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A RESOLUTION providing for the sale and issuance of The City of Seattle, Washington, Unlimited Tax General Obligation Refunding Bonds, 2007; specifying the amount, maturities, interest rates and other terms of the bonds; providing for the refunding of certain of the City's outstanding unlimited tax general obligation bonds; providing for the call, payment and redemption of the outstanding bonds to be refunded, appointing a refunding trustee and approving the form and execution of a refunding trust agreement, and authorizing the purchase of certain obligations and the use and application of money derived from those obligations; and ratifying, confirming and approving the notice of bond sale and the actions of the Director of Finance relating to the sale of the

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RESOLUTION 30981

A RESOLUTION providing for the sale and issuance of The City of Seattle, Washington, Unlimited Tax General Obligation Refunding Bonds, 2007; specifying the amount, maturities, interest rates and other terms of the bonds; providing for the refunding of certain of the City's outstanding unlimited tax general obligation bonds; providing for the call, payment and redemption of the outstanding bonds to be refunded, appointing a refunding trustee and approving the form and execution of a refunding trust agreement, and authorizing the purchase of certain obligations and the use and application of money derived from those obligations; and ratifying, confirming and approving the notice of bond sale and the actions of the Director of Finance relating to the sale of the bonds.

Adopted April 18, 2007

RESOLUTION 30981

A RESOLUTION providing for the sale and issuance of The City of Seattle, Washington, Unlimited Tax General Obligation Refunding Bonds, 2007; specifying the amount, maturities, interest rates and other terms of the bonds; providing for the refunding of certain of the City's outstanding unlimited tax general obligation bonds; providing for the call, payment and redemption of the outstanding bonds to be refunded, appointing a refunding trustee and approving the form and execution of a refunding trust agreement, and authorizing the purchase of certain obligations and the use and application of money derived from those obligations; and ratifying, confirming and approving the notice of bond sale and the actions of the Director of Finance relating to the sale of the bonds.

WHEREAS, pursuant to Ordinance 121651, as amended by Ordinance 122286 (collectively the "Bond Ordinances"), the City authorized the issuance of unlimited tax general obligation refunding bonds to pay all or part of the cost of refunding certain of the City's outstanding unlimited tax general obligation bonds and pay the costs of issuance and sale of such bonds; and

WHEREAS, pursuant to the Bond Ordinances, the City has determined to issue and sell its Unlimited Tax General Obligation Refunding Bonds, 2007 (the "Bonds"), in the aggregate principal amount of \$60,870,000; and

WHEREAS, the Bond Ordinances authorized the Director of Finance to conduct a public sale or to negotiate the sale of the Bonds and to recommend to the City Council for its approval by resolution the interest rates and other terms of and matters relating to the Bonds consistent with the Bond Ordinances; and

WHEREAS, pursuant to the Bond Ordinances, a preliminary official statement dated April 11, 2007, for the public sale of the Bonds, including an official notice of that sale (the "Notice of Bond Sale"), has been prepared and distributed, bids have been received in accordance with the Notice of Bond Sale, and the proposed sale of the Bonds to BB&T Capital Markets has been recommended to the City Council for its approval with the interest rates and other terms of and matters relating to the Bonds set forth in this resolution; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE  
MAYOR CONCURRING, THAT:**

Section 1. Definitions. The following terms shall have the following meanings for all purposes of this resolution:

Acquired Obligations means those "Acquired Obligations" (as such term is defined in the Bond Ordinances) purchased to accomplish the refunding of the Refunded Bonds as authorized by this resolution.



1        Bond Ordinances means, collectively, Ordinance 121651, as amended by Ordinance 122286,  
2 of the City, authorizing the issuance of the Bonds.

3        Refunded Bonds means that portion of the City's Unlimited Tax General Obligation Bonds,  
4 1999, Series A (Library Facilities), identified in Exhibit A attached hereto and by this reference  
5 incorporated herein.

6        Refunded Bonds Legislation means, collectively, Ordinance 119185 and Resolution 29986  
7 authorizing issuance of the Refunded Bonds.

8        Refunding Plan means:

9        (a) the placement of sufficient proceeds of the Bonds, which, with other money of the  
10 City, if necessary, will acquire the Acquired Obligations to be deposited, with cash, if necessary,  
11 with the Refunding Trustee; and

12        (b) the payment of interest on the Refunded Bonds when due up to and including  
13 December 1, 2009, and the call, payment and redemption on December 1, 2009, of the Refunded  
14 Bonds at a price of 100% of par.

