

ISSUING AND PAYING AGENT AGREEMENT (MODE AGREEMENT)

KING COUNTY, WASHINGTON

LIMITED TAX GENERAL OBLIGATION NOTES (PAYABLE FROM SEWER REVENUES) (COMMERCIAL PAPER), SERIES A AND LIMITED TAX GENERAL OBLIGATION NOTES (PAYABLE FROM SEWER REVENUES) (COMMERCIAL PAPER), SERIES B (TAXABLE)

This Issuing and Paying Agent Agreement (Mode Agreement) (the “Mode Agreement”) is entered into as of December 15, 2020, by and between King County, Washington (the “County”), and U.S. Bank National Association, as Registrar and Issuing and Paying Agent (the “Paying Agent”), in connection with the County’s Limited Tax General Obligation Notes (Payable from Sewer Revenues) (Commercial Paper), Series A (the “Series A Notes”), and Limited Tax General Obligation Notes (Payable from Sewer Revenues) (Commercial Paper), Series B (Taxable) (the “Series B Notes” and, together with the Series A Notes, the “Notes”), issued pursuant to Ordinance 19114 of the County adopted on June 23, 2020 (the “New Money Ordinance”) and Ordinance 18898 of the County adopted on May 22, 2019 (the “Refunding Ordinance” and, together with the New Money Ordinance, the “Ordinance”) and Motion 15771 of the County adopted on December 8, 2020 (the “Sale Motion” and together with the Ordinance, the “Note Legislation”).

RECITALS

WHEREAS, pursuant to the Note Legislation, the County has authorized the issuance of two Series of Notes in the Commercial Paper Mode described in **Exhibit A**; and

WHEREAS, the New Money Ordinance authorizes the issuance of junior lien sewer revenue bonds and multi-modal limited tax general obligation bonds (payable from sewer revenues), including in the commercial paper mode, to provide funds for acquiring and constructing improvements to the sewer system, and pursuant to the Sale Motion, the County has authorized the issuance, and remarketing from time to time, of up to \$175,000,000 principal amount of Notes for this purpose;

WHEREAS, the Refunding Ordinance authorizes the issuance of junior lien sewer revenue refunding bonds and multi-modal limited tax general obligation refunding bonds (payable from sewer revenues), including in the commercial paper mode, to provide funds to refund outstanding and future junior lien sewer revenue bonds and multi-modal limited tax general obligation bonds (payable from sewer revenues), and delegated to the Finance Director authority to approve the issuance, and remarketing from time to time, of Notes for this purpose in the aggregate principal amount not to exceed the principal amount of the refunding candidate plus the costs of the refunding;

WHEREAS, Notes issued pursuant to the New Money Ordinance and Notes issued pursuant to the Refunding Ordinance may be marketed and remarketed from time to time as a combined commercial paper program in an aggregate principal amount not to exceed \$250,000,000;

WHEREAS, the Sale Motion approves the execution and delivery of this Mode Agreement;

NOW, THEREFORE, the County and the Paying Agent agree as follows:

1. Appointment and Acceptance. The County hereby appoints U.S. Bank National Association as Paying Agent solely for the purposes of the rights, duties, powers, and obligations of the Paying Agent under this Mode Agreement. The Paying Agent accepts this appointment, acknowledging the additional duties, obligations and responsibilities of the Paying Agent as set forth in the Note Legislation and this Mode Agreement, as an appointment supplemental to its duties as Registrar and Paying Agent with respect to the Notes under the Agreement for Fiscal Agency Services, dated as of February 1, 2015, between the State Finance Committee and the Registrar, as amended from time to time. The Paying Agent shall act as Paying Agent for the Notes and in such capacity shall perform the duties expressly identified as duties of the Paying Agent set forth in **Exhibit B** and incorporated by this reference. No implied duties or obligations shall be read into this Mode Agreement against the Paying Agent.

2. Deposits. The Paying Agent has no fiduciary or discretionary duties of any kind. The Paying Agent hereby agrees to use the funds deposited with it for payment of the principal of and interest on the Notes to pay the same as it shall become due and further agrees to establish and maintain such accounts and funds as may be required for the Paying Agent to function as Paying Agent.

3. Resignation or Removal of Paying Agent. The Paying Agent may resign by giving at least 30 days' prior written notice to the County. The Paying Agent shall provide written notice of resignation to the Liquidity Provider, if any, and Credit Provider, if any, and to Moody's and S&P. At any time, except during the period from the Record Date to the Interest Payment Date applicable to that Record Date (or such lesser period of time as shall be mutually agreed upon by the Paying Agent and the County) the Paying Agent may be removed from its agency by the County upon at least 30 days' prior written notice to the Paying Agent, the Liquidity Provider, if any, and Credit Provider, if any, and to Moody's and S&P. Subject to Section 4, such resignation or removal shall become effective upon payment to the Paying Agent of all amounts payable to it in connection with its agency. In such event, the Paying Agent shall deliver to the County copies of pertinent records then in the Paying Agent's possession that are reasonably requested by the County.

4. Effectiveness and Term. This Mode Agreement shall remain in effect and the agency established by this Mode Agreement shall continue until (i) termination by mutual agreement of the County and the Paying Agent, (ii) the resignation or removal of the Paying Agent in accordance with Section 3 hereunder, or (iii) the Final Maturity Date. If any Notes are to be issued or if any Notes remain outstanding on and after the date of termination, the County shall enter into a Mode Agreement with a successor paying agent in the form of this Mode Agreement and the agency established under this Mode Agreement shall continue with the Paying Agent until such successor is appointed. The County agrees to proceed diligently to appoint such successor, and to provide prior written notice to Moody's and S&P of the appointment of any such successor. This Mode Agreement, and any Mode Agreement with a successor Paying Agent, may be amended in the same circumstances as the Ordinance may be amended or supplemented under the relevant sections thereof, including without limitation, for any purpose, on any date all then outstanding Notes are paid in full or are defeased, with 30 days' written notice of such amendment to each Registered Owner of the Notes, Moody's and S&P with the prior written consent of any Credit Provider and Liquidity Provider if the rights of such Credit Provider or Liquidity Provider, as the case may be, will be adversely affected thereby, for so long as the Credit Provider or Liquidity Provider, as applicable, is not in default of its obligations. Any amendment or supplement to the Ordinance or this Mode Agreement that will become effective on a date other than a date on which all Notes are paid in full

or are defeased shall be subject to confirmation by Moody's and S&P that the amendment or supplement will not adversely affect the rating on the Notes, unless the Notes will be defeased or paid in full on or prior to the effective date of the amendment or supplement. The owners of such Series of Notes purchased on or after such effective date shall be deemed to have consented to any amendment proposed to become effective on such date for such Series of Notes.

5. General Provisions. The Paying Agent may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Paying Agent by the County. The Paying Agent shall not be charged with knowledge or notice of any fact or circumstance not specifically set forth herein.

No provision of this Mode Agreement shall require the Paying Agent to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Paying Agent shall not be obligated to take any legal action or commence any proceeding in connection with this Mode Agreement, the Notes or money held or disbursed by the Paying Agent pursuant to this Mode Agreement.

The Paying Agent may conclusively rely, and be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent need not examine the ownership of any Note, but shall be protected in acting upon receipt of Notes containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Registered Owner or agent of the Registered Owner.

The Paying Agent may consult with counsel, and the written advice or opinion of counsel shall be full authorization and protection with respect to any action taken, suffered or omitted by the Paying Agent hereunder in good faith and reliance thereon.

The Paying Agent may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys and shall not be liable for the actions of such agent or attorney if appointed by it in good faith.

The Paying Agent shall not be responsible for delays or failures in performance resulting from acts beyond its control, including without limitation acts of God, strikes, lockouts, riots, acts of war or terror, epidemics, governmental regulations, fire, communication line failures, computer viruses, power failures, earthquakes or other disasters.

The Paying Agent is authorized, in its sole discretion, to comply with final orders issued or process entered by any court with respect to any money held by the Paying Agent hereunder, without determination by the Paying Agent of such court's jurisdiction in the matter. If any portion of money held by the Paying Agent hereunder is at any time attached, garnished or levied upon under any court order, or in case the payment, assignment, transfer, conveyance, or delivery of any such property shall be stayed or enjoined by any court order, or in case any order, writ, judgment or decree shall be made or entered by any court affecting, in its sole discretion, to rely upon and comply with any such order, writ, judgment or decree which it is advised by legal counsel selected by it is binding upon it without the need for appeal or other action; and if the Paying Agent complies with any such order, writ, judgment or decree, it shall not be liable to any of the parties hereto or to any other person or entity by reason of such compliance even though such order, writ, judgment or decree may be subsequently reversed, modified, annulled, set aside or vacated.

6. Conflict with Note Documents. In the event of a conflict between the provisions of this Mode Agreement and those of the Note Legislation, the terms of this Mode Agreement shall govern.

7. Governing Law. This Mode Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any dispute arising under this Mode Agreement shall be in the Superior Court of the State of Washington in King County.


8. Patriot Act Compliance. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity the Paying Agent may ask for documentation to verify its formation and existence as a legal entity, and may also ask to see financial statements, licenses, identification, and authorization documents or other relevant documentation from individuals claiming authority to represent the entity.

9. Entire Agreement. Except to the extent that the matters herein are covered by the State Fiscal Agent Contract, the Note Legislation and this Mode Agreement shall constitute the entire agreement between the County and the Paying Agent with respect to the Notes. This Mode Agreement is intended to be for the benefit of or to be enforceable by only the County and the Paying Agent, and no third party (including but not limited to any bondholder, credit provider, remarketing agent or calculation agent) shall be entitled to claim that it is a third-party beneficiary hereof.

10. Execution in Counterparts. This Mode Agreement may be executed in counterparts, each such counterpart shall for all purposes be deemed to be an original, and all of such counterparts, or as many of them as the County and the Paying Agent shall preserve undestroyed, shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Mode Agreement to be signed by their duly authorized officers as of the date first above written.

KING COUNTY, WASHINGTON

Name: 
Title: Finance Director

U.S. BANK NATIONAL ASSOCIATION,
as Paying Agent

Name:
Title:

EXHIBIT A
DESCRIPTION OF THE NOTES

**Limited Tax General Obligation Notes (Payable from Sewer Revenues) (Commercial Paper),
Series A and Limited Tax General Obligation Notes (Payable from Sewer Revenues)
(Commercial Paper), Series B (Taxable)
Not to Exceed \$250,000,000**

Principal Amount:	Not to exceed \$250,000,000 outstanding at any time
Mode:	Commercial Paper Mode
Price:	100%
Initial Liquidity Facility:	None
Initial Credit Enhancement:	None

EXHIBIT B
INTEREST RATE MODES AND RELATED PROVISIONS

1. Definitions. The meanings of capitalized terms used and not otherwise defined in this Exhibit B shall be as set forth in the Note Legislation. In addition, the following terms as used in this Exhibit B shall have the following meanings, except as otherwise set forth in the Direct Purchase Agreement for Direct Purchase Notes (which meanings shall apply only during the applicable Direct Purchase Period):

“Alternate Credit Enhancement” means a letter of credit, insurance policy, surety bond or security, or other credit enhancement issued as a replacement or substitute for any Credit Enhancement then in effect.

“Alternate Liquidity Facility” means a line of credit, standby bond purchase agreement or other liquidity facility issued as a replacement or substitute for any Liquidity Facility then in effect.

“Authorized Denomination” means (a) during any Daily Interest Rate Period, Weekly Interest Rate Period or Commercial Paper Rate Period, \$100,000 or any integral multiple of \$5,000 in excess of \$100,000; (b) during any Term Rate Period, Fixed Rate Period, or Index Floating Rate Period, \$5,000 or any integral multiple thereof; and (c) notwithstanding the foregoing, during any Direct Purchase Period, \$250,000 or any integral multiple of \$5,000 in excess of \$250,000 or such other minimum denomination as may be set forth in the applicable Direct Purchase Agreement.

“Bank Note” means a Note (or portion thereof in any Authorized Denomination) that is purchased with amounts paid or provided by a Credit Provider under a Credit Enhancement or by a Liquidity Provider under a Liquidity Facility.

“Bank Note Rate” means that rate of interest borne by a Bank Note, as specified or determined in accordance with the respective Credit Enhancement, Reimbursement Agreement or Liquidity Facility.

“Business Day” means any day other than a Saturday or Sunday that is neither a legal holiday nor a day on which banking institutions are authorized or required by law or regulation to close in Seattle, Washington, or the city or cities in which the principal office of the Remarketing Agent, the Paying Agent, the Liquidity Provider or the Credit Provider is located, nor a day on which the New York Stock Exchange is closed or the payment system of the Federal Reserve Bank is not operational.

