

## DEFEASANCE TRUST AGREEMENT

THIS DEFEASANCE TRUST AGREEMENT (the “Agreement”) is made and entered into as of the \_\_\_ day of \_\_\_\_\_, 2016, by and between THE CITY OF SEATTLE, WASHINGTON (the “City”), a municipal corporation, and \_\_\_\_\_ of \_\_\_\_\_, (the “Defeasance Trustee”).

WHEREAS, pursuant to Ordinance 119155, passed by the City Council on September 21, 1998, and Resolution 29858, adopted by the City Council on October 28, 1998, the City issued its \$60,805,000 Limited Tax General Obligation Bonds, 1998, Series F (the “1998F Bonds”), to pay part of the cost of the City’s acquisition of a public parking facility in downtown Seattle consisting of the Garage Unit of Pacific Place, a condominium (the “Garage”); and

WHEREAS, pursuant to Ordinance 122286, passed by the City council on November 20, 2006, and Resolution 30980, adopted by the City Council on April 18, 2007 (collectively, the “2007 Bond Legislation”), the City issued its \$95,550,000 Limited Tax General Obligation Improvement and Refunding Bonds, 2007 (the “2007 Bonds”), a portion of which was allocated to refund the then-outstanding 1998F Bonds and thereby refinance part of the cost of the Garage (the “2007 Garage Refunding Bonds”); and

WHEREAS, pursuant to the 2007 Bond Legislation, the City reserved the right to use money available from any lawful source to pay when due the principal of and interest on all or any portion of the 2007 Bonds pursuant to a defeasance plan; and

WHEREAS, pursuant to Council Bill \_\_\_\_\_, passed by the City Council on \_\_\_\_\_, 2016, the City has determined that it is in the best interests of the City to sell the Garage to \_\_\_\_\_ ( the “Purchaser”), and has approved and authorized the execution and delivery by the Director of the Department of Finance and Administrative Services, on behalf of the City, of a Purchase and Sale Agreement for Sale of Real Property (the “Purchase and Sale Agreement”), by and between the City and the Purchaser for the sale of the Garage to the Purchaser in a bona fide arm’s-length transaction, which sale is expected to close on or before \_\_\_\_\_, 2016 (the “Closing Date”); and

WHEREAS, under the terms of the Purchase and Sale Agreement, the City will receive from Purchaser on the Closing Date exclusively cash consideration for the sale of the Garage, which the City has determined, based upon appraisals prepared and provided to the City by professional real estate appraisers, to be an amount not less than the fair market value of the Garage; and

WHEREAS, in order to preserve the exclusion of interest on the 2007 Bonds from gross income of the owners thereof for federal income tax purposes, by Ordinance \_\_\_\_\_ (the “Defeasance Legislation”) the City has determined to carry out a remedial action in respect of the 2007 Garage Refunding Bonds, as permitted by Treasury Regulations Section 1.141-12(d), by using a portion of the Disposition Proceeds (the “Defeasance Portion”) to establish a yield-

restricted defeasance escrow to defease all of the outstanding principal of the 2007 Garage Refunding Bonds more particularly described in Schedule 1 to this Agreement as authorized by the Defeasance Legislation (the “2007 Defeased Bonds”), and to call, pay and redeem the 2007 Defeased Bonds on or before October 1, 2017, which is their earliest optional redemption date and a date less than 10-1/2 years after the issue date of the 2007 Defeased Bonds; and

WHEREAS, the payment of the Defeased Bonds will be accomplished pursuant to this Agreement and the Defeasance Legislation, which documents provide for and, for the purpose of the Internal Revenue Code of 1986, as amended (the “Code”), are to be considered as the Defeasance Plan, by:

(a) The delivery of the Defeasance Portion of the Disposition Proceeds by the City to the Defeasance Trustee on the date of this Agreement (the “Defeasance Date”), which Defeasance Date shall be not more than 30 days after the Closing Date;

(b) The purchase by the Defeasance Trustee on the Defeasance Date of the noncallable direct obligations of the United States of America listed on Exhibit A attached hereto and made a part hereof by this reference (the “Escrow Obligations”), which Escrow Obligations satisfy the requirements of the Verification described in paragraph (c); and