15        Refunding Trust Agreement means the Refunding Trust Agreement between the City and the  
16 Refunding Trustee relating to the Refunded Bonds, substantially in the form attached hereto as  
17 Exhibit E.

18        Refunding Trustee means The Bank of New York, of New York, New York, serving as  
19 trustee or escrow agent or any successor trustee or escrow agent.

20        The meanings of all other capitalized terms used and not otherwise defined in this resolution  
21 shall be as set forth in the Bond Ordinances.

22        Section 2. The Bonds. The Bonds shall be called "The City of Seattle, Washington,  
23 Unlimited Tax General Obligation Refunding Bonds, 2007"; shall be issued in the aggregate  
24 principal amount of \$60,870,000; shall be in the denomination of \$5,000 or any integral multiple  
25 thereof within a single maturity; shall be dated the date of initial delivery; shall be registered as to  
26 both principal and interest; and shall bear interest from their date until the Bonds bearing such



interest have been paid or their payment has been duly provided for, payable on the first day of each June and December, commencing December 1, 2007.

The Bonds shall mature on December 1 of the following years and in the following amounts:

Year	Principal Amounts	Interest Rates
2007 **	\$1,620,000 **	5.00% **
2010	5,555,000	5.00
2011	5,805,000	5.00
2012	6,070,000	4.25
2013	6,305,000	4.25
2014	6,555,000	4.25
2015	6,815,000	4.25
2016	7,090,000	4.25
2017	7,375,000	4.25
2018	7,680,000	4.25

Section 3. Optional Redemption. Bonds maturing before December 1, 2017, shall be issued without the right or option of the City to redeem those Bonds prior to their stated maturity dates. The City reserves the right and option to redeem Bonds maturing on and after December 1, 2017, prior to their stated maturity dates, at any time on and after June 1, 2017, as a whole or in part (within one or more maturities to be selected by the City and randomly within a maturity in such manner as the Bond Registrar shall determine), at a price of par plus accrued interest to the date fixed for redemption.

Section 4. Form of Bonds. The Bonds shall be substantially in the form attached hereto as Exhibit B and incorporated herein by this reference.

Section 5. Sale and Delivery of Bonds. The City finds that the sale and delivery of the Bonds to BB&T Capital Markets (the "Purchaser"), at the interest rates and under the conditions set forth in the Bond Ordinances, this resolution, the Notice of Bond Sale attached hereto as Exhibit C, and the electronic bid of the Purchaser, a printed version of which is attached hereto as Exhibit D and by this reference incorporated herein, is in the City's best interest and therefore ratifies, confirms and approves the award of the Bonds to the Purchaser.

1        Section 6.      Authorization of Official Statement.    The Director of Finance is hereby  
2 authorized and directed to review and approve on behalf of the City a final official statement (the  
3 “Official Statement”) with respect to the Bonds, substantially in the form of the Preliminary Official  
4 Statement and supplemented or amended as he, with the approval of bond counsel, deems necessary,  
5 desirable, or appropriate.

6        Section 7.      Use of Bond Proceeds; Refunding Plan.    The principal proceeds of the Bonds  
7 received by the City and, if necessary, other money of the City (the amounts to be determined by the  
8 Director of Finance prior to the issuance of the Bonds) shall be applied as follows: (i) an amount  
9 sufficient to carry out the Refunding Plan shall be deposited immediately upon the receipt thereof  
10 with the Refunding Trustee and used to discharge the obligations of the City relating to the Refunded  
11 Bonds under the Refunded Bonds Legislation pursuant to the Refunding Plan, as defined herein and  
12 modified or amplified by the Refunding Trust Agreement; and (ii) the balance of the Bond proceeds  
13 shall be deposited in such funds, accounts or subaccounts designated by the Director of Finance and  
14 used to pay the costs of issuing the Bonds.

15        The Refunding Plan shall be carried out, and proceeds of the Bonds shall be applied, in  
16 accordance with the Bond Ordinances, the Refunded Bonds Legislation, the Refunding Trust  
17 Agreement, this resolution and the laws of the State.

18        Section 8.      Call for Redemption of the Refunded Bonds.    In accordance with Section 9 of  
19 the Bond Ordinances, and the Refunded Bonds Legislation, as a part of the Refunding Plan the City  
20 calls the Refunded Bonds for redemption on the call date and at the redemption prices set forth in the  
21 Refunding Plan, plus accrued interest to the date of redemption.