“Commercial Paper Mode” means the Mode during which a Series of the Notes bear interest at a Commercial Paper Rate or Rates. The Notes are issued initially in the Commercial Paper Mode.

“Commercial Paper Rate” means the interest rate determined with respect to any Note of a Series in the Commercial Paper Mode during each Commercial Paper Rate Period applicable to that Note in accordance with Section 4(a)(5).

“Commercial Paper Rate Period” means, with respect to any Note of a Series bearing interest at a Commercial Paper Rate, each period, which may be from one day to 270 days as determined for such Note, beginning on the Interest Accrual Date, and ending on, and including, a day that immediately precedes the Maturity Date.

“Conversion” means a conversion of a Series of the Notes from one Mode to another Mode (including the establishment of a future Commercial Paper Mode, Term Mode or Index Floating Mode). The following events shall not be deemed Conversions for purposes of the Note Documents: (a) the continuation of a Daily Interest Rate at the end of a Daily Interest Rate Period, (b) the continuation of a Weekly Interest Rate at the end of a Weekly Interest Rate Period, (c) the imposition of a Delayed Remarketing Period, (d) during a Direct Purchase Period, a renewal or extension of the term of such Direct Purchase Period then in effect, (e) an Extraordinary Mandatory Redemption of a Series pursuant to a Term-Out Provision, and (f) the issuance of new Notes in the Commercial Paper Mode or the issuance of Notes in the Commercial Paper Mode to pay maturing Notes, in each case prior to conversion to another Mode.

“Conversion Date” means the effective date of a Conversion.

“County” means King County, Washington.

“Credit Enhancement” means any letter of credit, insurance policy, surety bond, or other security or other credit enhancement, if any, to be issued by the Credit Provider in connection with the issuance of Notes in a Daily Mode, a Weekly Mode, or other Mode or with a Conversion to a Daily Mode, a Weekly Mode, or other Mode, that secures or supports the payment when due of the principal and Purchase Price of and interest on a Note, including any Alternate Credit Enhancement, or any extensions, amendments or replacements thereof pursuant to its terms.

“Credit Provider” means any bank, insurance company, pension fund or other financial institution that provides Credit Enhancement or an Alternate Credit Enhancement for a Series of the Notes.

“Daily Interest Rate” means a variable interest rate established for a Series of Notes in the Daily Mode in accordance with Section 4(a)(1) of this Exhibit B.

“Daily Interest Rate Period” means, with respect to a Series of the Notes, each period during which a Daily Interest Rate is in effect.

“Daily Mode” means the Mode in which a Series of the Notes bears interest at the Daily Interest Rate.

“**Dealer**” means BofA Securities, Inc., or any successor dealer appointed pursuant to the Note Legislation.

“**Dealer Agreement**” means the Dealer Agreement between the County and the Dealer with respect to Notes in the Commercial Paper Mode.

“**Default**” means the Defaults defined in the Note Legislation and, in addition, the following: if the County defaults in the observance or performance of any other covenant, condition or agreement on the part of the County contained in this Mode Agreement, and such default has continued for a period of 30 days.

“**Default Rate**” as used in connection with any Direct Purchase Period, has the meaning set forth in the applicable Direct Purchase Agreement as identified by the County to the Paying Agent in writing and, as used in connection with any Bank Notes, has the meaning set forth in the related Credit Enhancement (or Reimbursement Agreement) or Liquidity Facility.

“**Delayed Remarketing Note**” means any Note (or principal portion of a Note) in the Index Floating Mode or Term Mode that is not purchased when tendered for purchase and which becomes a Delayed Remarketing Note pursuant to Section 6(h) of this Exhibit B.

“**Delayed Remarketing Period**” means the period as set forth in Section 8(f) of this Exhibit B applicable to Delayed Remarketing Notes.

“**Delayed Remarketing Rate**” means a per annum interest rate or stepped per annum interest rates as determined by the Remarketing Agent prior to the first Interest Determination Date for such period for Notes in an Index Floating Mode or Term Mode pursuant to Section 4(a)(3) or 4(a)(4)(C) of this Exhibit B.

“**Direct Purchase Agreement**” means, for any Series of the Notes, a written agreement (including a continuing covenant agreement or other similar agreement) between the County and Direct Purchaser for the purchase of all of such Series of the Notes during a Direct Purchase Period. The Dealer Agreement is not a Direct Purchase Agreement.

“**Direct Purchase Notes**” means any Note or Notes held by a Direct Purchaser pursuant to a Direct Purchase Agreement for the duration of the applicable Direct Purchase Period.

“**Direct Purchase Period**” means each period during which the applicable Series of the Notes is purchased and held pursuant to a Direct Purchase Agreement, including any Term-Out Period or other period during which Unremarketed Notes continue to be outstanding while a Direct Purchase Agreement is in effect.

“**Direct Purchaser**” means any bank or other financial institution selected by the County to purchase (or to accept delivery of) one or more Direct Purchase Notes. The Dealer is not a Direct Purchaser.

“EFFR Index” means, on any date, the Effective Federal Funds Rate (“EFFR”) calculated and published by the Federal Reserve Bank of New York (the “New York Fed”) as a volume weighted median of overnight federal funds transactions reported in the FR 2420 Report of Selected Money Market Rates. The New York Fed publishes the EFFR for the prior Business Day on the New York Fed’s website at approximately 9:00 a.m. (Eastern Time).

“Elect” or **“Election”** means the election by the Finance Director of a new Mode.

“Extraordinary Mandatory Redemption” means the redemption of principal of Unremarketed Notes or Bank Notes in the amounts and on the dates set forth in a Term-Out Provision of a Direct Purchase Agreement or agreement relating to Credit Enhancement (including a Reimbursement Agreement) or a Liquidity Facility.

“Favorable Opinion of Note Counsel” means a written legal opinion of bond counsel to the County, addressed (or accompanied by a reliance letter) to the Paying Agent, the Credit Provider (if any), the Index Floating Rate Holder (if any), the Direct Purchaser (if any) and the Remarketing Agent (if any), to the effect that a specified action is permitted under the Note Documents and will not impair the exclusion of interest on the affected Tax-Exempt Notes from gross income for purposes of federal income taxation (subject to customary exceptions).

“Fixed Mode” means the Mode in which a Series of the Notes bears interest at a Fixed Rate or Fixed Rates.

“Fixed Rate” means during any Fixed Rate Period, a term, fixed (non-variable) interest rate established for Notes of a Series in the Fixed Mode in accordance with Section 4(a)(3) of this Exhibit B.

“Fixed Rate Period” means, for any Series of Notes in the Fixed Mode, the period from the Conversion Date upon which the Series of Notes were converted to the Fixed Mode to but not including the Maturity Date for such Notes.

“Index” means any of (a) the SIFMA Index, (b) the EFFR Index, (c) the SOFR Index, or (d) any alternate index selected by the Finance Director, conditioned upon the delivery to the Paying Agent on or prior to the applicable Conversion Date of a Favorable Opinion of Note Counsel.

“Index Floating Mode” means the Mode in which a Series of the Notes bears interest at the Index Floating Rate.

“Index Floating Rate” means a per annum rate of interest, established in accordance with Section 4(a)(4) of this Exhibit B on each Interest Determination Date during an Index Floating Rate

Period, equal to the sum of (A) the Index Floating Rate Spread and (B) the product of the applicable Index and the Index Floating Rate Percentage.

“Index Floating Rate Holder” means, during any Direct Purchase Period for a Series of the Notes, (a) during which such Series is not held in book-entry only form, (1) if there is a single Registered Owner of all Notes of such Series, the Registered Owner of such Series, or (2) if there is more than one Registered Owner of Notes within such Series, Registered Owners owning a majority of the aggregate principal amount of the then outstanding Notes of such Series; and (b) during which such Series is held in book-entry only form, (1) if there is a single Beneficial Owner of all Notes of such Series, the Beneficial Owner, or (2) if there is more than one Beneficial Owner of the Notes of such Series, Beneficial Owners of a majority of the aggregate principal amount of the then outstanding Notes of such Series.

“Index Floating Rate Percentage” means the percentage of the Index Floating Rate selected by the Finance Director pursuant to Section 5(a)(4) of this Exhibit B, as applicable.

“Index Floating Rate Period” means, with respect to any Series of the Notes, each period during which an Index Floating Rate is in effect.

“Index Floating Rate Spread” means the spread determined on or prior to the Conversion Date that marks the beginning of an Index Floating Rate Period for the Notes of such Series pursuant to Section 5(a)(4) of this Exhibit B, as applicable.

“Initial Issue Date” means the first date the aggregate principal amount of Notes issued and outstanding equals or exceeds \$100,000.

“Interest Accrual Date” with respect to a Series of the Notes means (a) for any Daily Interest Rate Period, the first day thereof and, thereafter, the first day of each calendar month during such Daily Interest Rate Period; (b) for any Weekly Interest Rate Period, the first day thereof and, thereafter, the first day of each calendar month during such Weekly Interest Rate Period; (c) for any Term Rate Period or Fixed Rate Period, the first day thereof and, thereafter, each Interest Payment Date during that Term Rate Period or Fixed Rate Period, other than the last such Interest Payment Date; (d) for each Index Floating Rate Period, the first day thereof and, thereafter, the first Business Day of each calendar month during such Index Floating Rate Period; and (e) for each Commercial Paper Rate Period, the first day thereof.

“Interest Determination Date” means, for each Index Floating Rate Period, (a) if the Index is the SIFMA Index, the EFFR Index or the SOFR Index, the first day of such Index Floating Rate Period and, thereafter, each Wednesday (or, if any such Wednesday is not a Business Day, the preceding Business Day); and (b) if any other Index has been selected by the Finance Director, the first day of such Index Floating Rate Period and thereafter the date(s) selected by the Finance Director in connection with the selection of such Index. Notwithstanding the foregoing, a Direct Purchase Agreement may provide for alternate Interest Determination Dates to be in effect during a Direct Purchase Period.

“Interest Payment Date” means:

(a) for interest accrued in (1) any Daily Interest Rate Period, the first Business Day of the next succeeding calendar month; (2) any Weekly Interest Rate Period, the first Business Day of the next succeeding calendar month; (3) (i) with respect to any Term Rate Period or any Fixed Rate Period, each semi-annual payment date specified by the Finance Director in connection with the Conversion of such Notes to the Term Rate Period or Fixed Rate Period, and if such date is not a Business Day, the next succeeding Business Day, (ii) each Purchase Date, and (iii) each date on which all or a portion of the Notes are redeemed; (4) any Index Floating Rate Period, (i) the first Business Day of each calendar month, (ii) each Purchase Date, and (iii) each date on which all or a portion of the Notes are redeemed, unless otherwise specified in a Direct Purchase Agreement in effect for such period; or (5) for any Commercial Paper Rate Period, the first Business Day following the last day of each Commercial Paper Rate Period for such Notes,

(b) without duplication, the first Business Day succeeding the last day of each Interest Rate Period; and

(c) with respect to any Notes during a Term-Out Period or Bank Notes, the dates set forth in the Term-Out Provision or otherwise for Bank Notes in the applicable Direct Purchase Agreement, Liquidity Facility or Credit Enhancement including a Reimbursement Agreement for the payment of interest on such Unremarketed Notes or Bank Notes.

“Interest Rate Period” means each Daily Interest Rate Period, Weekly Interest Rate Period, Term Rate Period, Fixed Rate Period, Commercial Paper Rate Period, Index Floating Rate Period, Delayed Remarketing Period, Term-Out Period, or, if applicable, any Direct Purchase Period.

“Interest Reset Date” means (a) for each Index Floating Rate Period that is not a Direct Purchase Period (1) if the Index is the SIFMA Index, EFFR Index, or SOFR Index, Thursday of each week, or if not a Business Day, the next succeeding Business Day; and (2) if any other Index has been selected by the Finance Director, the date(s) selected by the Finance Director in connection with selecting the Index; and (b) for each Direct Purchase Period, either (1) the Interest Reset Dates set forth in the Direct Purchase Agreement or (2) if none are specified, the dates set forth in subsection (a) of this definition.

“Liquidity Facility” means any line of credit, standby purchase agreement or other instrument then in effect that provides for the payment of the Purchase Price of any Series of Notes upon the tender thereof if remarketing proceeds are insufficient therefor. Initially, there is no Liquidity Facility for the Notes.

“Liquidity Provider” means any bank, insurance company, pension fund or other financial institution that provides a Liquidity Facility. Initially, there is no Liquidity Provider for the Notes.