(c) The delivery to the City and the Defeasance Trustee of a verification (the “Verification”) by a nationally recognized independent certified public accounting firm verifying the mathematical accuracy of the computations (which computations shall be attached to that report) showing that:

(i) the maturing principal of and interest on the Escrow Obligations, together with the specified beginning cash balance, if any, will provide sufficient money to make the payments set forth in paragraph (e), below, assuming that all principal of and interest on the Escrow Obligations is paid on the due dates thereof and assuming no reinvestment of such maturing principal and interest; and

(ii) the yield on the Escrow Obligations is lower than the arbitrage yield on the 2007 Bonds;

(d) The receipt by the Defeasance Trustee of the maturing installments of principal of and interest on the Escrow Obligations; and

(e) The Defeasance Trustee’s payment to the Fiscal Agent for the Defeased Bonds (the “Fiscal Agent”) of money sufficient (i) to pay interest on and principal of the Defeased Bonds when due up to and including October 1, 2017, and (ii) on October 1, 2017, to pay and redeem all of the remaining principal of the Defeased Bonds at a price equal to 100% of the stated principal amount thereof;

and

WHEREAS, upon the deposit of the Defeasance Portion of the Disposition Proceeds with the Defeasance Trustee and the purchase by the Defeasance Trustee of the Escrow Obligations to carry out the Defeasance Plan, under the authority of the laws of the State of Washington the principal amount of the Defeased Bonds no longer shall be considered outstanding pursuant to the defeasance provisions of the 2007 Bond Legislation; and

WHEREAS, the City Council, pursuant to the Defeasance Legislation, has duly and validly authorized the execution and delivery of this Agreement, the purchase by the Defeasance Trustee of the Escrow Obligations and the carrying out of the Defeasance Plan; and

WHEREAS, capitalized words used but not defined in this Agreement have the meanings set forth in the Defeasance Legislation;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and for the benefit of the City, the parties hereto agree as follows:

Section 1. Delivery of Money to Defeasance Trustee. For the purpose of making the payments required by the Defeasance Plan, the City irrevocably conveys, transfers, and assigns to the Defeasance Trustee the Trust Estate, which consists of (a) all amounts deposited with the Defeasance Trustee pursuant to this Agreement, including the Escrow Obligations (and Substitute Obligations (defined in Section 8), if any); (b) the principal thereof and interest thereon; and (c) any reinvestments thereof made pursuant to Section 2. The amounts to be delivered on the Defeasance Date by or on behalf of the City to the Defeasance Trustee pursuant to the Defeasance Plan shall be as set forth in the memorandum summarizing the transfers to take place in the Defeasance Date (“Defeasance Memorandum”) and in Exhibit A.

Section 2. Investment and Expenditure of Money. On the Defeasance Date, the Defeasance Trustee shall apply \$\_\_\_\_\_ to pay on behalf of the City the purchase and/or subscription prices of the Escrow Obligations, from the sources, in the principal amounts, with the dates of maturity and bearing the interest rates or yields set forth in Exhibit A, and \$\_\_\_\_\_ to establish a beginning cash balance, to carry out the Defeasance Plan.

Immediately upon purchase of the Escrow Obligations, the Defeasance Trustee shall deliver to the City evidence of such purchase and payment therefor. Investments in mutual funds and unit investment trusts are prohibited. The costs of carrying out the Defeasance and administering the Defeasance Plan shall be as set forth in the Defeasance Memorandum. All remaining amounts deposited with the Defeasance Trustee in excess of the amounts set forth above shall be promptly transferred to the City for application in accordance with the Defeasance Legislation.