22        Such call for redemption shall be irrevocable after the delivery of the Bonds to the Purchaser.

23        The proper officials of the City are authorized and directed to give or cause to be given such  
24 notices as are required, at the times and in the manner required, pursuant to the Refunded Bonds  
25 Legislation, in order to effect the redemption prior to their maturity of the Refunded Bonds.  
26

1        Section 9.     City Findings With Respect to Refunding. The City finds and determines that  
2 the issuance and sale of the Bonds will effect a savings to the City and will be in the best interest of  
3 the City and in the public interest through the restructuring of debt service. In making such finding  
4 and determination, the City has given consideration to the fixed maturities and scheduled  
5 redemptions of the Bonds and the Refunded Bonds and allocable costs of issuance, and the known  
6 earned income from the investment of the proceeds of the issuance and sale of the Bonds and other  
7 money, if any, of the City used in the Refunding Plan pending payment and redemption of the  
8 Refunded Bonds. The City further finds and determines that the money to be deposited with the  
9 Refunding Trustee for the Refunded Bonds in accordance with the Bond Ordinances and this  
10 resolution will discharge and satisfy the obligations of the City with respect to the Refunded Bonds  
11 under the Refunded Bonds Legislation, and the pledges, charges, trusts, covenants and agreements of  
12 the City therein made or provided for as to the Refunded Bonds, and that the Refunded Bonds shall  
13 no longer be deemed to be outstanding under such Refunded Bonds Legislation immediately upon  
14 the deposit of such money with the Refunding Trustee.

15        Section 10.     Appointment of Refunding Trustee and Authorization of Refunding Trust  
16 Agreement. The Bank of New York, of New York, New York, is appointed as Refunding Trustee.  
17 The Director of Finance is authorized and directed to execute and deliver to the Refunding Trustee  
18 the Refunding Trust Agreement with such modifications as the Director of Finance determines are  
19 necessary and appropriate and are consistent with the Bond Ordinances and this resolution.

20        Section 11.     Undertaking to Provide Continuing Disclosure. This Section constitutes the  
21 written undertaking (the "Undertaking") for the benefit of the holders of the Bonds as required by  
22 United States Securities and Exchange Commission (the "SEC") Rule15c2-12 (the "Rule"), and  
23 pursuant to the Bond Ordinances. For purposes of this undertaking, the term "holders of the Bonds"  
24 shall have the meaning intended for such term under the Rule.

1 The City as an "obligated person" within the meaning of the Rule undertakes to provide or  
2 cause to be provided, either directly or through a designated agent:

3 (a) To each nationally recognized municipal securities information repository  
4 designated by the SEC in accordance with the Rule (each "NRMSIR"), and to a state  
5 information depository, if one is established in the State of Washington and recognized by  
6 the SEC (the "SID"), annual financial information and operating data of the type included in  
7 the Official Statement for the Bonds as follows: (i) annual financial statements of the City,  
8 prepared in accordance with generally accepted accounting principles applicable to  
9 governmental units (except as otherwise noted herein), as such principles may be changed  
10 from time to time and as permitted by State law, which financial statements will not be  
11 audited, except that if and when audited financial statements are otherwise prepared and  
12 available to the City they will be provided; (ii) a statement of authorized, issued and  
13 outstanding general obligation debt of the City; (iii) the assessed value of the property within  
14 the City subject to ad valorem taxation; and (iv) ad valorem tax levy rates and amounts and  
15 percentage of taxes collected.

16 Annual financial information, as described above, will be provided to each NRMSIR  
17 and the SID, not later than the last day of the ninth month after the end of each fiscal year of  
18 the City, as such fiscal year may be changed as permitted or required by State law,  
19 commencing with the City's fiscal year ending December 31, 2006. The annual financial  
20 information may be provided in a single or in multiple documents, and may be incorporated  
21 by reference from other documents, including official statements of debt issues with respect  
22 to which the City is an obligated person as defined by the Rule, which documents have been  
23 filed with each NRMSIR and the SID. If the document incorporated by reference is a "final  
24 official statement" it must be available from the Municipal Securities Rulemaking Board  
25 ("MSRB").  
26



1 (b) To each NRMSIR or to the MSRB, and to the SID, timely notice of the  
2 occurrence of any of the following events with respect to the Bonds, if material: (i) principal  
3 and interest payment delinquencies; (ii) non-payment related defaults; (iii) unscheduled  
4 draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on  
5 credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity  
6 providers, or their failure to perform; (vi) adverse tax opinions or events affecting the tax-  
7 exempt status of the Bonds; (vii) modifications to the rights of the holders of the Bonds;  
8 (viii) Bond calls (other than scheduled mandatory redemptions of Term Bonds);  
9 (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the  
10 Bonds; and (xi) rating changes.

11 (c) To each NRMSIR or to the MSRB and to the SID timely notice of a failure by  
12 the City to provide required annual financial information on or before the date specified in  
13 paragraph (a) above.