“Mandatory Tender Date” means each Purchase Date on which a Series of the Notes is required to be tendered for purchase as set forth in Section 8(b) of this Exhibit B.

“Maturity Date” means the final date on which the principal of a Note is stated on its face to become due and payable as provided in this Exhibit B, regardless of any sinking fund requirement or optional or mandatory redemption prior to maturity.

“Maximum Interest Rate” means (i) for all Notes other than Bank Notes, 12% per annum and (ii) for Bank Notes, the Maximum Interest Rate set forth in the related Credit Enhancement (or Reimbursement Agreement) or Liquidity Facility, calculated in the same manner as interest is calculated for the interest rate then in effect on the affected Series of the Notes. In no event shall the maximum interest rate exceed the maximum rate permitted by applicable law from time to time.

“Mode” means the Daily Mode, Weekly Mode, Commercial Paper Mode, Index Floating Mode, Term Mode, or Fixed Mode, as the context may require.

“New Money Ordinance” means Ordinance 19114 of the County adopted on June 23, 2020.

“Note Documents” means, together, the Note Legislation, the Dealer Agreement, the Mode Agreement (including this Exhibit B) and any Liquidity Facility or Credit Enhancement then in effect.

“Note Legislation” means the New Money Ordinance, the Refunding Ordinance and the Sale Motion.

“Notes” mean the Series A Notes and the Series B Notes, issued pursuant to the Note Legislation with such series and additional or alternative naming conventions as may be convenient to indicate a Series or other designation.

“Par Call Date” means, with respect to any Series of the Notes during any Term Rate Period, Index Floating Rate Period or Direct Purchase Period, the date established by the Finance Director and set forth in the applicable Direct Purchase Agreement, Note Purchase Contract or Remarketing Agreement, and if none is established, the first Business Day after the end of the Index Floating Rate Period Term Rate Period, or Direct Purchase Period, as applicable. Notwithstanding the foregoing, during any Delayed Remarketing Period, the Par Call Date for any Delayed Remarketing Note shall mean any Business Day, and the Par Call Date for any Bank Note shall be as set forth in the applicable Liquidity Facility or Credit Enhancement.

“Participant” means, with respect to the Securities Depository, a member of or participant in the Securities Depository.

“Purchase Date” means each date on which a Series of the Notes may be or is required to be purchased pursuant to Section 8 of this Exhibit B.

“Purchase Price” means the purchase price to be paid to the Registered Owner(s) of Notes purchased pursuant to Section 8 of this Exhibit B, which shall be equal to the principal amount of the Notes so tendered for purchase, without premium, plus accrued interest from the immediately preceding Interest Accrual Date to but excluding the Purchase Date (if such date is not an Interest Payment Date), plus any other accrued and unpaid interest. If such date is an Interest Payment Date, the Purchase Price shall equal the principal amount of the Notes so tendered for purchase, without interest.

“Record Date” means (a) with respect to any Interest Payment Date in a Daily Interest Rate Period, the last Business Day of each calendar month or, in the case of the last Interest Payment Date in a Daily Interest Rate Period, the Business Day immediately preceding such Interest Payment Date, (b) with respect to any Interest Payment Date in any Term Rate Period or Fixed Rate Period, the 15th day of the month immediately preceding that Interest Payment Date, (c) with respect to any Interest Payment Date in any Weekly Interest Rate Period, the last Business Day of each calendar month or, in the case of the last Interest Payment Date in a Weekly Interest Rate Period, the Business Day immediately preceding such Interest Payment Date, (d) with respect to any Interest Payment Date in any Index Floating Rate Period, the 15th day of the month immediately preceding that Interest Payment Date, (e) with respect to any Direct Purchase Period, any date provided in a Direct Purchase Agreement then in effect (as identified by the County to the Paying Agent in writing), and (f) with respect to any Commercial Paper Rate Period, the Business Day next preceding the Interest Payment Date.

“Refunding Ordinance” means Ordinance 18898 of the County adopted on May 22, 2019. The County is proceeding to amend Ordinance 18898 to, among other amendments, permit the refunding of other System obligations. Upon the adoption of such amendatory ordinance, the term Refunding Ordinance shall mean Ordinance 18898 of the County adopted on May 22, 2019, as amended by such amendatory ordinance.

“Reimbursement Agreement” means any agreement between the County and a Credit Provider, pursuant to which Credit Enhancement or Alternate Credit Enhancement is issued by the Credit Provider, as the same may be amended or supplemented.

“Remarketing Account” means each account with that name established within the Note Purchase Fund pursuant to Section 12 of this Exhibit B and in the Remarketing Agreement.

“Remarketing Agent” means each remarketing firm qualified under Section 10 of this Exhibit B to act as Remarketing Agent for the Notes and appointed by the Finance Director on behalf of the County. The Dealer is a Remarketing Agent for Notes in the Commercial Paper Mode.

“Remarketing Agreement” means any remarketing agreement between the County and the Remarketing Agent whereby the Remarketing Agent undertakes to perform the duties of the Remarketing Agent as provided in this Exhibit B. The Dealer Agreement is a Remarketing Agreement for Notes in the Commercial Paper Mode.

“*Sale Motion*” means Motion 1571 adopted on December 8, 2020.

“*S&P Municipal Note 7 Day High Grade Rate Index*” means, on any date, a rate determined on the basis of bonds in the S&P National AMT-Free Municipal VRDO Index that are classified as weekly interest rate reset bonds in minimum par amounts greater than or equal to USD 50 million and rated by at least one of S&P, Moody’s or Fitch, with a short-term rating of A-1+, VMIG-1 or F-1+, respectively, as produced by S&P Dow Jones Indices (or successor organizations) and published or made available by S&P Dow Jones Indices.

“*Scheduled Mandatory Purchase Date*” means, for any Index Floating Rate Period or Term Rate Period, the date scheduled to be the last day of the Index Floating Rate Period or Term Rate Period, as applicable, selected by the Finance Director pursuant to Section 5(a)(3) or Section 5(a)(4), as applicable.

“*Series*” as used in this Exhibit B refers to the Series A Notes and the Series B Notes, unless and until consolidated or changed to another series designation by written direction of the Finance Director, issued pursuant to the Note Legislation and subject to the terms set forth in this Exhibit B.

“*Series A Notes*” means the King County, Washington, Multi-Modal Limited Tax General Obligation Notes (Payable from Sewer Revenues) (Commercial Paper), Series A, which may be referred to in the Commercial Paper Mode as the King County, Washington, Limited Tax General Obligation Notes (Payable from Sewer Revenues) (Commercial Paper), Series A, issued pursuant to the Note Legislation.

“*Series B Notes*” means the King County, Washington, Multi-Modal Limited Tax General Obligation Notes (Payable from Sewer Revenues) (Commercial Paper), Series B (Taxable), which may be referred to in the Commercial Paper Mode as the King County, Washington, Limited Tax General Obligation Notes (Payable from Sewer Revenues) (Commercial Paper), Series B (Taxable), issued pursuant to the Note Legislation.

“*SIFMA*” means the Securities Industry and Financial Markets Association (formerly the Bond Market Association).

“*SIFMA Index*” means, on any date, a rate determined on the basis of the seven-day high grade market index of tax-exempt variable rate demand obligations, as produced by Bloomberg (or any successor organization) and published or made available by SIFMA or any person acting in cooperation with or under the sponsorship of SIFMA and effective from such date. If such index is no longer published or is otherwise not available, SIFMA Index shall mean, on any date, a rate determined on the basis of bonds in the S&P Municipal Note 7 Day High Grade Rate Index.

“*SOFR Index*” means, on any date, the Secured Overnight Financing Rate on the Federal Reserve’s Website as of 4:00 p.m. (Eastern Time) on the Business Day immediately preceding the SOFR Index Reset Date. If such index is not published or otherwise made available, then all references to the “SOFR Index” shall be deemed to be references to the rate that the Federal Reserve

recommended as the replacement for the Secured Overnight Financing Rate. If no such replacement index has been established, then all references to the “SOFR Index” shall be deemed to be references to the EFFR Index.

“**Tax-Exempt Notes**” means, initially, the Series A Notes.

“**Taxable Notes**” means, initially, the Series B Notes.

“**Term-Out Period**” means a period, as determined in accordance with a Direct Purchase Agreement, Credit Enhancement, Reimbursement Agreement or Liquidity Facility then in effect, during which Unremarketed Notes or Bank Notes, as applicable, become subject to Extraordinary Mandatory Redemption in periodic, approximately equal installments of principal or as otherwise set forth in the Direct Purchase Agreement, Credit Enhancement, Reimbursement Agreement or Liquidity Facility.

“**Term-Out Provision**” means a provision in a Direct Purchase Agreement or Reimbursement Agreement (or similar agreement related to Credit Enhancement) or in a Liquidity Facility that requires the Extraordinary Mandatory Redemption of principal of Unremarketed Notes or Bank Notes, as applicable, payable in accordance with a scheduled amortization or otherwise of such principal over a Term-Out Period, to be determined as set forth in the applicable Direct Purchase Agreement or Reimbursement Agreement (or other similar agreement related to Credit Enhancement) or Liquidity Facility.

“**Term Mode**” means the Mode in which a Series of Notes bears interest at the Term Rate.

“**Term Rate**” means during any Term Rate Period, a term, fixed (non-variable) interest rate established for Notes of a Series in the Term Mode in accordance with Section 4(a)(3) of this Exhibit B.

“**Term Rate Period**” means, with respect to a Series of the Notes, each period during which a Term Rate is in effect.

“**Undelivered Note**” means any Note that constitutes an Undelivered Note under the provisions of Section 8(d) of this Exhibit B.

“**Underwriter**” means the initial purchasers identified in the Note Purchase Contract.

“**Unremarketed Note**” means any Note (or principal portion of a Note) that is not purchased when tendered for purchase and that becomes an Unremarketed Note pursuant to a Direct Purchase Agreement.

“**Weekly Interest Rate**” means a variable interest rate for a Note in the Weekly Mode established in accordance with Section 4(a)(2) of this Exhibit B.

“**Weekly Interest Rate Period**” means, with respect to a Series of the Notes, each period during which a Weekly Interest Rate is in effect.

“**Weekly Mode**” means the Mode in which a Series of the Notes bears interest at the Weekly Interest Rate.

2. Note Terms.

The Notes of each Series are issued initially in the Commercial Paper Mode. During the initial Commercial Paper Rate Period, the Notes of each Series have terms set forth in Exhibit A. The Notes may be issued at such times in a principal amount that, together with all other then outstanding Notes, does not exceed \$250,000,000, will be sold to such purchasers at such prices, bear interest, mature on such Business Days and otherwise have such terms and conditions as shall be determined by the Finance Director in concert with the Dealer in accordance with the Dealer Agreement, and shall mature as provided in the Note Legislation.

3. Accrual and Payment of Interest.

(a) **Accrual Dates.** Each Note shall bear interest from its Interest Accrual Date. However, a Note issued in exchange for a Note that is surrendered for transfer or exchange shall bear interest from the date to which interest on such surrendered Note had been paid or duly provided for (or, if no interest has been paid on such surrendered Note, from the Interest Accrual Date of such surrendered Note).

(b) **Payment of Interest.** Interest shall be payable on each Interest Payment Date, on each redemption date, on each Purchase Date and on the Maturity Date, and shall be payable for the final Interest Rate Period to the date on which that Series of the Notes is paid in full, all in accordance with the following:

(1) Interest on each Note held in book-entry only form will be payable in the manner set forth in the Letter of Representations.

(2) Interest on each Note not held in book-entry only form will be payable as set forth in Section 4(E) of the Ordinance.

(c) Provisions Specific to Each Interest Rate Period.

(1) **Daily Interest Rate Period.** Interest on a Series of the Notes during any Daily Interest Rate Period shall accrue on the basis of the actual number of days elapsed in a 365-day year (or a 366-day year in a leap year) and shall be payable on each Interest Payment Date for the period commencing on the Interest Accrual Date preceding the prior Interest Payment Date and ending on the last day of the month in which such Interest Accrual Date occurs.

(2) Weekly Interest Rate Period. Interest on a Series of the Notes during any Weekly Interest Rate Period shall accrue on the basis of the actual number of days elapsed in a 365-day year (or a 366-day year in a leap year) and shall be payable on each Interest Payment Date for the period commencing on the preceding Interest Accrual Date and ending on the last day of the month in which such Interest Accrual Date occurs.

(3) Term Rate Period and Fixed Rate Period. Interest on a Series of the Notes during any Term Rate Period or Fixed Rate Period shall accrue on the basis of a 360-day year composed of twelve 30-day months and shall be payable on each Interest Payment Date for the period commencing on the Interest Accrual Date of the preceding month and ending on the day preceding the next Interest Accrual Date.

