion of each [Agency Rent Payment/Agency Installment Payment] denominated as and comprising principal as set forth in each [Financing Lease/Agency Financing Contract].

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

[USE FOR RE]*Agency Rent Payment Fund* means the fund of that name maintained by the State Treasurer pursuant to the Master Financing Lease.

[USE FOR RE]*Agency Rent Payments* means the rent payments to be made by each Agency as set forth in the related 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 Fiscal Agent 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.

[USE FOR RE]*Base Rent Payment* means a rent payment to be made by the State Treasurer as set forth in the Master Financing Lease.

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

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

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 Fiscal Agent 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 [COP Series ID] Certificate Fund” established 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 Agreement.

Certificate Register means the records for the registration of the Certificates maintained by the Fiscal Agent.

Certificates means the certificates of participation in the State Payments executed and delivered by the Fiscal Agent pursuant to the Trust Agreement in the Initial Principal Amount and designated as the “State of Washington Certificates of Participation, Series [COP Series ID] (_____)”.

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 Fiscal Agent as assignee pursuant to the Master Assignment.

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

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 [COP Series ID] Agreements and the 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 7.1 of the Master Financing Agreements.

Executive Order, for purposes of the Master Financing Agreement, means an order issued by the Governor of the State pursuant to sections 43.88.050 and 43.88.110 RCW, as amended or re-enacted.

[USE FOR RE] **Financing Lease** means each Local Agency Financing Lease or State Agency Financing Lease Addendum.

Fiscal Agent means The Bank of New York Mellon, a banking corporation duly organized and existing under and by virtue of the laws of the State of New York, 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.

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.

Government Obligations means obligations described in paragraph (i) of the definition of Qualified Investments below.

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, [USE FOR RE] Prepaid Site Lease Rent or Additional Rent [USE FOR EQUIPMENT] Additional Costs or other sums payable under the Master Financing Agreements, the Agency Financing Agreements [USE FOR RE] or the Site Leases, the leasehold estates created by the Site Leases, the Master Financing Lease or the applicable Financing Leases, or the operation, use or

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

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, **[USE FOR RE]** Prepaid Site Lease Rent, Additional Rent **] [USE FOR EQUIPMENT]** Additional Costs~~]~~ or other sums payable under the applicable **[USE FOR RE]** Site Leases, **] [USE FOR EQUIPMENT]** 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.

[USE FOR EQUIPMENT] **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.

[USE FOR EQUIPMENT] **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 Agreement.

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

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.

[USE NEXT THREE DEFINITIONS ONLY AS APPLICABLE]

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.

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

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

[USE NEXT THREE DEFINITIONS ONLY AS APPLICABLE]

Master Financing Agreement 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 **[USE FOR EQUIPMENT]** each Agency Financing Contract **[USE FOR RE]** and each Local Agency Financing Lease].

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 Fiscal Agent.

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

(i) Certificates theretofore canceled by the Fiscal Agent, or delivered to the Fiscal Agent 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 Agreement 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.

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

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 Fiscal Agent.

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

[USE FOR RE] 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) The Site Leases;

(iii) The Master Financing Lease;

(iv) The Master Assignment (Real Property);

(v) The Financing Leases;

(vi) **[INSERT IF ADDITIONAL LEASES – WILL AUTOMATICALLY RENUMBER]** Any Additional Financing Lease Agreements;

(vii) Any right or claim of any mechanic, laborer, materialmen, supplier or vendor filed or perfected in the manner provided by law;

(viii) 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

(ix) 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.

[USE IF STATE AGENCY] Permitted Termination Date means with respect to a Permitted Termination Event occurring as a result of an election by the State Legislature not to appropriate, the end of the last Biennium for which funding has been provided; or, with respect to a Permitted Termination Event occurring as a result of an Executive Order reduction in funding, the end of the last month for which funding is available to pay **Agency Payments** due from State Agencies.