14 This Undertaking may be amended without the consent of any holder of any Bond, any  
15 broker, dealer, municipal securities dealer, participating underwriter, rating agency, NRMSIR, the  
16 SID or the MSRB, under the circumstances and in the manner permitted by the Rule. The City will  
17 give notice to each NRMSIR or the MSRB, and to the SID, of the substance (or provide a copy) of  
18 any amendment to the Undertaking and a brief statement of the reasons for the amendment. If the  
19 amendment changes the type of annual financial information to be provided, the annual financial  
20 information containing the amended information will include a narrative explanation of the effect of  
21 that change on the type of information being provided.

22 If the City fails to comply with this Undertaking, the City will proceed with due diligence to  
23 cause such noncompliance to be corrected as soon as practicable after the City learns of that failure.  
24 No failure by the City or other obligated person to comply with this Undertaking shall constitute a  
25 default with respect to the Bonds. The sole remedy of any holder of a Bond will be to take such  
26

1 actions as that holder deems necessary and appropriate to compel the City or other obligated person  
2 to comply with this Undertaking.

3 At its option and to the extent authorized by the SEC, the City may make any filing under  
4 this Undertaking by transmitting the required filing using <http://www.disclosureusa.org> (or such  
5 other centralized agent as may be approved by the SEC).

6 Section 12. Termination of Undertaking. The City's obligations under the Undertaking  
7 described in Section 11 of this resolution shall terminate upon the legal defeasance, prior redemption  
8 or payment in full of all of the then outstanding Bonds. In addition, the Undertaking, or any  
9 provision thereof, will be null and void if the City (i) obtains an opinion of nationally recognized  
10 bond counsel or other counsel familiar with federal securities laws to the effect that those portions of  
11 the Rule which require the City to comply with the Undertaking, or any such provision, are invalid,  
12 have been repealed retroactively or otherwise do not apply to the Bonds; and (ii) notifies the SID and  
13 either the MSRB or each then existing NRMSIR of such termination.


14 Section 13. General Authorization. The Mayor and the Director of Finance and each of  
15 the other appropriate officers of the City are each authorized and directed to do everything as in their  
16 judgment may be necessary, appropriate or desirable in order to carry out the terms and provisions  
17 of, and complete the transactions contemplated by, the Bond Ordinances and this resolution.

18 Section 14. Severability. The provisions of this resolution are declared to be separate and  
19 severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal  
20 periods having run, finds any provision of this resolution to be invalid or unenforceable as to any  
21 person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be  
22 within the limits of enforceability or validity. However, if the offending provision cannot be so  
23 modified, it shall be null and void with respect to the particular person or circumstance, and all other  
24 provisions of this resolution in all other respects, and the offending provision with respect to all  
25 other persons and all other circumstances, shall remain valid and enforceable.  
26

Section 15. Ratification of Prior Acts. All acts taken pursuant to the authority of this resolution but prior to its effective date are ratified, approved and confirmed.

Section 16. Section Headings. Section headings in this resolution are used for convenience only and shall not constitute a substantive portion of this resolution.


ADOPTED by the City Council the 18<sup>th</sup> day of April, 2007, and signed by me in open session in authentication of its adoption this 18<sup>th</sup> day of April, 2007.

Pro Tem   
President of the City Council

Filed this 18<sup>th</sup> day of April, 2007.

(SEAL)

007.

  
\_\_\_\_\_  
City Clerk

## LIST OF EXHIBITS

- Exhibit A – Refunded Bonds  
Exhibit B – Bond Form  
Exhibit C – Notice of Bond Sale  
Exhibit D – Printed Version of Purchaser’s Electronic Bid for the Bonds  
Exhibit E – Refunding Trust Agreement

**EXHIBIT A**  
**Refunded Bonds**

<b>Designation/ Name of Issue</b>	<b>Date of Issue</b>	<b>Original Principal Amount</b>	<b>Principal Amount Refunded</b>	<b>Maturities to be Refunded "Refunded Bonds"</b>	<b>Redemption Date And Redemption Price</b>
Unlimited Tax General Obligation Bonds, 1999, Series A (Library Facilities)	7/1/1999	\$100,000,000	\$59,205,000	12/1/2010 through 12/1/2018	12/1/2009 @100%

**EXHIBIT B**

**Bond Form**

No. R- \_\_\_\_\_

\$ \_\_\_\_\_

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

UNITED STATES OF AMERICA

STATE OF WASHINGTON

THE CITY OF SEATTLE

UNLIMITED TAX GENERAL OBLIGATION REFUNDING BOND, 2007

Interest Rate:

Maturity Date:

CUSIP NO.:

Registered Owner: CEDE & CO.