(4) Index Floating Rate Period. During an Index Floating Rate Period:

(A) If the applicable Index is (i) the SIFMA Index, EFFR Index or SOFR Index, interest shall accrue on the basis of the actual number of days elapsed in a 365-day year (or a 366-day year in a leap year); or (ii) another index selected by the Finance Director, interest shall accrue as determined by the Finance Director in connection with the selection of such other index in consultation with the Remarketing Agent; and

(B) Interest shall be payable on each Interest Payment Date for the period commencing on the preceding Interest Accrual Date and ending on the day preceding the next Interest Accrual Date.

(5) Commercial Paper Rate Period. Interest on any Tax-Exempt Note during any Commercial Paper Rate Period shall accrue on the basis of the actual number of days elapsed in a 365-day year (or a 366-day year in a leap year) and interest on any Taxable Note during any Commercial Paper Rate Period shall accrue on the basis of the actual number of days in a 360-day year (comprised of 12 30-day months). Interest on a Series of the Notes during any Commercial Paper Rate Period shall be payable on the Interest Payment Date for the period commencing on the Interest Accrual Date and ending on the last day of the Commercial Paper Rate Period for such Notes.

4. Determination of Interest Rates.

(a) **Determination of Interest Rates.** Interest rates shall be periodically reset as follows, except as set forth in a Direct Purchase Agreement for Direct Purchase Notes:

(1) Determination of Daily Interest Rate. Each Series of the Notes for which a Daily Interest Rate Period has been selected shall bear interest at the Daily Interest Rate, which shall be determined by the Remarketing Agent by 10:00 a.m., New York Time, on each Business Day. The Daily Interest Rate for any day that is not a Business Day shall be the same as the Daily Interest Rate for the preceding Business Day. Each Daily Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on an examination of obligations comparable or of the same general nature and competitive as to credit, liquidity, or maturity (or period of tender), in the

judgment of the Remarketing Agent, to such Series of the Notes and known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate that, if borne by such Series of the Notes, would enable the Remarketing Agent to sell all of that Series of the Notes, assuming for this purpose that all sold Notes are available to sell on such Business Day at a price (without regard to accrued interest) equal to the principal amount thereof. If no Daily Interest Rate is established by the Remarketing Agent, then the Daily Interest Rate for such Business Day shall be the same as the preceding Daily Interest Rate, and such Daily Interest Rate shall continue to be in effect until the earlier of (A) the date on which the Remarketing Agent determines a new Daily Interest Rate or (B) the seventh day succeeding the first day on which the Daily Interest Rate was not determined by the Remarketing Agent. If the Daily Interest Rate is held to be invalid or unenforceable by a court of law, or if the Remarketing Agent fails to determine the Daily Interest Rate for a period of seven days as described in clause (B) of the preceding sentence, then the Daily Interest Rate shall be equal to 100% of the SIFMA Index in the case of Tax-Exempt Notes or 110% of the SIFMA Index in the case of Taxable Notes, or if such index is no longer available, 85% of the interest rate in the case of Tax-Exempt Notes and 100% in the case of Taxable Notes or Tax-Benefited Notes on 30-day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in The Wall Street Journal on the Business Day such Daily Interest Rate would otherwise have been determined, until the Daily Interest Rate is again validly determined by the Remarketing Agent.

(2) Determination of Weekly Interest Rate. Each Series of the Notes for which a Weekly Interest Rate Period has been selected shall bear interest at the Weekly Interest Rate, which shall be determined by the Remarketing Agent by 5:00 p.m., New York Time, on Tuesday of each week, or if such day is not a Business Day, then on the succeeding Business Day. The first Weekly Interest Rate for each Weekly Interest Rate Period shall be determined on or prior to the first day of such Weekly Interest Rate Period and shall be in effect for the period commencing on and including the first day of such Weekly Interest Rate Period and ending on and including the succeeding Tuesday. Thereafter, each Weekly Interest Rate shall be in effect for the period commencing on and including Wednesday and ending on and including the succeeding Tuesday, unless such Weekly Interest Rate Period ends on a day other than Tuesday, in which event the last Weekly Interest Rate for such Weekly Interest Rate Period shall be in effect for the period commencing on and including the Wednesday preceding the last day of such Weekly Interest Rate Period and ending on and including the last day of such Weekly Interest Rate Period. Each Weekly Interest Rate shall be the rate of interest per annum determined by the Remarketing Agent (based on an examination of obligations comparable or of the same general nature and competitive as to credit, liquidity, or maturity (or period of tender), in the judgment of the Remarketing Agent, to such Series of the Notes and known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate that, if borne by the applicable Series of the Notes, would enable the Remarketing Agent to sell all of that Series of the Notes, assuming for this purpose that all sold Notes are available to sell on the effective date of that rate at a price (without regard to accrued interest) equal to the principal amount thereof. If no Weekly Interest Rate is established by the Remarketing Agent, then the Weekly Interest Rate shall be the same as the preceding Weekly Interest Rate if such Weekly Interest Rate was determined by the Remarketing Agent. If the preceding Weekly Interest Rate was not determined by the Remarketing Agent, or if the Weekly

Interest Rate determined by the Remarketing Agent is held to be invalid or unenforceable by a court of law, then the Weekly Interest Rate shall be equal to 100% of the SIFMA Index in the case of Tax-Exempt Notes or 110% of the SIFMA Index in the case of Taxable Notes or Tax-Benefited Notes, or if such index is no longer available, 85% of the interest rate in the case of Tax-Exempt Notes or 100% in the case of Taxable Notes or Tax-Benefited Notes on 30-day high grade unsecured commercial paper notes sold through dealers by major corporations as reported in The Wall Street Journal on the day such Weekly Interest Rate would otherwise have been determined, until the Weekly Interest Rate is again validly determined by the Remarketing Agent.

(3) Determination of Term Rate or Fixed Rate. Each Series of the Notes for which a Term Rate Period or Fixed Rate Period has been selected shall bear interest at the Term Rate or Fixed Rate, as applicable, which shall be determined by the Remarketing Agent on a Business Day no later than the first day of such Term Rate Period or Fixed Rate Period, as applicable. The Term Rate or Fixed Rate, as applicable, shall be the rate of interest per annum determined by the Remarketing Agent (based on an examination of obligations comparable, in the judgment of the Remarketing Agent, to such Series of the Notes and known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum interest rate at which the Remarketing Agent will agree to purchase such Series of the Notes on the effective date of that rate and as set forth in the Remarketing Agreement. The Delayed Remarketing Rate(s) applicable during any Term Rate Period to be in effect during a Delayed Remarketing Period shall be set forth in the Note Purchase Contract or the Remarketing Agreement or an amendment thereto. For any Term Rate Period, the Delayed Remarketing Rate(s) shall be determined on a Business Day no later than the first day of such Term Rate Period and shall remain in effect throughout such period. The Fixed Rate shall remain in effect until the Maturity Date for such Series of Notes in the Fixed Mode.

(4) Determination of Index Floating Rate. Each Series of the Notes for which an Index Floating Rate Period has been selected shall bear interest at the Index Floating Rate, determined as follows:

(A) *Index Floating Rate Periods.* The Index Floating Rate for any Index Floating Rate Period shall be determined by the Remarketing Agent after consultation with and approval by the Finance Director on the first Interest Determination Date for such Index Floating Rate Period, in accordance with the following:

- (i) The Index and the term of the Index Rate Floating Rate Period shall be selected by the Finance Director. The Index Floating Rate shall be the sum of (i) the Index multiplied by the Index Floating Rate Percentage, plus (ii) the Index Floating Rate Spread.
- (ii) The Index Floating Rate Percentage shall be selected by the Finance Director in connection with each Index Floating Rate Period (and if not so selected, shall be equal to 100%) and shall remain in effect throughout such period.
- (iii) The Index Floating Rate Spread shall be determined on or prior to the first Interest Determination Date with respect to an Index Floating

Rate Period and shall remain in effect throughout such period. The Index Floating Rate Spread shall be the spread to such index determined by the Remarketing Agent (based on an examination of obligations comparable, in the judgment of the Remarketing Agent and known by the Remarketing Agent to have been priced or traded under then-prevailing market conditions) to be the minimum spread which, when added to the Index (multiplied by the Index Floating Rate Percentage), equals the interest rate at which, if borne by such Series of the Notes, the Remarketing Agent will agree to purchase such Series of the Notes on the effective date of that rate and as set forth in the Remarketing Agreement at a price equal to the principal amount thereof.

(B) *Calculation of Index Floating Rate Reset on Interest Determination Dates.* The first Index Floating Rate for any Index Floating Rate Period shall be in effect for the period commencing on the first day of such Index Floating Rate Period to but excluding the first Interest Reset Date of such Index Floating Rate Period. With respect to each Interest Reset Date, the Index Floating Rate shall be calculated by the Paying Agent on each Interest Determination Date, and such Index Floating Rate shall be in effect for the period commencing on each Interest Reset Date to but excluding the following Interest Reset Date.

(C) *Delayed Remarketing Period; Delayed Remarketing Rate.* For any Index Floating Rate Period, the Delayed Remarketing Rate(s) shall be determined on or prior to the first Interest Determination Date for such Index Floating Rate Period and shall remain in effect throughout such period.

(5) Determination of Commercial Paper Rates. Each Note from a Series of the Notes for which a Commercial Paper Rate Period has been selected shall bear interest at the Commercial Paper Rate, which shall be determined by the Remarketing Agent on a Business Day no later than the first day of such Commercial Paper Rate Period. The Commercial Paper Rate Period and the Commercial Paper Rate for each Note need not be the same for any two Notes, even if determined on the same date (and the County may designate subseries as necessary to accommodate different Commercial Paper Rate Periods or Commercial Paper Rates). Each Commercial Paper Rate shall be for a period of days within the range or ranges announced as possible Commercial Paper Rate Periods no later than 12:30 p.m. (New York Time) on the first day of each Commercial Paper Rate Period by the Remarketing Agent. The Commercial Paper Rate for each Note in a Commercial Paper Rate Period shall be the rate of interest per annum determined by the Remarketing Agent to be the minimum interest rate which, if borne by such Note, would enable the Remarketing Agent to sell such Note on the effective date of such rate at a price (without regarding accrued interest) equal to the principal amount thereof.

(b) **Determinations of Remarketing Agent Binding.** The Remarketing Agent shall provide prompt notice of each determination of the interest rate for each Series of the Notes to the County, Paying Agent, Liquidity Provider, and Credit Provider (if any). The Paying Agent shall provide notice of such interest rate determination to the Registered Owner of any Note upon request. Absent

manifest error, each such determination shall be conclusive and binding upon the County, the Paying Agent, the Liquidity Provider, the Credit Provider (if any) and the Owner of each Note.

(c) **Rounding Convention.** All percentages resulting from any calculation of any interest rate for any Series of the Notes shall be rounded upward to the second decimal place, unless otherwise provided during a Direct Purchase Period.

(d) **Maximum Interest Rate; Excess Interest.** Notwithstanding any provision in this Exhibit B to the contrary, at no time shall any Series of the Notes bear interest at a rate higher than the Maximum Interest Rate.

5. Election of Interest Rate Periods. The Interest Rate Period for any Series of the Notes may be adjusted pursuant to an Election by the Finance Director, pursuant to this section, to effect a Conversion in accordance with Section 6 of this Exhibit B. The Interest Rate Period for a Series of the Notes may not be adjusted except on a Purchase Date and except for a Conversion of all outstanding Notes of such Series.

(a) **Available Modes.** Each Series of the Notes shall bear interest in one of the following Modes: Daily Mode, Weekly Mode, Commercial Paper Mode, Index Floating Mode, Term Mode, or Fixed Mode. All Notes of a single Series must be in the same Mode.

(1) **Election of Daily Interest Rate Period.** The Finance Director, on behalf of the County may, from time to time, by written notice to the Paying Agent, Credit Provider (if any), Liquidity Provider (if any), Moody's and S&P, and the Remarketing Agent (if any), Elect that any Series of the Notes bear interest at a Daily Interest Rate. The notice of Election given by the Finance Director shall (A) specify the proposed Conversion Date, which shall be (i) in each case, a Business Day not earlier than the 30th day following the second Business Day after receipt by the Paying Agent of such notice; (ii) in the case of a Conversion from a Commercial Paper Rate Period, the day following the last day of such Commercial Paper Rate Period or a day on which such Series of the Notes would otherwise be subject to optional redemption pursuant to Section 7(a) of this Exhibit B if such Conversion did not occur; and (iii) in the case of a Conversion from an Index Floating Rate Period or Term Rate Period, the day following the last day of such Index Floating Rate Period or Term Rate Period or on or after a Par Call Date; (iv) and, if applicable, the day specified pursuant to a Direct Purchase Agreement then in effect; and (B) state whether Credit Enhancement and/or a Liquidity Facility is to be in effect on the Conversion Date.