At the written direction of the City, the proceeds and reinvestment proceeds of any Escrow Obligations (and/or Substitute Obligations) (including both principal of and interest on such obligations) held in the Trust Estate that are not needed within one business day to make the payments required by the Defeasance Plan shall be reinvested by the Defeasance Trustee no later

than the next business day following receipt of such written direction. The City may direct such reinvestment subject to the following conditions:

(a) Except as provided in subsection (c) below, the proceeds of such Escrow Obligations and/or Substitute Obligations shall be reinvested in Substitute Obligations at a yield that will not cause the composite yield on the defeasance trust account to exceed \_\_\_\_\_% during its term, unless the Issuer's instructions are accompanied by a verification of an acceptable higher composite yield and an opinion of Stradling Yocca Carlson & Rauth, P.C., bond counsel to the City, its successor or other nationally recognized bond counsel to the City ("Bond Counsel") approving reinvestment of such proceeds at that higher yield.

(b) The obligations in which such proceeds are reinvested must mature in an amount at least equal to their purchase price on the date or dates directed by the City, but not later than the date (as shown by the then most recent Verification) that such maturing principal is needed to make the payments required by the Defeasance Plan.

(c) If the proceeds of the Escrow Obligations and/or Substitute Obligations, together with other funds remaining in the Trust Estate, are insufficient to reinvest in the smallest denomination of such obligations or are required to be used to make payments required by the Defeasance Plan sooner than the shortest maturity available for such obligations, then those proceeds and funds shall be held in the trust account, fully collateralized in accordance with state and federal banking regulations applicable to such fiduciary accounts, until required to make the payments required by the Defeasance Plan, or until sufficient money is accumulated to permit the investment thereof.

As used in paragraph (a) of this subsection, the term "yield" means that yield computed in accordance with and permitted by the Code applicable to the Trust Estate so as to preserve the exclusion from gross income for federal income tax purposes of the interest on the Defeased Bonds.

The Defeasance Trustee may make any and all investments permitted by the provisions of this section through its own investment department or the investment departments of any of its affiliates, to the extent such activity is consistent with applicable state and federal banking regulations.

Section 3. Sufficiency of and Yield on Escrow Obligations. Based upon the Verification, the City represents that (a) the Escrow Obligations and the maturing principal thereof and the interest thereon, if paid when due, together with the beginning cash balance, shall be sufficient to make when due the payments required by the Defeasance Plan; and (b) the yield on the Escrow Obligations is lower than the arbitrage yield on the 2007 Bonds. Such amounts coming due are sometimes referred to hereinafter as the "payments described in Section 3." The schedules of the sources, amounts, maturities, and interest rates or yields of the Escrow Obligations and of the Defeased Bonds that will fulfill the foregoing requirements are set forth in the Verification.

Section 4. Collection of Proceeds of Escrow Obligations and Application of Such Proceeds and Money. The Defeasance Trustee shall present for payment and shall collect and receive on the due dates thereof the maturing installments of the principal of and the interest on the Escrow Obligations and any Substitute Obligations (defined hereinafter). The Defeasance Trustee shall make payments, but only in the amounts received pursuant to this section, in a timely manner to the Fiscal Agent of the amounts to be paid on the Defeased Bonds as shown in the Verification. Those payments shall be made by check, wire transfer, or such other method of transfer of funds as shall be agreed upon by the Defeasance Trustee and the Fiscal Agent.

Section 5. Notice of Defeasance and Notice of Redemption.

(a) Notices to Bondholders and MSRB. As the agent of the City charged with carrying out the Defeasance Plan, the Defeasance Trustee agrees to provide the notices of defeasance and of redemption of the Defeased Bonds as follows:

- (i) A notice of defeasance for the Defeased Bonds, in substantially the form set forth in Exhibit B, shall be delivered to the Fiscal Agent within two business days following the date of this Agreement, with instructions that such notice be given promptly upon receipt in accordance with the Defeased Bond Legislation to the registered owner of each Defeased Bond.
- (ii) A notice of redemption for the Defeased Bonds, in substantially the form set forth in Exhibit C, shall be delivered to the Fiscal Agent not less than 30 nor more than 60 days prior to October 1, 2017, with instructions that such notice be given in accordance with the Defeased Bond Legislation to the registered owner of each Defeased Bond.
- (iii) No later than two business days following the delivery of the notice of defeasance and the notice of redemption to the Fiscal Agent, the Defeasance Trustee shall also (1) file a copy of such notice with the Municipal Securities Rulemaking Board (the "MSRB"), and (2) mail, postage prepaid, a copy of such notice to (A) each Rating Agency that provided a rating on the Defeased Bonds (Moody's Investors Service, Standard & Poor's and Fitch), and (B) J.P. Morgan Securities Inc. (or its successor) as the underwriter for the Defeased Bonds.