Principal Amount: \_\_\_\_\_ DOLLARS

The CITY OF SEATTLE, WASHINGTON (the "City"), a municipal corporation of the State of Washington, promises to pay to the Registered Owner identified above on the Maturity Date identified above the Principal Amount identified above and to pay interest (computed on the basis of a 360 day year of twelve 30 day months) thereon from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above, payable semiannually on each June 1 and December 1, commencing December 1, 2007, to the maturity or earlier redemption of this Bond. If this Bond is not redeemed when properly presented at its maturity or call date, then interest shall continue to accrue at the Interest Rate identified above until this Bond, both principal and interest, is paid in full or until sufficient money for its payment in full has been deposited in the Bond Fund and this Bond has been called for payment by giving notice to the Registered Owner.

Both principal of and interest on this Bond are payable in lawful money of the United States of America. Principal is payable only to the Registered Owner upon presentation and surrender of this Bond to the fiscal agent of the State of Washington (as the same may be designated by the State of Washington from time to time) (the "Bond Registrar"). Payment of each installment of interest shall be made to the Registered Owner whose name appears on the registration books of the City maintained by the Bond Registrar (the "Bond Register") at the close of business on the record date, the 15th day of the month preceding the interest payment date, and shall be paid by check or draft of the Bond Registrar mailed on the interest payment date to the Registered Owner at the address appearing on the Bond





1 Register or, when requested in writing by a registered owner of \$1,000,000 or more principal amount of the Bonds at  
2 least 10 days before an interest payment date, by wire transfer on the interest payment date. Notwithstanding the  
3 foregoing, as long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company  
4 ("DTC"), payment of principal and interest shall be made in accordance with the Letter of Representations given by the  
5 City to DTC.

6 This Bond is one of an authorized issue of bonds designated Unlimited Tax General Obligation Refunding  
7 Bonds, 2007 (the "Bonds"), aggregating \$60,870,000 in principal amount, maturing annually in the years 2007 and 2010  
8 through 2018, inclusive, of like date, tenor, and effect, except as to maturity dates, interest rates, options of redemption,  
9 denominations, and numbers issued by the City pursuant to a special election authorizing the Bonds for strictly  
10 municipal capital purposes, other than the replacement of equipment, as provided in Ordinances 121651, as amended by  
11 Ordinance 122286 and Resolution \_\_\_\_\_ (collectively, the "Bond Legislation"). The Bonds are issued in fully  
12 registered form in the denomination of \$5,000 or any integral multiple thereof within a single maturity.

13 For as long as any of the Bonds are outstanding, the City irrevocably pledges to levy taxes annually without  
14 limitation as to rate or amount on all of the taxable property within the City in an amount sufficient, together with other  
15 money legally available and to be used therefor, to pay when due the principal of and interest on the Bonds, and the full  
16 faith, credit and resources of the City are pledged irrevocably for the annual levy and collection of those taxes and the  
17 prompt payment of that principal and interest.

18 Bonds maturing before December 1, 2017 are issued without the right or option of the City to redeem those  
19 Bonds prior to their stated maturity dates. The City reserves the right and option to redeem Bonds maturing on or after  
20 December 1, 2017, prior to their stated maturity dates at any time on or after June 1, 2017, as a whole or in part (within  
21 one or more maturities selected by the City and randomly within a maturity in such manner as the Bond Registrar shall  
22 determine), at par plus accrued interest to the date fixed for redemption.

23 Any Bond in the principal amount of greater than \$5,000 may be redeemed partially in any integral multiple of  
24 \$5,000. In such event, upon surrender of that Bond to the Bond Registrar, there shall be issued to the Registered Owner  
25 a new Bond (or Bonds, at the option of the Registered Owner) of the same interest rate and maturity in any of the  
26 denominations authorized by the Bond Legislation in the aggregate principal amount remaining unredeemed, without  
charge therefor.

Notice of any intended redemption of Bonds shall be given not less than 30 nor more than 60 days prior to the  
date fixed for redemption by first-class mail, postage prepaid, to the Registered Owner of each Bond to be redeemed at  
the address appearing on the Bond Register at the time the Bond Registrar prepares the notice, and the requirements of  
the Bond Legislation shall be deemed to have been fulfilled when notice has been mailed as so provided, whether or not  
it is actually received by the owner of any Bond. Interest on the Bonds called for redemption shall cease to accrue on the  
date fixed for redemption unless the Bond or Bonds called are not redeemed when presented pursuant to the call. In  
addition, the redemption notice shall be mailed within the same period, postage prepaid, to Moody's Investors Service,  
Inc., and Standard & Poor's at their offices in New York, New York, or their successors, to each NRMSIR or the MSRB  
and to such other persons and with such additional information as the Director of Finance shall determine, but these  
additional mailings shall not be a condition precedent to the redemption of Bonds.