(2) **Election of Weekly Interest Rate Period.** The Finance Director, on behalf of the County, may, from time to time, by written notice to the Paying Agent, Credit Provider (if any), Liquidity Provider (if any), Moody's and S&P, and the Remarketing Agent (if any), Elect that any Series of the Notes bear interest at a Weekly Interest Rate. The notice of Election given by the Finance Director shall (A) specify the proposed Conversion Date, which shall be (i) in each case, a Business Day not earlier than the 30th day following the second Business Day after receipt by the Paying Agent of such notice; (ii) in the case of a Conversion from a Commercial Paper Rate Period,

the day following the last day of such Commercial Paper Rate Period or a day on which that Series of the Notes would otherwise be subject to optional redemption pursuant to Section 7(a) of this Exhibit B if such Conversion did not occur; (iii) in the case of a Conversion from an Index Floating Rate Period or Term Rate Period, the day following the last day of such Index Floating Rate Period or Term Rate Period or on or after a Par Call Date; and (iv) if applicable, the day specified pursuant to a Direct Purchase Agreement then in effect; and (B) state whether Credit Enhancement and/or a Liquidity Facility is to be in effect on the Conversion Date.

(3) Election of Term Rate Period or Fixed Rate Period. The Finance Director, on behalf of the County, may, by written notice to the Paying Agent, Credit Provider (if any), Liquidity Provider (if any), Moody's and S&P, and the Remarketing Agent (if any), Elect that any Series of the Notes bear, or continue to bear, interest at the Term Rate or bear interest at the Fixed Rate. The notice of Election given by the Finance Director shall specify (A) the proposed Conversion Date, which shall be (i) in each case, a Business Day not earlier than the 30th day following the second Business Day after receipt by the Paying Agent of such notice; (ii) in the case of a Conversion from a Commercial Paper Rate Period, the day following the last day of such Commercial Paper Rate Period or a day on which such Series of the Notes would otherwise be subject to optional redemption pursuant to Section 7(a) of this Exhibit B if such Conversion did not occur; (iii) in the case of a Conversion from an Index Floating Rate Period or another Term Rate Period, the day following the last day of such Index Floating Rate or Term Rate Period or on or after a Par Call Date; and (iv) if applicable, the day specified pursuant to a Direct Purchase Agreement then in effect; (B) the last day of the Term Rate Period for Notes in the Term Mode, which shall be either the day prior to the Maturity Date or a day that both immediately precedes a Business Day and is at least 181 days after the proposed Conversion Date; and (C) whether some or all of the Notes to be converted shall be converted to serial Notes and, if so, the applicable serial maturity dates and serial payments.

(4) Election of Index Floating Rate Period. The Finance Director, on behalf of the County may, from time to time, by written notice to the Paying Agent, Credit Provider (if any), Liquidity Provider (if any), Moody's and S&P, and the Remarketing Agent (if any), Elect that any Series of the Notes bear, or continue to bear, interest at an Index Floating Rate. The notice of Election given by the Finance Director shall specify (A) the proposed Conversion Date, which shall be (i) in each case, a Business Day not earlier than the 30th day following the second Business Day after receipt by the Paying Agent of such notice; (ii) in the case of a Conversion from a Commercial Paper Rate Period, the day following the last day of such Commercial Paper Rate Period or a day on which such Series of the Notes would otherwise be subject to optional redemption pursuant to Section 7(a) of this Exhibit B if such Conversion did not occur; (iii) in the case of a Conversion from an Index Floating Rate Period or Term Rate Period, the day following the last day of such Index Floating Rate Period or Term Rate Period or on or after a Par Call Date; and (iv) if applicable, the day specified pursuant to a Direct Purchase Agreement then in effect; (B) the date on which the Index Floating Rate Period is to end (which date shall be a Scheduled Mandatory Purchase Date) or, if applicable, a statement that the Index Floating Rate Period is to end on the day prior to the Maturity Date; (C) the Index that is to be in effect, and the Index Floating Rate Percentage (if other than 100%); and (D) the Par Call Date for such Index Floating Rate Period.

(5) Election of Future Commercial Paper Rate Period. The notice of Election of a Conversion to a future Commercial Paper Period from a Mode with an Interest Rate Period other than the Commercial Paper Period shall be given by the Finance Director and shall specify (A) the proposed Conversion Date, which shall be (i) in each case, a Business Day not earlier than the 30th day following the second Business Day after receipt by the Paying Agent of such notice; (ii) a day on which such Series of the Notes would otherwise be subject to optional redemption pursuant to Section 7(a) of this Exhibit B if such Conversion did not occur; (iii) in the case of a Conversion from an Index Floating Rate Period or Term Rate Period, the day following the last day of such Index Floating Rate Period or Term Rate Period or on or after a Par Call Date and (iv) if applicable, the day specified pursuant to a Direct Purchase Agreement then in effect; (B) the date on which the Commercial Paper Rate Period is to end; and (C) whether Credit Enhancement or a Liquidity Facility is to be in effect on the Conversion Date.

(b) **Rescission of Election to Effect a Conversion.** The Finance Director may rescind any Election to effect a Conversion by delivering to the Paying Agent, Credit Provider (if any), Liquidity Provider (if any), Moody's and S&P, and the Remarketing Agent (if any), on or prior to 10:00 a.m., New York Time, on the second Business Day preceding a proposed Conversion Date, a notice to the effect that the County has determined to rescind its Election to effect such Conversion. If the County rescinds its Election to effect a Conversion of a Series of the Notes, then such Series shall continue to bear interest as follows: (1) if a Daily Interest Rate Period is in effect immediately prior to the proposed Conversion, such Series shall continue to bear interest at the Daily Interest Rate; (2) if a Weekly Interest Rate Period is in effect immediately prior to the proposed Conversion, such Series shall bear interest at a Weekly Interest Rate; (3) if an Index Floating Rate Period or Term Rate Period such Series shall continue to bear interest at the applicable Index Floating Rate or Term Rate, or (4) if a Direct Purchase Period is in effect immediately prior to the proposed Conversion, the effect of a rescission shall be that the Notes remain outstanding under and subject to the terms of such Direct Purchase Agreement. Unless otherwise provided in a Direct Purchase Agreement then in effect, if notice of a Conversion of a Series of the Notes to an Index Floating Rate Period has been mailed to the Registered Owner(s) of such Series of the Notes as provided in Section 6(e), and the County subsequently rescinds its Election to effect such Conversion, such Series of the Notes shall nevertheless be subject to mandatory tender for purchase on the proposed Conversion Date.

(c) **Provisions Applicable to Direct Purchase Periods.** In connection with any Election to effect a Conversion of a Series to a Direct Purchase Period or to amend, extend or renew a Direct Purchase Agreement then in effect, the Finance Director, on behalf of the County, may negotiate, execute and deliver a Direct Purchase Agreement (or an agreement amending, renewing, extending, restating or otherwise modifying a Direct Purchase Agreement then in effect) on behalf of the County, consistent with the Note Documents, in such form as shall be approved by the Finance Director.

6. Conversion of Interest Rate Periods. The Paying Agent shall provide notice of the County's Election to effect a Conversion of a Series of the Notes to a new Mode, not less than 20 days prior to the proposed Conversion Date, as directed in writing by the County. At the direction of the Finance Director and in his or her sole discretion, the notice of Conversion may

be combined with the notice of mandatory tender by inclusion of the information required under Section 8(c) of this Exhibit B. The notice to be provided to the Registered Owner(s) of the affected Series of the Notes (at their addresses as they appear on the Note Register as of the date of such notice) must state, if applicable, that the Beneficial Owners may not elect to retain ownership of the Notes, and must provide the following information:

(a) **Notice of Conversion to Daily Interest Rate Period.** In connection with a Conversion to a Daily Interest Rate Period pursuant to Section 5(a)(1) of this Exhibit B, the notice of the Paying Agent must state: (1) that the interest rate will be converted to a Daily Interest Rate unless the County rescinds its Election pursuant to Section 5(b) of this Exhibit B; (2) the proposed Conversion Date; (3) that such Series shall be subject to mandatory tender for purchase on the proposed Conversion Date after the giving of a notice of mandatory tender pursuant to Section 8(c) of this Exhibit B; (4) the Purchase Price; and (5) the place of delivery for purchase of such Series of the Notes.

(b) **Notice of Conversion to Weekly Interest Rate Period.** In connection with a Conversion to a Weekly Interest Rate Period pursuant to Section 5(a)(2) of this Exhibit B, the notice of the Paying Agent must state: (1) that the interest rate will be converted to a Weekly Interest Rate unless the County rescinds its Election pursuant to Section 5(b) of this Exhibit B; (2) the proposed Conversion Date; (3) that such Series shall be subject to mandatory tender for purchase on the proposed Conversion Date; (4) the Purchase Price; and (5) the place of delivery for purchase of such Series of the Notes.

(c) **Notice of Conversion to Term Rate Period.** In connection with a Conversion to a Term Rate Period pursuant to Section 5(a)(3) of this Exhibit B, the notice of the Paying Agent must state: (1) that the interest rate will be converted to, or continue to be, a Term Rate unless either (A) the County rescinds its Election pursuant to Section 5(b) of this Exhibit B, or (B) all of such Series of the Notes is not remarketed on the proposed Conversion Date; (2) the proposed Conversion Date; (3) the last day of the new Term Rate Period (or, if applicable, that the Term Rate Period is to end on the day prior to the Maturity Date); (4) that such Series shall be subject to mandatory tender for purchase on the proposed Conversion Date; (5) the Purchase Price; and (6) the place of delivery for purchase of such Series of the Notes.

(d) **Notice of Conversion to Fixed Rate Period.** In connection with a Conversion to a Fixed Rate Period pursuant to Section 5(a)(3) of this Exhibit B, the notice of the Paying Agent must state: (1) that the interest rate will be converted to a Fixed Rate or Rates unless either (A) the County rescinds its Election pursuant to Section 5(b) of this Exhibit B, or (B) all of such Series of the Notes is not remarketed on the proposed Conversion Date; (2) the proposed Conversion Date; (3) that the Fixed Rate Period is to end on the day prior to the Maturity Date; (4) that such Series shall be subject to mandatory tender for purchase on the proposed Conversion Date; (5) the Purchase Price; and (6) the place of delivery for purchase of such Series of the Notes.

(e) **Notice of Conversion to Index Floating Rate Period.** In connection with a Conversion to an Index Floating Rate Period pursuant to Section 5(a)(4) of this Exhibit B, the notice of the

Paying Agent must state: (1) that the interest rate will be converted to, or continue to be, an Index Floating Rate, unless the County rescinds its Election pursuant to Section 5(b) of this Exhibit B; (2) the proposed Conversion Date; (3) the last day of the new Index Floating Rate Period (or, if applicable, that the Index Floating Rate Period is to end on the day prior to the Maturity Date); (4) that such Series of the Notes shall be subject to mandatory tender for purchase on the proposed Conversion Date; (5) the Purchase Price; and (6) the place of delivery for purchase of such Series of the Notes.

(f) **Notice of Conversion to Commercial Paper Rate Period.** In connection with a Conversion to a future Commercial Paper Rate Period pursuant to Section 5(a)(5) of this Exhibit B, the notice of the Paying Agent must state: (1) that the interest rate will be converted to, or continue to be, the Commercial Paper Rate unless the County rescinds its Election pursuant to Section 5(b) of this Exhibit B; (2) the proposed Conversion Date; (3) the last day of the new Commercial Paper Rate Period (or, if applicable, that the Commercial Paper Rate Period is to end on the day prior to the Maturity Date); (4) that such Series shall be subject to mandatory tender for purchase on the proposed Conversion Date; (5) the Purchase Price; and (6) the place of delivery for purchase of such Series of the Notes.

(g) **Certain Additional Conditions.** No Conversion shall take effect unless each of the following conditions (1) through (4), to the extent applicable, has been satisfied and the Paying Agent may conclusively assume, without inquiry, investigation or notice to any other party, that each such condition has been satisfied in connection with any notice of Conversion it is instructed to provide under this Section 6. If any applicable condition has not been satisfied, the Conversion shall not occur, and Notes in the Daily Mode shall continue to bear interest at the Daily Interest Rate, Notes in the Weekly Mode shall continue to bear interest at the Weekly Interest Rate, Notes in the Index Floating Mode or Term Mode shall bear interest at the Delayed Remarketing Rate, and Notes in a Direct Purchase Period shall bear interest as provided in the Direct Purchase Agreement.