[USE IF STATE AGENCY] Permitted Termination Event means, with respect to a State Agency: (a)(i) sufficient funds have not been appropriated within any biennial budget for the purpose of paying **Agency Payments** in the next occurring Biennium or, (ii) the Governor of the State has issued an Executive Order mandating an emergency reduction in State funding; and (b) the Treasurer Representative has delivered written notice to the Fiscal Agent, within five (5)

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

Business Days following the enactment of such budget or within thirty (30) days following such an emergency reduction in State funding, as the case may be, describing the election not to appropriate the necessary funds or the insufficiency of funds as a result of an emergency reduction in funding and stating the Permitted Termination Date.

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.

[USE IF EQUIPMENT] *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.

[USE IF RE] *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 Base Rent Payment or Installment Payment denominated as and comprising principal as set forth in the Master Financing Agreement.

Principal Office means, with respect to the State Treasurer, the office in Olympia, Washington, designated in writing by the State Treasurer to the Fiscal Agent, and, with respect to the Fiscal Agent, the corporate trust office of the Fiscal Agent or the Fiscal Agent's subcontractor, designated in writing by the Fiscal Agent 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 Fiscal Agent.

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

[USE IF RE] *Project* means the improvements acquired or constructed on each Site, if any, pursuant to each respective Financing Lease.

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

[USE IF RE]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.

[USE IF RE]Project Fund means the “State of Washington Certificates of Participation, Series **[COP Series ID]** Project Fund” established by the State Treasurer pursuant to the Trust Agreement and the Master Financing Lease.

Property means, **[USE IF RE]** (i) with respect to each Financing Lease, the Site and the Project leased by the State Treasurer to the Agency, and, with respect to the Master Financing Lease, means collectively all of such Property, and **[USE IF EQUIPMENT]** (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.

[USE IF EQUIPMENT]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 shall include the following:

(i) Any securities (including obligations held or issued in book-entry form on the books of the Department of the Treasury of the United States of America) which constitute direct obligations of, or the timely payment of the principal of and interest on which is unconditionally guaranteed by, the United States of America;

(ii) Federal Home Loan Bank Bonds and Discount Notes; Federal National Mortgage Association Bonds and Discount Notes; Federal Farm Credit Banks Consolidated System-Wide Bonds and Discount Notes; Federal Home Loan Mortgage Corporation Bonds and Discount Notes; Government National Mortgage Association Bonds; Student Loan Marketing Association Bonds and Discount Notes; Small Business Administration Bonds; Export-Import Bank Bonds; Maritime Administration Bonds; and Obligations of any other Government Sponsored Corporation whose obligations are or may become eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve System;

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

(iii) Bankers acceptances, which are eligible for purchase by the Federal Reserve System, drawn on and accepted by a commercial bank (which may include the Fiscal Agent) having a combined capital and surplus of not less than \$100,000,000, which bank has at the time of investment one of the two highest ratings of a Rating Agency;

(iv) Commercial paper having original maturities of not more than 365 days which has at the time of investment one of the two highest ratings of a Rating Agency, which is issued by a corporation organized and operating in the United States with total assets in excess of \$100,000,000;

(v) Bonds of the State and any local government in the State, which bonds have at the time of investment one of the three highest credit ratings of a Rating Agency;

(vi) General obligation bonds of a state other than the State and general obligation bonds of a local government of a state other than the State, which bonds have at the time of investment one of the three highest credit ratings of a Rating Agency;

(vii) Any investments authorized by law for the State Treasurer or any local government of the State;

(viii) Shares of money market funds with portfolios consisting of only U.S. Treasury and agency securities or repurchase agreements, which have at the time of investment one of the three highest ratings of a Rating Agency;

(ix) Any repurchase agreement with any bank or trust company organized under the laws of any state of the United States or any national banking association (including the Fiscal Agent) or government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, which agreement is secured by any one or more of the securities described in clauses (i) or (ii) above;

(x) The LGIP; and

(xi) Any other legal investment 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 [COP Series ID] 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.

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

Record Date means the 15th day of the month immediately preceding each Interest Payment Date and Principal Payment Date.

Resolution means Resolution No. 987 adopted by the State Finance Committee on October 7, 2003.

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 Fiscal Agent.

