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2 **EXHIBIT B**
3 **FORM OF UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE**
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5 The City of Seattle, Washington (the “City”), makes the following written undertaking
6 (the “Undertaking”) for the benefit of the holders of the City’s [Limited Tax General Obligation
7 Bonds, 2016][Series Designation] (the “Bonds”), for the sole purpose of assisting the Purchaser
8 in meeting the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to a participating
9 underwriter for the Bonds. Capitalized terms used but not defined below shall have the
10 meanings given in Ordinance _____ and Resolution _____ (together, the “Bond Legislation”).

11 (a) Undertaking to Provide Annual Financial Information and Notice of Listed
12 Events. The City undertakes to provide or cause to be provided, either directly or through a
13 designated agent, to the Municipal Securities Rulemaking Board (the “MSRB”), in an electronic
14 format as prescribed by the MSRB, accompanied by identifying information as prescribed by the
15 MSRB, the following information:

16 (i) Annual financial information and operating data of the type included in
17 the final official statement for the Bonds and described in subsection (b) of this section (“annual
18 financial information”);

19 (ii) Timely notice (not in excess of 10 business days after the occurrence of
20 the event) of the occurrence of any of the following events with respect to the Bonds:
21 (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material;
22 (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled
23 draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or
24 liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the
25 Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed
26 Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect to the tax
27 status of the Bonds, or other material events affecting the tax status of the Bonds;
28 (7) modifications to rights of holders of the Bonds, if material; (8) Bond calls (other than
29 scheduled mandatory redemptions of Term Bonds), if material, and tender offers;
30 (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds,
31 if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the
32 City, as such “Bankruptcy Events” are defined in Rule 15c2-12; (13) the consummation of a
33 merger, consolidation, or acquisition involving the City or the sale of all or substantially all of
34 the assets of the City other than in the ordinary course of business, the entry into a definitive
35 agreement to undertake such an action or the termination of a definitive agreement relating to
36 any such actions, other than pursuant to its terms, if material; and (14) appointment of a
37 successor or additional trustee or the change of name of a trustee, if material; and

38 (iii) Timely notice of a failure by the City to provide required annual financial
39 information on or before the date specified in subsection (b) of this section.

1 (b) Type of Annual Financial Information Undertaken to be Provided. The annual
2 financial information that the City undertakes to provide in subsection (a) of this section:

3 (i) Shall consist of (1) annual financial statements of the City prepared in
4 accordance with generally accepted accounting principles applicable to governmental units
5 (except as otherwise noted herein), as such principles may be changed from time to time and as
6 permitted by State of Washington (the “State”) law, which financial statements will not be
7 audited, except, that if and when audited financial statements are otherwise prepared and
8 available to the City they will be provided; (2) a statement of outstanding general obligation debt
9 of the City; (3) the assessed value of the property within the City subject to ad valorem taxation;
10 and (4) ad valorem tax levy rates and amounts and percentages of taxes collected;

11 (ii) Shall be provided not later than the last day of the ninth month after the
12 end of each fiscal year of the City (currently, a fiscal year ending December 31), as such fiscal
13 year may be changed as required or permitted by State law, commencing with the City’s fiscal
14 year ending December 31, 20__; and

15 (iii) May be provided in a single or multiple documents, and may be
16 incorporated by specific reference to documents available to the public on the Internet website of
17 the MSRB or filed with the United States Securities and Exchange Commission.

18 (c) Amendment of Undertaking. The Undertaking is subject to amendment after the
19 primary offering of the Bonds without the consent of any holder of any Bond, or of any broker,
20 dealer, municipal securities dealer, participating underwriter, rating agency or the MSRB, under
21 the circumstances and in the manner permitted by Rule 15c2-12. The City will give notice to the
22 MSRB of the substance (or provide a copy) of any amendment to the Undertaking and a brief
23 statement of the reasons for the amendment. If the amendment changes the type of annual
24 financial information to be provided, the annual financial information containing the amended
25 financial information will include a narrative explanation of the effect of that change on the type
26 of information to be provided.

27 (d) Beneficiaries. The Undertaking evidenced by this section shall inure to the
28 benefit of the City and any holder of Bonds, and shall not inure to the benefit of or create any
29 rights in any other person.

30 (e) Termination of Undertaking. The City’s obligations under this Undertaking shall
31 terminate upon the legal defeasance, prior redemption, or payment in full of all of the
32 outstanding Bonds. In addition, the City’s obligations under this Undertaking shall terminate if
33 those provisions of Rule 15c2-12 which require the City to comply with this Undertaking
34 become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion
35 of nationally recognized bond counsel or other counsel familiar with federal securities laws
36 delivered to the City, and the City provides timely notice of such termination to the MSRB.

37 (f) Remedy for Failure to Comply with Undertaking. As soon as practicable after the
38 City learns of any failure to comply with the Undertaking, the City will proceed with due
39 diligence to cause such noncompliance to be corrected. No failure by the City or other obligated
40 person to comply with the Undertaking shall constitute a default in respect of the Bonds. The

1 sole remedy of any Beneficial Owner of a Bond shall be to take such actions as that Beneficial
2 Owner deems necessary, including seeking an order of specific performance from an appropriate
3 court, to compel the City or other obligated person to comply with the Undertaking.

4 (g) Designation of Official Responsible to Administer Undertaking. The Director of
5 Finance of the City (or such other officer of the City who may in the future perform the duties of
6 that office) or his or her designee is the person designated, in accordance with the Bond
7 Legislation, to carry out the Undertaking of the City in respect of the Bonds set forth in this
8 section and in accordance with Rule 15c2-12, including, without limitation, the following
9 actions:

10 (i) Preparing and filing the annual financial information undertaken to be
11 provided;

12 (ii) Determining whether any event specified in subsection (a) has occurred,
13 assessing its materiality, where necessary, with respect to the Bonds, and preparing and
14 disseminating any required notice of its occurrence;

15 (iii) Determining whether any person other than the City is an “obligated
16 person” within the meaning of Rule 15c2-12 with respect to the Bonds, and obtaining from such
17 person an undertaking to provide any annual financial information and notice of listed events for
18 that person in accordance with Rule 15c2-12;

19 (iv) Selecting, engaging and compensating designated agents and consultants,
20 including but not limited to financial advisors and legal counsel, to assist and advise the City in
21 carrying out the Undertaking; and

22 (v) Effecting any necessary amendment of the Undertaking.