(b) Notices to MSRB. Unless otherwise directed by the City, notices required to be given to the MSRB shall be posted on the MSRB's Electronic Municipal Market Access ("EMMA") website in the electronic format prescribed by the MSRB and accompanied by the identifying information prescribed by the MSRB, including the appropriate CUSIP numbers.

(c) Additional Notices. At the written request of the City from time to time, the Defeasance Trustee agrees to provide to the MSRB such additional notices of material events affecting the Defeased Bonds in the form provided by the City.

(d) Costs. The cost of giving the notices described in this section shall be paid by the City.

Section 6. All Obligations and Money and Proceeds Thereof Held in Trust. The Defeasance Trustee irrevocably agrees to hold the Escrow Obligations, the Substitute Obligations, if any, the principal thereof and interest thereon, and any other money it may receive pursuant to this Agreement, in trust and separate at all times from all other funds and investments held by the Defeasance Trustee, solely for the purpose of making the payments described in Section 3. The City irrevocably conveys, transfers, and assigns to the Defeasance Trustee the Escrow Obligations, any Substitute Obligations, the principal thereof and the interest thereon, and any other money and investments deposited with the Defeasance Trustee pursuant to this Agreement, for the purpose of making such payments. The Defeasance Trustee shall not sell, transfer, assign, or hypothecate any Escrow Obligations or Substitute Obligations except pursuant to Sections 2, 8, 11 and 12 hereof.

Section 7. Reports. The Defeasance Trustee shall provide periodic reports to the City, showing the cash and Escrow Obligations and/or Substitute Obligations held by the Defeasance Trustee pursuant to this Agreement. The report shall detail: the obligations that have matured and amounts received by the Defeasance Trustee by reason of such maturity, the interest earned on such obligations, a list of any investments or reinvestments made by the Defeasance Trustee in other obligations and the interest and/or principal derived therefrom, the amounts paid to the Fiscal Agent for the Refunded Bonds, and all other transactions of the Defeasance Trustee pertaining to its duties and obligations as set forth herein.

Section 8. Substitution of Different Obligations or Other Investments. The City reserves the right to substitute from time to time for Escrow Obligations initially purchased in accordance with Section 2 hereof, or for obligations purchased under this section, other noncallable, nonprepayable direct obligations of the United States of America and/or obligations unconditionally guaranteed by the United States of America as to full and timely payment of principal and interest authorized to be acquired with the amounts deposited with the Refunding Trustee (the "Substitute Obligations"). Prior to effecting any such substitution, the City shall have obtained at its expense and delivered to the Defeasance Trustee:

(a) A verification by a nationally recognized independent certified public accounting firm acceptable to the Defeasance Trustee confirming that the maturing principal of and interest on the Substitute Obligations and any remaining Escrow Obligations to be held by the Defeasance Trustee in the defeasance escrow, if paid when due and assuming no reinvestment thereof, together with any other cash then held by the Defeasance Trustee, will be sufficient to carry out the Defeasance Plan and make all remaining payments described in Section 3; and

(b) An opinion from Bond Counsel that the disposition and substitution or purchase of such securities, under the statutes, rules, and regulations then in force

and applicable to the Defeased Bonds, will not cause the interest on the Defeased Bonds to be included in gross income for federal income tax purposes and that such disposition and substitution or purchase is in compliance with the statutes and regulations applicable to the Defeased Bonds.

If the verification delivered to the Defeasance Trustee pursuant to Section 8(a) shows that surplus money not needed to make the payments described in Section 3 will result from the sale, transfer, or other disposition of Escrow Obligations and the substitution of Substitute Obligations therefor, that surplus money at the written request of the City shall be released from the trust estate and shall be transferred to the City to be used for any lawful City purpose, subject to any restrictions stated in the opinion of Bond Counsel required by Section 8(b).