Notwithstanding the foregoing, for as long as the Bonds are registered in the name of Cede & Co., as nominee  
of DTC, Bonds shall be selected for redemption and notice of redemption shall be given in accordance with the Letter of  
Representations.

The City further reserves the right and option to purchase any or all of the Bonds in the open market at any time  
at any price acceptable to the City plus accrued interest to the date of such purchase.



1 Reference is made to the Bond Legislation for other covenants and declarations of the City and other terms and  
2 conditions upon which this Bond has been issued, which terms and conditions, including, but not limited to, terms  
3 pertaining to defeasance, are made a part hereof by this reference. The City irrevocably and unconditionally covenants  
4 that it will keep and perform all of the covenants of this Bond and of the Bond Legislation. Reference also is made to the  
5 Bond Legislation for the definitions of the capitalized terms used and not otherwise defined herein.

6 In the manner and subject to the limitations set forth in the Bond Legislation, this Bond may be transferred by  
7 the Registered Owner or by such Owner's authorized agent at the Bond Registrar on completion of the assignment form  
8 appearing hereon and surrender and cancellation of this Bond. Upon such transfer, a new Bond (or Bonds, at the option  
9 of the new Registered Owner) of an equal aggregate principal amount and of the same interest rate and maturity in any  
10 authorized denomination will be issued to the new Registered Owner, without charge, in exchange therefor. This Bond  
11 and other Bonds may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate  
12 principal amount of Bonds of the same interest rate and maturity in any authorized denomination. The Bond Registrar  
13 shall not be obligated to transfer or exchange any Bond during the 15 days preceding any principal payment or  
14 redemption date.

15 The City and the Bond Registrar may deem and treat the Registered Owner of this Bond as its absolute owner  
16 for the purpose of receiving payment of principal and interest and for all other purposes, and neither the City nor the  
17 Bond Registrar shall be affected by any notice to the contrary other than proper notice of assignment. As used herein,  
18 Registered Owner means the person or entity named as Registered Owner of this Bond on the front hereof and on the  
19 Bond Register.

20 This Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon  
21 has been signed by the Bond Registrar.

22 The principal of and interest on this Bond shall be paid only to the Registered Owner as of the record date and  
23 to no other person or entity, and this Bond may not be assigned except on the Bond Register.

24 It is certified that all acts, conditions and things required to be done precedent to and in the issuance of this  
25 Bond have been done, have happened, and have been performed as required by law, and that the total indebtedness of the  
26 City, including the Bonds, does not exceed any constitutional or statutory limitations.

IN WITNESS WHEREOF, the City has caused this Bond to be executed on behalf of the City by the facsimile  
signatures of its Mayor and Director of Finance and a facsimile reproduction of the seal of the City to be printed hereon,  
this \_\_\_\_\_ day of May, 2007.

CITY OF SEATTLE, WASHINGTON

By  
Mayor

By  
Director of Finance

Date of Authentication: \_\_\_\_\_

CERTIFICATE OF AUTHENTICATION

This Bond is one of the fully registered City of Seattle, Washington, Unlimited Tax General Obligation Refunding Bonds, 2007, described in the Bond Legislation.

WASHINGTON STATE FISCAL AGENT  
Bond Registrar

By \_\_\_\_\_  
Authorized Signer

ASSIGNMENT

For value received, the undersigned Registered Owner does sell, assign and transfer unto:

\_\_\_\_\_  
(name, address, and social security or other identifying number of assignee)

the within-mentioned Bond and irrevocably constitutes and appoints \_\_\_\_\_ to transfer the same on the Bond Register with full power of substitution in the premises.

DATED: \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Registered Owner

(NOTE: The signature above must correspond with the name of the Registered Owner as it appears on the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.)

Signature Guaranteed:

\_\_\_\_\_  
(NOTE: Signature must be guaranteed pursuant to law.)