Series [COP Series ID] Agreement means, as the context requires, the Trust Agreement, [USE IF RE]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.

[USE IF RE]Site means the real property legally described in Exhibit A to the Site Lease, including the improvements thereon as of the Dated Date.

[USE IF RE]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.

[USE NEXT 3 AS APPLICABLE ONLY IF STATE AGENCY IS INVOLVED]

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

State Agency Financing Addendum means each State Agency Financing Addendum to the Master Financing Contract, dated as of the Dated Date, executed by the Treasurer Representative and the State Agency.

State Agency Financing Lease Addendum means each State Agency Financing Lease Addendum to the Master Financing Lease, dated as of the Dated Date, executed by the Treasurer Representative and the State Agency.

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

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 of Washington.

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

[USE ONLY IF LOCAL AGENCY INVOLVED] 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.

[USE IF RE] State Sublease Termination Date has the meaning given such term in the Master Financing Lease.

State Treasurer means the Treasurer of the state of Washington.

Supplemental Agreement means any agreement duly authorized and entered into following the Closing Date between or among the State Treasurer, the Corporation, and the Fiscal Agent (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 Agreement, 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

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

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.

Trust Agreement means the Trust Agreement, dated as of the Dated Date, by and among the State Treasurer, the Corporation and the Fiscal Agent, 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 [COP Series ID] 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 [COP Series ID] Agreement, the words "hereof," "herein," "hereto," "hereby" and "hereunder" (except in the form of the Certificates) refer to this entire Series [COP Series ID] 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.

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

(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 [COP Series ID] Agreement:

(a) **No Personal Recourse.** No director, officer, agent or employee, past, present or future, of the State, the Corporation, any Agency or the Fiscal Agent, 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 [COP Series ID] 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 [COP Series ID] 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
To the Fiscal Agent:	The Bank of New York Mellon c/o The Bank of New York Mellon Trust Company, N.A. 2001 Bryan Street, 11 th Floor Dallas, TX 75201 Telephone: (214) 468-6254 Telecopy: (214) 468-6322
To the Agencies:	<i>To the address specified in the respective Local Agency Financing Contract and/or State Agency Financing Addendum [USE PRECEDING FOR EQUIPMENT ONLY – REVISE WHEN ADDING R/E DOCUMENTS]</i>
With a copy to:	The State Treasurer

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

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 [COP Series ID] 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 [COP Series ID] 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 [COP Series ID] 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 [COP Series ID] Agreement to be observed or performed by or on behalf of the State Treasurer, the Corporation, each Agency, the Fiscal Agent 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 Fiscal Agent and the Paying Agents any legal or equitable right, remedy or claim hereunder.

(f) ***Counterparts.*** This Series [COP Series ID] 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 [COP Series ID] 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 [COP Series ID] Agreement. Venue for any

ATTACHMENT E-3 Definitions related to certain terms in Attachments E-1 and E-2

action brought under this Series [COP Series ID] 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 [COP Series ID] 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 [COP Series ID] 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 [COP Series ID] Agreement.

(i) ***No Joint Venture.*** It is not intended by this Series [COP Series ID] Agreement to, and nothing contained in this Series [COP Series ID] 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 [COP Series ID] 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 [COP Series ID] 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 [COP Series ID] Agreement shall continue to be valid and enforceable as against the Parties hereto. The Parties to this Series [COP Series ID] Agreement hereby declare that they would have executed and delivered this Series [COP Series ID] 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) ***[USE FOR RE]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 Fiscal Agent 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 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 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 [COP Series ID] 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 [COP Series ID] Agreement; (ii) such Supplemental Agreement will not have a material adverse effect on the interests of Owners of the Certificates; and (ii) 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 [COP Series ID] 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) *Fiscal Agent Authorized to Join in Amendments and Supplements; Reliance on Counsel.* The Fiscal Agent 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 [COP Series ID] 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 [COP Series ID] Agreement of the Parties hereto and all Owners shall thereafter be determined, exercised and enforced under this Series [COP Series ID] Agreement subject in all respects to such Supplemental Agreement.