Section 9. Amendments to Agreement. This Agreement is irrevocable and shall not be subject to amendment except for the purpose of clarifying any ambiguity, increasing the protection of the rights of the owners of the Defeased Bonds, or preserving the exclusion of the interest on the Defeased Bonds from gross income for federal income tax purposes, and only if such amendment is accompanied by an opinion of Bond Counsel, addressed to the City and the Defeasance Trustee, to the effect that such amendment is necessary for one of the above reasons and does not materially adversely affect the owners of the Defeased Bonds. If such amendment will affect the amount of money and investments in the trust account or the application thereof, there must also be delivered to the Defeasance Trustee prior to the amendment's effective date a Verification confirming that after such amendment the Trust Estate will be sufficient to make the payments required by the Defeasance Plan.

Section 10. Limitation of Liability of Defeasance Trustee. The Defeasance Trustee's liabilities and obligations in connection with this Agreement are confined to those specifically described herein. None of the provisions contained in this Agreement shall require the Defeasance Trustee to use or advance its own funds in the performance of any of its duties or the exercise of any of its rights or powers hereunder. The Defeasance Trustee shall be under no liability for the payment of interest on the Trust Estate, except to the extent it receives payments of principal or interest in respect of the investment of funds comprising a portion of the Trust Estate. The Defeasance Trustee is authorized and directed to comply with the provisions of this Agreement and is relieved from all liability for so doing notwithstanding any demand or notice to the contrary by any party hereto. The Defeasance Trustee shall not be responsible or liable for the sufficiency, correctness, genuineness, or validity of the Escrow Obligations or the Substitute Obligations; the performance or compliance by any party other than the Defeasance Trustee with the terms or conditions of any such instruments; or any loss that may occur by reason of forgeries, false representations, or the exercise of the Defeasance Trustee's discretion in any particular manner unless such exercise is negligent or constitutes willful misconduct. If any controversy arises between the City and any third person, the Defeasance Trustee shall not be required to determine the same or to take any action in the premises, but it may institute, in its discretion, an interpleader or other proceedings in connection therewith as it may deem proper, and in following either course, it shall not be liable.

Section 11. Remittance of Funds When Defeased Bonds Paid in Full. At such time as the Defeasance Trustee has received the representation of the City that all of the payments described

in Section 3 have been made and the confirmation of such representation by the Fiscal Agent, together with such other evidence of such payments as shall be satisfactory to the City and the Defeasance Trustee, the Defeasance Trustee shall deliver forthwith or remit to the City any remaining Escrow Obligations, Substitute Obligations, and money held pursuant to this Agreement.

Section 12. Compensation of Defeasance Trustee. The payment arrangement heretofore made between the Defeasance Trustee and the City on compensation and expenses of the Defeasance Trustee for services rendered by it pursuant to the provisions of this Agreement is satisfactory to it and to the City, and no further payment to the Defeasance Trustee shall be required for such purpose. Such arrangement for compensation and expenses is intended as compensation for the ordinary services as contemplated by this Agreement, and if the Defeasance Trustee renders any service hereunder not provided for in this Agreement, or the Defeasance Trustee is made a party to or intervenes in any litigation pertaining to this Agreement or institutes interpleader proceedings relative hereto, the Defeasance Trustee shall be compensated reasonably by the City for such extraordinary services and reimbursed for all fees, costs, liability, and expenses (including reasonable attorneys' fees) occasioned thereby. The Defeasance Trustee shall not have a lien against or otherwise be compensated for its services and expenses from the money, Escrow Obligations, and Substitute Obligations held pursuant to this Agreement to make the payments described in Section 3.