**EXHIBIT C**

**Notice of Bond Sale**

**OFFICIAL NOTICE OF BOND SALE**

**THE CITY OF SEATTLE, WASHINGTON**

**\$95,635,000\***  
**Limited Tax General Obligation**  
**Improvement and Refunding Bonds, 2007**

**\$58,750,000\***  
**Unlimited Tax General Obligation**  
**Refunding Bonds, 2007**

Separate electronic bids for purchase of The City of Seattle Limited Tax General Obligation Improvement and Refunding Bonds, 2007 (the "LTGO Bonds"), and Unlimited Tax General Obligation Refunding Bonds, 2007 (the "UTGO Bonds" and together with the LTGO Bonds, the "Bonds") will be received by The City of Seattle, Washington (the "City"), by the Director of Finance via Bidcomp/Parity's electronic bidding service ("Parity"), in the manner described below, on

**APRIL 18, 2007, AT 8:00 A.M., PACIFIC TIME,**

or such other day or time and under such other terms and conditions as may be established by the Director of Finance and communicated by wire service not less than 24 hours prior to the time bids are to be received. The City will make an official bid form (the "Official Bid Form") for each series of the Bonds available to Parity at least 24 hours prior to the time bids are to be received.

**Bids must be submitted electronically via Parity in accordance with this Official Notice of Bond Sale (for further information about Parity, potential bidders may contact Parity at 212-849-5021). Hard copy bids will not be accepted.**

No bid will be received after the time for receiving bids specified above. All proper bids received with respect to the Bonds are expected to be considered and acted on by the City Council by April 18, 2007.

**DESCRIPTION OF THE BONDS**

**Bond Details**

The Bonds will be dated the date of their initial delivery. Interest on the LTGO Bonds will be paid semiannually on each April 1 and October 1, beginning October 1, 2007. Interest on the UTGO Bonds will be paid semiannually on each June 1 and December 1, beginning December 1, 2007.

**Registration and Book-Entry Only System**

The Bonds are issuable only as fully registered bonds and when issued will be registered in the name of Cede & Co. as registered owner and nominee for the Depository Trust Company ("DTC"), New York, New York. DTC will act as initial securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased. The principal of and interest on the Bonds are payable by the City's Bond Registrar, currently the fiscal agent of the State of Washington (currently The Bank of New York in New York, New York) to DTC, which is obligated in turn to remit such payments to its participants for subsequent disbursement to beneficial owners of the Bonds.

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\* Preliminary, subject to change.

## Election of Maturities

The successful bidder for each series of the Bonds shall designate whether the principal amounts of each series of the Bonds, as set forth below, shall be retired on October 1 (for the LTGO Bonds) or December 1 (for the UTGO Bonds) of each respective year as serial bonds maturing in such year, or as amortization installments of Term Bonds maturing on those respective dates in the years specified by the bidder. Term Bonds, if any, must consist of the total principal payments of two or more consecutive years and mature in the latest of those years.

LTGO BONDS		UTGO BONDS	
Years (October 1)	Serial Maturities or Amortization Installments <sup>(1)</sup>	Years (December 1)	Serial Maturities or Amortization Installments <sup>(1)</sup>
2007	\$ 1,560,000	2007	\$ 1,475,000
2008	1,845,000		
2009	1,935,000	2010	5,280,000
2010	2,280,000	2011	5,515,000
2011	2,550,000	2012	5,760,000
2012	2,860,000	2013	6,025,000
2013	2,500,000	2014	6,310,000
2014	4,080,000	2015	6,605,000
2015	6,165,000	2016	6,925,000
2016	5,135,000	2017	7,250,000 <sup>(2)</sup>
2017	5,570,000	2018	7,605,000 <sup>(2)</sup>
2018	5,010,000 <sup>(2)</sup>		
2019	5,460,000 <sup>(2)</sup>		
2020	5,940,000 <sup>(2)</sup>		
2021	6,450,000 <sup>(2)</sup>		
2022	6,990,000 <sup>(2)</sup>		
2023	7,570,000 <sup>(2)</sup>		
2024	8,180,000 <sup>(2)</sup>		
2025	8,515,000 <sup>(2)</sup>		
2026	2,160,000 <sup>(2)</sup>		
2027	2,220,000 <sup>(2)</sup>		
2028	660,000 <sup>(2)</sup>		

(1) Preliminary, subject to change.

(2) These amounts will constitute principal maturities of the Bonds unless Term Bonds are specified by the successful bidder, in which case these amounts may constitute mandatory sinking fund redemptions of Term Bonds.

## Redemption

**LTGO Bonds.** The LTGO Bonds maturing before October 1, 2018, are not subject to redemption prior to maturity. The City reserves the right and option to redeem LTGO Bonds maturing on or after October 1, 2018, prior to their stated maturity dates, at any time on and after October 1, 2017, as a whole or in part (within one or more maturities to be selected by the City and randomly within a maturity in such manner as the Bond Registrar may determine), at a price of par plus accrued interest to the date fixed for redemption.