(1) If the notice of the Finance Director's Election to convert indicates that Credit Enhancement and/or a Liquidity Facility will be in effect during the subsequent Interest Rate Period, such Credit Enhancement and/or Liquidity Facility must be in effect as of the Conversion Date;

(2) If a Direct Purchase Agreement or an agreement entered into in connection with Credit Enhancement or a Liquidity Facility is in effect prior to the Conversion and requires consent of the Index Floating Rate Holder, Direct Purchaser, Credit Provider, or Liquidity Provider, such consent must have been obtained or waived as of the Conversion Date;

(3) The County must obtain a Favorable Opinion of Note Counsel with respect to such Conversion dated as of the Conversion Date; and

(4) Except as provided in subsection (h) of this section with respect to Delayed Remarketing Notes and as provided in subsection (i) of this section with respect to Unremarketed Notes, the Paying Agent must have sufficient funds on hand from remarketing or refunding proceeds, proceeds of a draw on the Credit Enhancement or request pursuant to a Liquidity Facility, or other

funds made available by the County, to pay the Purchase Price of such Series of the Notes on the Conversion Date.

(h) **Delayed Remarketing Notes; Delayed Remarketing Period.** Notes of a Series (or any principal portion thereof) in an Index Floating Mode or Term Mode that are subject to a Delayed Remarketing Period as set forth in Section 8(f) of this Exhibit B shall be deemed to be a Delayed Remarketing Note. Unless otherwise provided in a Direct Purchase Agreement applicable to such Notes, such Delayed Remarketing Note shall bear interest at the Delayed Remarketing Rate until such Note ceases to be a Delayed Remarketing Note. A Delayed Remarketing Note shall cease to be a Delayed Remarketing Note only if such Delayed Remarketing Note is remarketed and transferred, or such Delayed Remarketing Note is redeemed in full.

(i) **Unremarketed Notes.** Unremarketed Notes may become subject to Extraordinary Mandatory Redemption in accordance with a Direct Purchase Agreement.

(j) **Bank Notes.** Notes (or any principal portion thereof) that become Bank Notes as set forth in Section 9(d) shall bear interest at the Bank Note Rate or the Default Rate as applicable, until such Notes are no longer Bank Notes. Bank Notes shall be subject to Extraordinary Mandatory Redemption in accordance with a Reimbursement Agreement, or other agreement relating to the applicable Credit Enhancement including a Reimbursement Agreement or Liquidity Facility. Upon the occurrence of a default hereunder or under any Credit Enhancement, Reimbursement Agreement or Liquidity Facility, Bank Notes shall bear interest at the Default Rate applicable thereto as provided in the related Credit Enhancement, Reimbursement Agreement or Liquidity Facility.

7. Redemption and Payment of Notes.

(a) **Optional Redemption.** The Note Legislation requires notice of redemption to be provided and provides that any notice for redemption may be conditional, in which case the conditions shall be set forth therein. The County shall provide, or direct the Paying Agent to provide, a copy of the written notice of redemption to Moody's and S&P for any redemption. The County may make such redemption conditioned upon the occurrence of any specified event or events, including the deposit of funds. If such event or events do not occur, then the County may cancel such redemption by delivering a written notice of rescission to the Paying Agent rescinding such notice of redemption not later than 5:00 p.m., Pacific Time, on the second business day prior to the redemption date and such notice of redemption and redemption shall be rescinded, cancelled and of no force of effect. Upon such receipt of the rescission notice from the County, the Paying Agent shall send a copy of the Notice to the Registered Owners of the Notes subject to the notice in the same manner as the notice of redemption was given.

(1) **Weekly or Daily Interest Rate Period.** During a Daily Interest Rate Period or a Weekly Interest Rate Period, each Series of the Notes (or principal portion thereof) then in a Daily Mode or Weekly Mode shall be subject to optional redemption at the written direction of the Finance Director on any Business Day, in whole or in part, at a redemption price of 100% of the principal amount thereof plus interest, if any, accrued to the date fixed for redemption.

(2) Commercial Paper Rate Period. During a Commercial Paper Rate Period, each Series of the Notes then in a Commercial Paper Rate Mode shall not be subject to optional redemption.

(3) Fixed Rate Period. During a Fixed Rate Period, each Series of the Notes (or principal portion thereof) then in a Fixed Rate Mode shall be subject to optional redemption at the written direction of the Finance Director on any day during the periods specified below in whole or in part, at the redemption prices (expressed as a percentage of principal amount) specified in the schedule of redemption prices set forth below (plus interest, if any, accrued to the date fixed for redemption):

Length to End of Interest Rate Period (years)	Redemption Prices
Greater than 10	after 10 years at 100%
Less than or equal to 10	after eight years at 101%, declining by 0.5% each following year to 100% in ten years

The Finance Director may select an alternate schedule of redemption prices to apply following a Conversion Date by delivery to the Paying Agent, prior to the Conversion Date of (A) a certificate of the Finance Director setting forth the alternate schedule of redemption prices to apply during such Fixed Rate Period, and (B) a Favorable Opinion of Note Counsel.

If the Conversion Date for a Series of the Notes to be converted to a Fixed Rate is other than a day that would be an Interest Payment Date during such Fixed Rate Period, then the date on which such Series is first subject to redemption pursuant to the foregoing table (after the first day of such Fixed Rate Period) shall be the first Interest Payment Date succeeding the date on which such Series otherwise would be subject to redemption, and the redemption price shall be adjusted on each anniversary of that Interest Payment Date as provided in such table.

(4) Index Floating Rate Period or Term Rate Period. During an Index Floating Rate Period or Term Rate Period, each Series of the Notes (or principal portion thereof) then in an Index Floating Rate Period or Term Rate Period, as applicable, shall be subject to optional redemption at the written direction of the Finance Director on any Business Date on or after any Par Call Date, in whole or in part, at a redemption price of 100% of the principal amount thereof plus interest, if any, accrued to the date fixed for redemption.

(5) During Delayed Remarketing Period. Delayed Remarketing Notes (or a principal portion thereof) in a Delayed Remarketing Period are subject to optional redemption upon the written direction of the Finance Director, on any Business Day, in whole or in part, at a redemption price of 100% of the principal amount thereof plus interest, if any, accrued to the date fixed for redemption.

(6) During Direct Purchase Periods. During a Direct Purchase Period, the Notes are subject to optional redemption as set forth in the Direct Purchase Agreement.

(7) Bank Notes. Bank Notes are subject to optional redemption as set forth in the applicable Credit Enhancement (or Reimbursement Agreement) and/or Liquidity Facility. Bank Notes shall be redeemed prior to Notes that are not Bank Notes.

(b) **Mandatory Sinking Fund Redemption.** Each Series of the Notes designated as a term note shall, if not redeemed or purchased at the County's option prior to the Maturity Date, be redeemed at a price equal to the principal amount thereof to be redeemed plus accrued interest, on the dates in each of the years and the sinking fund requirements, if any, set forth in **Exhibit A** to the Mode Agreement (or the Note Purchase Contract, Remarketing Agreement or Direct Purchase Agreement, as applicable).

(c) **Extraordinary Mandatory Sinking Fund Redemption.** In the case of a Series that is subject to a Direct Purchase Agreement, Credit Enhancement or Liquidity Facility with a Term-Out Provision, Unremarketed Notes and/or Bank Notes shall be subject to Extraordinary Mandatory Redemption during the Term-Out Period in the amounts, on the dates and in the manner as set forth in the County's written direction to the Paying Agent, which direction shall be consistent with the Term-Out Provision of the applicable Direct Purchase Agreement, Credit Enhancement or Liquidity Facility.

8. Optional and Mandatory Tender and Purchase; Payment of Notes in the Commercial Paper Mode.

(a) **Optional Tender for Purchase.** During any Weekly Interest Rate Period or Daily Interest Rate Period, the Notes in a Daily Mode or Weekly Mode shall be subject to tender for purchase at the option of the Registered Owner (or Beneficial Owner, if such Series of the Notes is held in book-entry only form) as set forth below, and if tendered in accordance with this subsection (a), shall be payable as set forth in subsection (e).

(1) Daily Interest Rate Period. Notes of a Series that is in a Daily Mode may be tendered for purchase in any Authorized Denomination (provided that the amount of such Series that is not tendered for purchase must also be in an Authorized Denomination) upon delivery by the Registered Owner of such Notes to the Paying Agent and Remarketing Agent by no later than 11:00 a.m., New York Time, on any Business Day, of an irrevocable written notice (or an irrevocable telephonic notice, promptly confirmed by email or other written notice), that states (A) the principal amount of such Notes to be purchased and (B) the Purchase Date, which shall be that Business Day on which the notice is timely delivered. Any such notice delivered to the Paying Agent after 11:00 a.m., New York Time, shall be deemed to have been delivered on the succeeding Business Day. If the Notes so tendered for purchase are not registered in the name of the Securities Depository, the Registered Owner must deliver the Notes to the Paying Agent at its designated office for delivery of Notes at or prior to 12:00 noon, New York Time, on the Purchase Date, accompanied by an instrument of transfer in a form satisfactory to the Paying Agent.

(2) Weekly Interest Rate Period. Notes of a Series that is in a Weekly Mode may be tendered for purchase in any Authorized Denomination (provided that the amount of such Series that is not tendered for purchase must also be in an Authorized Denomination) upon delivery by the

Registered Owner to the Paying Agent and to the Remarketing Agent of an irrevocable written notice that states (A) the principal amount of such Notes to be purchased and (B) the Purchase Date, which may be any Business Day not prior to the seventh day after the date of the delivery of such notice to the Paying Agent and the Remarketing Agent. Any such notice delivered to the Paying Agent after 4:00 p.m., New York Time, shall be deemed to have been delivered on the succeeding Business Day. If the Notes so tendered for purchase are not in book-entry only form, the Registered Owner shall deliver the Notes to the Paying Agent at its designated office for delivery of Notes at or prior to 10:00 a.m., New York Time, on the Purchase Date, accompanied by an instrument of transfer in a form satisfactory to the Paying Agent.

(3) Irrevocable Notice Deemed to be Tender of Notes. The giving of notice of optional tender for purchase by a Registered Owner or Participant as provided in this subsection (a) shall constitute the irrevocable tender for purchase of those Notes with respect to which such notice is given regardless of whether such Notes are delivered to the Paying Agent for purchase on the applicable Purchase Date. If Notes tendered for purchase are in book-entry only form, such tender is subject to confirmation by the Securities Depository to the Paying Agent that the Participant has the required Ownership interest in those Notes.

(b) Mandatory Tender for Purchase.

(1) Notes Subject to Mandatory Tender. Each Series of the Notes shall be subject to mandatory tender for purchase at the Purchase Price on the following Purchase Dates (without duplication):

- (i) on any Scheduled Mandatory Purchase Date for a Series of the Notes;
- (ii) on the first day of each Interest Rate Period (except if such new Interest Rate Period is the result of an extension or renewal of a Direct Purchase Agreement in connection with a Direct Purchase Period);
- (iii) on each proposed Conversion Date for which notice of mandatory tender has been given to the Registered Owner(s) pursuant to subsection (c) of this section;
- (iv) on each proposed redemption date on or after the Par Call Date for which notice of mandatory tender has been given to the Registered Owner(s) pursuant to subsection (c) of this section;
- (v) during any Interest Rate Period in which the Series is subject to Credit Enhancement and/or a Liquidity Facility, in the event that such Series ceases to be subject to that Credit Enhancement or Liquidity Facility, as set forth in subsection (b)(2) of this section;
- (vi) at any time during a Delayed Remarketing Period, upon notice given by the Remarketing Agent to the Paying Agent in accordance with Section 11 of this Exhibit B of a successful remarketing and the availability of funds sufficient to pay the Purchase Price for all such

Notes (or principal portions thereof in Authorized Denominations), without regard to any notice requirements set forth in subsection (c) of this section; and

- (vii) during any Direct Purchase Period, as specified in a Direct Purchase Agreement then in effect.