Section 13. Successor Defeasance Trustee. The obligations assumed by the Defeasance Trustee pursuant to this Agreement may be transferred by the Defeasance Trustee to a successor if (a) the Defeasance Trustee has presented evidence satisfactory to the City and to Bond Counsel that the successor trustee meets the requirements of RCW 39.53.070, as now in effect or hereafter amended; (b) the City approves the appointment of the successor trustee; (c) the successor trustee has assumed all of the obligations of the Defeasance Trustee under this Agreement and has been compensated; and (d) all of the Escrow Obligations, Substitute Obligations, and money then held by the Defeasance Trustee pursuant to this Agreement have been duly transferred to such successor trustee.

Notwithstanding anything to the contrary contained in this Agreement, any company into which the Defeasance Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion, or consolidation to which the Defeasance Trustee is a party, or any company to which the Defeasance Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to the Defeasance Trustee without execution or filing of any paper or further act, if such company is eligible to serve as Defeasance Trustee under RCW 39.53.070.

Section 14. Miscellaneous. This Agreement is governed by Washington law without regard to the conflict of laws provisions thereof and may not be modified except by a writing signed by the parties and subject to the limitations of Section 9. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

Section 15 Direction to Defeasance Trustee by City. The Defeasance Trustee agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Defeasance Trustee shall have received an incumbency certificate (in substantially the form set forth in Exhibit D) listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added to or deleted from the listing. If the City elects to give the Defeasance Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Defeasance Trustee reasonably elects to act upon such instructions, the Defeasance Trustee's understanding of such instructions shall be deemed controlling. The Defeasance Trustee's election to act shall be deemed reasonable if confirmed telephonically with the designated person. The Defeasance Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Defeasance Trustee's reliance upon and compliance with such instructions, notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees to assume all risks arising out of its election to use such electronic methods to submit instructions and directions to the Defeasance Trustee.

Section 16. Counterparts. This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement pursuant to due and proper authorization, all as of the date and year first above written.

THE CITY OF SEATTLE, WASHINGTON \_\_\_\_\_, as Defeasance Trustee

By \_\_\_\_\_

By \_\_\_\_\_  
Title: \_\_\_\_\_

## SCHEDULE 1

### 2007 DEFEASED BONDS

Maturity Year (October 1)	Par Amount 2007 Defeased Bonds*	Interest Rate
2016		5.00%
2017		5.00
2018		5.00
2019		5.00
2020		5.00
2021		5.00
2022		5.00
2023		5.00
2024		5.00
2025		5.00
2026		5.00
2027		5.00
2028		5.00

\* Represents that portion of the principal due on each maturity date of the City's Limited Tax General Obligation Improvement and Refunding Bonds, 2007, that was allocated to the refinancing of the Garage.

**EXHIBIT A**

**THE CITY OF SEATTLE, WASHINGTON**

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**ESCROW OBLIGATIONS**

<u>TYPE*</u>	<u>MATURITY</u> <u>DATE</u>	<u>PAR</u> <u>AMOUNT</u>	<u>INTEREST</u> <u>RATE</u>
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\*CERT - United States Treasury Certificate of Indebtedness--State and Local Government Series  
NOTE - United States Treasury Note--State and Local Government Series

## EXHIBIT B

### Notice of Defeasance The City of Seattle, Washington Limited Tax General Obligation Improvement and Refunding Bonds, 2007

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds with respect to which, pursuant to the Defeasance Trust Agreement dated as of \_\_\_\_\_, 2016, by and between The City of Seattle, Washington (the "City"), and \_\_\_\_\_ (the "Defeasance Trustee"), there has been deposited into an escrow account, held by the Defeasance Trustee, cash and non-callable direct obligations of the United States of America, the principal of and interest on which, when due, will provide money to pay each year, to and including the respective maturity or redemption dates of such bonds so provided for, the principal thereof and interest thereon (the "Defeased Bonds"). Such Defeased Bonds are therefore deemed to be no longer outstanding pursuant to Section 16 of Ordinance 122286 of the City relating to the Defeased Bonds, but will be paid by application of the assets in such escrow account.

The Defeased Bonds are described as follows:

#### The City of Seattle, Washington Limited Tax General Obligation Improvement and Refunding Bonds, 2007 (Dated May 2, 2007)

<u>Maturity Date (October 1)</u>	<u>Current CUSIP Nos.</u>	<u>Interest Rate</u>	<u>Par Amount Defeased</u>	<u>Call Date for Defeased Bonds</u>	<u>Defeased Bonds CUSIP Nos.</u>	<u>Amount Undefeased</u>	<u>Non-Defeased CUSIP Nos.</u>
2016	812626UF4	5.00%	\$_____	N/A		\$_____	
2017	812626UG2	5.00		N/A			
2018	812626UH0	5.00		10/1/2017			
2019	812626UJ6	5.00		10/1/2017			
2020	812626UK3	5.00		10/1/2017			
2021	812626UL1	5.00		10/1/2017			
2022	812626UM9	5.00		10/1/2017			
2023	812626UN7	5.00		10/1/2017			
2024	812626UP2	5.00		10/1/2017			
2025	812626UQ0	5.00		10/1/2017			
2026	812626UR8	5.00		10/1/2017			
2027	812626US6	5.00		10/1/2017			
2028	812626UT4	5.00		10/1/2017			

\_\_\_\_\_, as Defeasance Trustee

Dated: \_\_\_\_\_

# EXHIBIT C

## Notice of Redemption

### The City of Seattle, Washington Limited Tax General Obligation Improvement and Refunding Bonds, 2007

NOTICE IS HEREBY GIVEN that The City of Seattle, Washington, has called for redemption on October 1, 2017, all of its then-outstanding Limited Tax General Obligation Improvement and Refunding Bonds, 2007 (the "Bonds").

The Bonds will be redeemed at a price of one hundred percent (100%) of their principal amount, plus accrued interest to October 1, 2017. The redemption price of the Bonds is payable on presentation and surrender of the Bonds at the office of:

**U.S. Bank National Association**  
**Global Corporate Trust Services**  
111 Fillmore Ave E  
St. Paul, MN 55107

Interest on all Bonds or portions thereof which are redeemed shall cease to accrue on October 1, 2017.

The following Bonds are being redeemed:

<u>Maturity Date (October 1)</u>	<u>Current CUSIP Nos.</u>	<u>Interest Rate</u>	<u>Par Amount Defeased</u>	<u>Defeased Bonds CUSIP Nos.</u>	<u>Amount Undefeased</u>	<u>Non-Defeased CUSIP Nos.</u>
2018	812626UH0	5.00%	\$_____		\$_____	
2019	812626UJ6	5.00				
2020	812626UK3	5.00				
2021	812626UL1	5.00				
2022	812626UM9	5.00				
2023	812626UN7	5.00				
2024	812626UP2	5.00				
2025	812626UQ0	5.00				
2026	812626UR8	5.00				
2027	812626US6	5.00				
2028	812626UT4	5.00				

**By Order of The City of Seattle, Washington**

**U.S. Bank National Association, as Paying Agent**

Dated: \_\_\_\_\_

Under Section 3406(a)(1) of the Internal Revenue Code the Registrar may be obligated to withhold a percentage of the principal of a holder who has failed to furnish the Registrar with a valid taxpayer identification number and a certification that the owner is not subject to backup withholding. Owners who wish to avoid the application of these provisions should submit a completed IRS Form W-9 when presenting their certificates for payment.

**EXHIBIT D**

**FORM OF INCUMBENCY CERTIFICATE**

I, \_\_\_\_\_, \_\_\_\_\_ of The City of Seattle, Washington (the “City”), do hereby certify that the following City officials, or their successors, are authorized to act on behalf of the City under the Defeasance Trust Agreement dated \_\_\_\_\_, 2016, between the City and \_\_\_\_\_ as Defeasance Trustee, relating to the City’s Limited Tax General Obligation Improvement and Refunding Bonds, 2007:

<u>Name</u>	<u>Title</u>	<u>Signature</u>
Glen M. Lee	Director of Finance	_____
Michael Van Dyck	Debt Manager	_____

Dated \_\_\_\_\_, 2016.

THE CITY OF SEATTLE, WASHINGTON

\_\_\_\_\_