(2) Mandatory Tender of Notes Upon Expiration or Termination of Credit Enhancement or Liquidity Facility. In addition, each Series of the Notes with respect to which Credit Enhancement and/or a Liquidity Facility is then in effect shall be subject to mandatory tender for purchase if at any time the Paying Agent receives notice that such Series will cease to be subject to purchase pursuant to such Credit Enhancement or Liquidity Facility as a result of (A) the termination, replacement or expiration of such Credit Enhancement or Liquidity Facility (including upon termination of the Credit Enhancement or Liquidity Facility at the option of the County and including upon an event of default or other mandatory tender event under the Reimbursement Agreement or Liquidity Facility, as applicable), or (B) a Conversion. The Purchase Date for such mandatory tender shall be determined by the County as (A) the fifth Business Day preceding any such expiration or termination of such Credit Enhancement or Liquidity Facility (if no Alternate Credit Enhancement or Alternate Liquidity Facility is to be delivered to the Paying Agent), (B) the Business Day on which such Alternate Credit Enhancement or Alternate Liquidity Facility is delivered to the Paying Agent, or (C) the Conversion Date.

(c) **Notice of Mandatory Tender for Purchase.** In connection with any mandatory tender for purchase of a Series of the Notes pursuant to subsection (b) of this section, the Paying Agent shall be directed by the County in writing to give notice to the Registered Owner(s) of the affected Notes (at their addresses as they appear on the Note Register as of the date of such notice) not less than 20 days prior to the Purchase Date, and to provide a copy of such notice to Moody's and S&P. A notice of mandatory tender must contain the following information (and may, at the direction of the Finance Director and in his or her sole discretion, be combined with a notice of Conversion delivered to the Registered Owner(s) under Section 6):

(1) Each notice shall state that if the Purchase Price is provided to the Paying Agent from remarketing or refunding proceeds, proceeds of a draw on Credit Enhancement or request under a Liquidity Facility, as applicable, or other funds made available by the County, such Series will be purchased on the Purchase Date from such remarketing or refunding proceeds, proceeds of a draw on the Credit Enhancement or request under the Liquidity Facility, or other funds made available by the County, and, in the case of an Index Floating Rate Period or Term Rate Period, the Notes (or principal portions thereof in Authorized Denominations) not purchased will be subject to a Delayed Remarketing Period and will bear interest at the Delayed Remarketing Rate as set forth in subsection (f) of this section; and

(2) In the case of a mandatory tender for purchase pursuant to subsection (b)(1), the notice shall state (A) the Purchase Date, and (B) if in conjunction with a Conversion, the type of Interest Rate Period to which such Series will be converted on the Purchase Date; and

(3) In the case of a mandatory tender for purchase pursuant to subsection (b)(2), the notice shall state (A) that the Credit Enhancement and/or Liquidity Facility, as applicable, will expire, terminate or be replaced, (B) that after the Purchase Date, such Series will no longer be purchased pursuant to the Credit Enhancement and/or Liquidity Facility, as applicable, then in effect, and (C) that the short-term ratings applicable to such Series may be lowered or withdrawn; and

(4) In the case of a Series that is not in book-entry only form, the notice shall state that (A) the Purchase Price will be payable only upon surrender of such Notes to the Paying Agent at its designated office for delivery of Notes, accompanied by an instrument of transfer, in form satisfactory to the Paying Agent, executed in blank by the Registered Owner or its duly authorized representative, with such signature guaranteed by a commercial bank, trust company or member firm of the New York Stock Exchange, and (B) if the Registered Owner of any such Note does not surrender that Note to the Paying Agent for purchase on the Purchase Date, then that Note shall be deemed to be an Undelivered Note, no interest shall accrue on such Note on and after the Purchase Date and the Registered Owner shall have no rights under the Note Documents other than to receive payment of the Purchase Price for such Undelivered Note.

(d) Delivery of Notes Subject to Optional or Mandatory Tender; Undelivered Notes. Payment of the Purchase Price of a Series subject to mandatory tender for which a notice has been given in accordance with subsection (c) shall be as set forth in subsection (e), below. Notes to be so purchased that are not in book-entry only form must be delivered at or prior to 10:00 a.m., New York Time, on the Purchase Date to the Paying Agent at its designated office for delivery of Notes, accompanied by an instrument of transfer in form satisfactory to the Paying Agent and satisfying the conditions set forth in the notice of mandatory tender. If the Registered Owner of a Note subject to optional or mandatory tender for purchase that is not in book-entry only form fails to deliver its Note to the Paying Agent at the place and on the Purchase Date and by the time specified, or fails to deliver its Note properly endorsed, such Note shall constitute an Undelivered Note. If funds in the amount of the Purchase Price of an Undelivered Note are available for payment to the Registered Owner thereof on the Purchase Date at the time specified, then from and after the Purchase Date and time of that required delivery (1) the Undelivered Note shall be deemed to be purchased and shall no longer be deemed to be outstanding under the Note Documents; (2) interest shall no longer accrue on the Undelivered Note; and (3) funds in the amount of the Purchase Price of the Undelivered Note shall be held uninvested and without liability for interest by the Paying Agent for the benefit of the Registered Owner thereof, to be paid on delivery (and proper endorsement) of the Undelivered Note to the Paying Agent at its designated office for delivery of Notes.

(e) Payment of Purchase Price; Payment of Principal and Interest on Notes in the Commercial Paper Mode.

(1) Notes tendered for purchase under subsection (a) or (b) of this section shall be purchased on the Purchase Date specified in the applicable notice by payment of the Purchase Price made by the Paying Agent, from the sources specified in this subsection, payable in immediately available funds to the Registered Owner (and not to any Participant), by 2:30 p.m., New York Time, on the Purchase Date, or as soon as practicable thereafter upon the receipt by the Paying Agent of the Purchase Price in the Note Purchase Fund as set forth in Section 12. The Purchase Price of any Notes

to be purchased on any Purchase Date shall be made from the following sources in the following order of priority as directed by the County in writing: (1) proceeds of the remarketing of such Notes; (2) proceeds of refunding bonds issued by the County; (3) proceeds of a draw on the Credit Enhancement or request under the Liquidity Facility, as applicable; and (4) other funds made available by the County to the extent legally available for such purpose consistent with the Note Documents.

(2) The principal of and interest on Notes in the Commercial Paper Mode shall be paid on the Interest Payment Date for such Notes from the sources specified in this subsection, payable in immediately available funds to the Registered Owner (and not to any Participant), by 2:30 p.m., New York Time, on such Interest Payment Date, or as soon as practicable thereafter upon the receipt by the Paying Agent of the principal of and interest on the applicable Notes in the Note Purchase Fund as set forth in Section 12. The Purchase Price of any Notes to be purchased on any Purchase Date, and the principal of and interest on any Notes in the Commercial Paper Mode coming due on an Interest Payment Date, shall be made from the following sources in the following order of priority as directed by the County in writing: (1) proceeds of the sale of other Notes; (2) proceeds of refunding bonds issued by the County; (3) proceeds of a draw on the Credit Enhancement or request under the Liquidity Facility, as applicable; and (4) other funds made available by the County to the extent legally available for such purpose consistent with the Note Documents.

(f) Failure to Pay Purchase Price of Notes in Index Floating Rate Period or Term Rate Period; Delayed Remarketing Notes. During any Index Floating Rate Period or any Term Rate Period, if the entire Purchase Price for any Series of the Notes subject to mandatory tender for purchase under subsection (b)(1) of this section cannot be paid on the applicable Purchase Date, then the Notes of such Series shall not be purchased and shall become Delayed Remarketing Notes or Unremarketed Notes, subject to the following:

(1) Delayed Remarketing Period – No Direct Purchase Agreement in Effect. With respect to Delayed Remarketing Notes for which no Direct Purchase Agreement is in effect, a Delayed Remarketing Period will commence on the Purchase Date with respect to the Notes (or principal portions thereof) for which funds were insufficient to pay the entire Purchase Price. During a Delayed Remarketing Period, the following will apply: (A) the Delayed Remarketing Notes will bear interest at the Delayed Remarketing Rate during the Delayed Remarketing Period; (B) interest shall continue to be due and payable on each Interest Payment Date and also shall be payable on the last day of the Delayed Remarketing Period for the Delayed Remarketing Notes; (C) the Remarketing Agent (if any) will continue to be obligated to remarket the applicable Notes; (D) the Delayed Remarketing Notes will continue to be subject to optional redemption by the County as described in Section 7 of this Exhibit ; (E) the Finance Director on behalf of the County, by notice to the Paying Agent and the Remarketing Agent, may Elect to effect a Conversion of the Delayed Remarketing Notes as described in Sections 5 and 6 of this Exhibit B; and (F) if and when the Delayed Remarketing Notes are successfully remarketed as described in Section 11 of this Exhibit B, the Registered Owner(s) of the Delayed Remarketing Notes will be obligated to tender their Notes to the Paying Agent for purchase. Commencement of a Delayed Remarketing Period is not a default hereunder.

(2) Term-Out Period or Delayed Remarketing Period When Direct Purchase Agreement in Effect. If a Direct Purchase Agreement is then in effect for such Series, the Unremarketed Notes shall remain subject to the provisions of such Direct Purchase Agreement, which may include Extraordinary Mandatory Redemption of such Unremarketed Notes in the amounts and on the dates as set forth in a Term-Out Provision (if any) if the failure to purchase the Unremarketed Notes occurred on a Mandatory Tender Date. To the extent not inconsistent with the Direct Purchase Agreement then in effect, Unremarketed Notes will continue to be subject to optional redemption by the County pursuant to Section 7 of this Exhibit B and the Finance Director may Elect to effect a Conversion pursuant to Sections 5 and 6 of this Exhibit B. Commencement of a Term-Out Period or Delayed Remarketing Period is not a default hereunder.

(g) **Inadequate Funds for Tenders.** If sufficient funds are not available for the purchase of all Notes tendered or deemed tendered and required to be purchased on any Purchase Date (including a failure of the Liquidity Provider or Credit Provider to honor a properly presented draw request and a failure in connection with the occurrence of an immediate termination event or suspension of the Liquidity Facility, if any), all tendered Notes that are not Delayed Remarketing Notes shall be returned to their respective Registered Owners and shall bear interest at the Maximum Rate from the date of such failed purchase until all such Notes are further remarketed or otherwise paid in full in accordance with the terms of the Ordinance. The Paying Agent shall continue to take all such action available to it to obtain remarketing proceeds from the Remarketing Agent and sufficient other funds pursuant to the relevant Credit Enhancement or Liquidity Facility, and shall pursue remedies available to it and Owners in accordance with the terms of the Ordinance.

9. Bank Notes.

(a) **Draws for Credit and/or Liquidity Support.** In the case of Credit Enhancement that secures, supports or guarantees the payment of principal of and interest on (and may secure or support the payment of the Purchase Price of) the Notes, the County hereby requests and directs the Paying Agent to draw on any Credit Enhancement on the County's behalf for amounts eligible to be drawn thereunder (including for the purchase of Notes eligible to be purchased thereunder) by delivering to the Credit Provider a draw request substantially in the form provided in the Credit Enhancement, at the times and otherwise as provided under the Credit Enhancement in an amount that, together with any other proceeds then on hand at the time of the draw request and available for payment of such amount, will be sufficient to make the necessary payment. The County hereby requests and directs the Paying Agent, solely as agent for the County and not in any independent capacity, to draw on any Credit Enhancement on behalf of the County at the times set forth in the Credit Enhancement.

In the case of a Liquidity Facility, the County hereby requests and directs the Paying Agent to request purchases of Notes eligible to be purchased under the Liquidity Facility by delivering to the Liquidity Provider a request for purchase substantially in the form provided in the Liquidity Facility, at the times and otherwise as provided thereunder in an amount that, together with any other proceeds then on hand at the time of the draw request and available for payment of the Purchase Price, will be sufficient to pay the Purchase Price. The County hereby requests and directs the Paying

Agent, solely as agent for the County and not in any independent capacity, to submit requests for purchase to the Liquidity Provider on behalf of the County at the times set forth in the Liquidity Facility.

(b) **Notice of Termination.** The Paying Agent shall, pursuant to the County's written direction, give notice to the Remarketing Agent, Moody's, S&P, and the Registered Owner(s) of such Series of Notes of the termination, expiration, amendment or extension of any Credit Enhancement or Liquidity Facility in accordance with its terms. Notices to S&P hereunder shall be provided to pubfin_structured@spglobal.com.

(c) **Bank Notes.** Credit Enhancement (including any Reimbursement Agreement related thereto) or a Liquidity Facility may provide that a Note that is purchased by the Paying Agent with amounts paid or provided by a Credit Provider under Credit Enhancement or by a Liquidity Provider under a Liquidity Facility shall become a Bank Note and shall bear interest at the Bank Note Rate for each day from and including the day such Note becomes a Bank Note to and excluding the day such Bank Note (i) ceases to be a Bank Note and the Paying Agent receives notice that such Note is eligible to be purchased or paid from amounts provided under the Credit Enhancement or Liquidity Facility, as applicable, or (ii) is paid in full. Interest on each Bank Note shall be calculated and be payable on the dates and in the manner specified in the Credit Enhancement, Reimbursement Agreement or Liquidity Facility, as applicable (as the Paying Agent is directed in writing by the County). To the extent there are not remarketing proceeds or refunding bond proceeds available to pay a Bank Note on any interest or principal payment date in the Multi-Modal LTGO/Sewer Revenue Bond Fund for those Bank Notes, the County shall make such payment to the Paying Agent from the Multi-Modal LTGO/Sewer Revenue Bond Fund for those Bank Notes. The Credit Enhancement Reimbursement Agreement or Liquidity Facility may include a Term-Out Provision applicable to Bank Notes, providing for the Extraordinary Mandatory Redemption of such Bank Notes in accordance with the sinking fund requirements (or otherwise), if any, specified in the Credit Enhancement, Reimbursement Agreement or Liquidity Facility.

10. Remarketing Agent. If the Finance Director on behalf of the County Elects to effect a Conversion of any Series to a Daily Interest Rate Period, Weekly Interest Rate Period, Commercial Paper Period, Fixed Rate Period, Term Rate Period or Index Floating Rate Period, the Finance Director shall appoint and enter into a Remarketing Agreement with a Remarketing Agent to carry out the remarketing of such Series on the Purchase Date. A Remarketing Agent appointed by the Finance Director on behalf of the County shall designate its principal office in the Remarketing Agreement. The Remarketing Agent shall signify its acceptance of the duties and obligations imposed upon it under the Note Documents by a written instrument of acceptance (which may be the Remarketing Agreement) delivered to the County, the Paying Agent and the Credit Provider and/or Liquidity Provider (if any), under which the Remarketing Agent shall agree to keep such books and records related to the remarketing of such Series as is consistent with prudent industry practice and to make such books and records directly related to the remarketing of such Series, to the extent such information is not otherwise available to the County, available for inspection by the County, at all reasonable times upon

reasonable advance notice. This provision shall not obligate the Remarketing Agent to make available any confidential or attorney-client privilege communications and emails.

To be eligible to serve as Remarketing Agent, an institution must have a combined capital stock, surplus and undivided profits of at least \$50,000,000, and be authorized by law to perform all the duties imposed upon it by the Note Documents and the Remarketing Agreement. The Remarketing Agent must also be acceptable to the relevant Credit Provider and/or Liquidity Provider (if any). A Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Exhibit B by giving notice to the County, Paying Agent, Credit Provider and/or Liquidity Provider (if any), Moody's and S&P. Such resignation shall take effect as provided in the Remarketing Agreement. A Remarketing Agent may be removed as provided in the Remarketing Agreement, by an instrument signed by the Finance Director, approved by the Credit Provider and/or Liquidity Provider (if any), and delivered to the Remarketing Agent, Paying Agent, Credit Provider and/or Liquidity Provider (if any), and Moody's and S&P. Except as provided in Section 12 of the Remarketing Agreement, such resignation or removal shall not be effective until the County has appointed a successor Remarketing Agent, with prior written notice to Moody's and S&P, and any funds held under the Remarketing Agreement are transferred to such successor.

11. Remarketing of Notes; Notice of Interest Rates.

(a) **Remarketing.** Upon a mandatory tender for purchase of a Series as required by Section 8(b) of this Exhibit B or notice of optional tender for purchase of a Series under Section 8(a) of this Exhibit B, the Remarketing Agent shall offer for sale and use its best efforts to sell such Notes on the Purchase Date and, if not remarketed on the Purchase Date, thereafter until sold, at the Purchase Price.

(b) **Notice of Purchase and Remarketing.** The Remarketing Agent shall give notice to the Paying Agent and the County by facsimile transmission, telephone, e-mail or similar electronic means promptly confirmed by a written notice, in no event later than 11:45 a.m., New York Time, on each Purchase Date on which Notes are purchased pursuant to a tender for purchase under Section 8 of this Exhibit B, specifying the principal amount of such Notes successfully remarketed and transferring the proceeds of such remarketing to the Paying Agent. If such Notes are not in book-entry only form, the Remarketing Agent shall also provide a list of the purchasers showing the names and Authorized Denominations in which such Notes are to be registered and the addresses and taxpayer identification numbers of such purchasers.

(c) **During a Delayed Remarketing Period.** During a Delayed Remarketing Period, in accordance with Section 8(f) of this Exhibit B, the Registered Owner(s) of Delayed Remarketing Notes will be obligated to tender their Notes to the Paying Agent for purchase upon notice given as set forth in subsection (b) of this section, on any date on which any of the Delayed Remarketing Notes or principal portion thereof in any Authorized Denominations have been successfully remarketed, on any redemption date including any Par Call Date or any Conversion Date.

12. Note Purchase Fund. In conjunction with any remarketing, the Paying Agent agrees to establish and maintain on behalf of the County a separate fund to be designated the “Note Purchase Fund.” The Paying Agent further agrees to establish within the Note Purchase Fund a separate account to be designated the “Remarketing Account” and, if Credit Enhancement or a Liquidity Facility is delivered in connection with a Conversion, a separate account to be designated the “Credit Enhancement Purchase Account” or “Liquidity Facility Purchase Account,” as applicable, as follows:

(a) **Remarketing Account.** Upon receipt of the proceeds of a remarketing of a Series of the Notes on a Purchase Date, the Paying Agent shall deposit such proceeds in the Remarketing Account of the Note Purchase Fund for application to the Purchase Price of such Notes.

(b) **Purchase Accounts.** Upon receipt from the Credit Provider of immediately available funds, the Paying Agent shall deposit such funds in the Credit Enhancement Purchase Account of the Note Purchase Fund for application to the Purchase Price of such Notes required to be purchased on a Purchase Date to the extent that the money on deposit in the Remarketing Account of the Note Purchase Fund is not sufficient. Any amounts deposited in the Credit Enhancement Purchase Account and not needed on any Purchase Date for the payment of the Purchase Price for any Notes shall be promptly returned to the Credit Provider. Any amounts in the Credit Enhancement Purchase Account shall be used only to purchase such Notes. Upon receipt from the Liquidity Provider of immediately available funds, the Paying Agent shall deposit such funds in the Liquidity Facility Purchase Account of the Note Purchase Fund for application to the Purchase Price of such Notes required to be purchased on a Purchase Date to the extent that the money on deposit in the Remarketing Account of the Note Purchase Fund is not sufficient. Any amounts deposited in the Liquidity Facility Purchase Account and not needed on any Purchase Date for the payment of the Purchase Price for any Notes shall be promptly returned to the Liquidity Provider. Any amounts in the Liquidity Facility Purchase Account shall be used only to purchase such Notes.

(c) **Other County Funds; Defeasance of Variable Rate Notes.** Amounts contributed by the County to pay the Purchase Price as provided in Section 8(e) of this Exhibit B shall be transferred to the Paying Agent and deposited into the Remarketing Account for use in accordance with subsection (a) of this section. Amounts contributed by the County to defease a portion of the Notes shall be held in a separate fund created and held under Section 31 of the New Money Ordinance and Section 32 of the Refunding Ordinance, and shall be applied as provided therein. Except for Notes in the Fixed Mode, any defeasance plan for Notes subject to this Mode Agreement shall provide for payment of interest on the Notes to be defeased (the “defeased Notes”) calculated at the Maximum Rate, shall require the County to deliver a report of a certified accountant verifying the sufficiency of the amount contributed to defease the defeased Notes, shall provide for the redemption or mandatory tender of the defeased Notes on the earliest optional redemption or mandatory tender date available under this Mode Agreement, following the date of defeasance, and shall require written notice of defeasance be provided to Moody’s and S&P. The notice of defeasance shall state that Notes continue to be subject to optional tender as provided in Section 8(a) of this Mode Agreement until paid. In the event that defeased Notes are optionally tendered and cannot be remarketed on the Purchase Date for the optional tender, the defeasance plan shall provide for a direction to the Paying

Agent to apply amounts set aside to defease the defeased Notes to redeem and cancel such tendered Notes on the Purchase Date.

(d) **County Contribution.** Failure of the County to make such contribution pursuant to Section 8(e) of this Exhibit B in connection with a Purchase Date while the Notes bear interest at a Daily Interest Rate or a Weekly Interest Rate and are secured by a Liquidity Facility or a Credit Enhancement, as applicable, shall not constitute a Default if: (i) the failure is the result of a failure by the Liquidity Provider or the Credit Provider, as applicable, to honor a properly presented and conforming draw under the Liquidity Facility or the Credit Enhancement, as applicable, to pay the Purchase Price of the tendered Notes and (ii) the County contribution to pay the Purchase Price of the tendered Notes with respect to which the failure occurred is deposited with the Paying Agent and applied to pay the Purchase Price of the tendered Notes within 370 days of the date on which such tendered Notes were required to be purchased.

13. Time. Time is of the essence in every provision herein contained. In the computation of any period of time provided for in this Exhibit B or by law, the day of the act or event from which said period of time runs shall be excluded, and the last day of such period shall be included, unless it is not a Business Day, in which case the period shall be deemed to run until 5:00 p.m. (New York Time) of the next day that is a Business Day. Except as otherwise expressly provided herein, all time periods expiring on a specified date or period herein shall be deemed to expire at 5:00 p.m. (New York Time) on such specified date or period.

14. Defaults. In addition to the Defaults set forth in Section 21 of the New Money Ordinance and Section 22 of the Refunding Ordinance, a default by the County in the observance or performance of any covenant, condition or agreement on the part of the County contained in this Mode Agreement, shall constitute a Default described in Section 21.C of the New Money Ordinance and Section 22. C of the Refunding Ordinance if such default has continued for a period of 30 days or, in the case of a Default under Section 16, such other period set forth in Section 16.

15. Unclaimed Funds. In the event any Note is not presented for payment when the principal thereof becomes due, if funds sufficient to pay the principal and interest accrued thereon to such date shall have been made available to the Registrar for the benefit of the Owner thereof, the Registrar shall hold such principal and interest accrued thereon to such date without liability to the Owner for further interest thereon, for the benefit of the Owner of such Note, for a period of five years from the date such Note shall have become due, and thereafter the Registrar shall remit said funds pursuant to the Uniform Unclaimed Property Act, RCW 63.29, as amended, or its successor. In the event the Uniform Unclaimed Property Act, as amended, or its successor, should require by law other action to be taken by the Registrar, then the Registrar shall comply with such law and this section shall be deemed amended. After the payment pursuant to the Uniform Unclaimed Property Act as herein provided, the Registrar's liability for payment to the Owner of such Note shall cease, terminate and be completely discharged and thereafter the Owner shall be restricted exclusively to his or her rights of recovery provided under the Uniform Unclaimed Property Act, as amended.

If the Notes are in certificated form during the period prior to the date all such unclaimed moneys are transferred pursuant to the Uniform Unclaimed Property Act, as amended, the Registrar shall hold such amounts in cash as provided in the Agreement for Fiscal Agency Services.

The County shall remit any such earnings to the Registrar if required under the Uniform Unclaimed Property Act, as amended.

16. Direct Payment Period. Amounts payable to a Direct Purchaser during a Direct Purchase Period may, upon the request of the Direct Purchaser, be made by the County to the Direct Purchaser (without any presentment thereof, except upon the payment of the final installment of principal, and without any notation of such payment being made thereon) in such manner or at such address or addresses in the United States as may be designated by the Direct Purchaser in writing to the Paying Agent and the County. During any such Direct Payment Period, (i) any payment made shall be accompanied by sufficient information to identify the source and proper application of such payment, (ii) the County shall notify the Paying Agent in writing of each such payment, (iii) the Direct Purchaser shall notify the Paying Agent in writing of any failure of the County to make any payment of principal of or interest on the Notes when due, and the Paying Agent shall not be deemed to have any notice of such failure unless it has received such notice in writing (provided that a failure by the Direct Purchaser to give any such notice will not affect the obligation of the County to make any such payment), and (iv) if any Notes are sold or transferred, the transferring noteholder shall notify the Paying Agent and the County in writing of the name and address of the transferee, the effective date of the transfer, the principal amount of the Notes transferred and the payment information notated on the Notes as hereinafter described, and the Paying Agent will, prior to delivery of such Notes, make a notation on such Notes of the date to which interest has been paid thereon and of the amount of any prepayments made on account of the principal thereof. Furthermore, to the extent that the County has made the required payments to any prior noteholder during any Direct Payment Period, the Paying Agent shall have no obligations to make payments of the principal of or interest on the Notes or to take any other action in respect thereof, except at the express written direction of the County.