**UTGO Bonds.** The UTGO Bonds maturing before December 1, 2017, are not subject to redemption prior to maturity. The City reserves the right and option to redeem UTGO Bonds maturing on or after December 1, 2017, prior to their stated maturity dates, at any time on and after June 1, 2017, as a whole or in part (within one or more maturities to be



selected by the City and randomly within a maturity in such manner as the Bond Registrar may determine), at a price of par plus accrued interest to the date fixed for redemption.

### Security

The Bonds are general obligations of the City. The LTGO Bonds are secured by the City's irrevocable pledge to include in its budget and levy taxes annually within the constitutional and statutory tax limitations provided by law without a vote of the electors of the City on all of the taxable property within the City in an amount sufficient, together with other money legally available and to be used therefor, to pay when due the principal of and interest on the Bonds. The UTGO Bonds are secured by the City's irrevocable pledge to include in its budget and levy taxes annually without limitation as to rate or amount on all of the taxable property within the City in an amount sufficient, together with other money legally available and to be used therefor, to pay when due the principal of and interest on the UTGO Bonds. The full faith, credit and resources of the City are pledged irrevocably for the annual levy and collection of the taxes pledged to the LTGO Bonds and the UTGO Bonds, respectively, and the prompt payment of the principal of and interest on the Bonds.

THE BONDS DO NOT CONSTITUTE A DEBT OF THE STATE OF WASHINGTON OR ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE CITY.

### BIDDING INFORMATION AND AWARD

Bidders are invited to submit separate bids for the purchase of each series of the Bonds fixing the interest rate or rates that such series of Bonds will bear. Bidders are not required to submit bids for both series. Interest rates bid shall be in multiples of 1/8 or 1/20 of one percent, or both. No more than one rate of interest may be fixed for any one maturity.

No bid will be considered for the LTGO Bonds that is less than an amount equal to par nor more than an amount equal to 107 percent of the par value of the Bonds or for less than the entire offering of the LTGO Bonds. No bid will be considered for the UTGO Bonds that is less than an amount equal to par nor more than an amount equal to 107 percent of the par value of the Bonds or for less than the entire offering of the UTGO Bonds. Each individual maturity must be reoffered at a yield that will produce a price of not less than 98 percent of the principal amount for that maturity. For the purpose of the preceding sentence, "price" shall be defined as the lesser of the price at the redemption date or the price at the maturity date. All bids shall be without condition.

For the purpose of comparison only and not as a part of the bid, each bid shall state the true interest cost of the bid.

The City strongly encourages the inclusion of Women and Minority Business Enterprise firms in bidding syndicates.

### Adjustment of Principal Amounts Before Bid Opening

Bidders are advised that the City may increase or decrease the total principal amount of either series of the Bonds and/or the amounts of individual maturities stated in this Official Notice of Bond Sale prior to the bidding. Reasons for this change could include, but are not limited to, the City's decision to alter or not to proceed with the Refunding Plan (as described in the Preliminary Official Statement under "Use of Proceeds—Refunding Plan"). If such changes are made, they will be reflected in the Official Bid Form to be made available through Parity.

### Bidding Process

By submitting an electronic bid for either series of the Bonds, the bidder agrees to the following terms and conditions:

- (i) If any provision in this Official Notice of Bond Sale conflicts with information or terms provided to or required of the bidder by Parity, this Official Notice of Bond Sale (including any amendments issued by the City through a wire service) and the Official Bid Forms shall control. Information provided by Parity to bidders shall form no part of any bid or of any contract between the successful bidder and the City unless that information is included in this Official Notice of Bond Sale or in the Official Bid Forms to be made available by the City.

- (ii) The bidder is solely responsible for making necessary arrangements to access Parity for purposes of submitting a timely bid that is in compliance with this Official Notice of Bond Sale (including any amendments issued by the City through a wire service) and with the Official Bid Forms to be made available by the City.
- (iii) The City shall have no duty or obligation to provide or assure access to Parity, and shall not be responsible for the proper operation of Parity or have any liability for any delays or interruptions of, or any damages caused by, use or attempted use of Parity.
- (iv) Parity is not the City's agent, but rather is an acceptable bidder's agent for the bidder's convenience in submitting its bid to the City.
- (v) The City will regard the electronic transmission of each bid it receives through Parity (including information regarding the purchase price of either series of the Bonds and interest rates for any maturity of the Bonds) as being submitted on the related Official Bid Form to be made available by the City and executed on behalf of the named bidder by a duly authorized signatory.
- (vi) If an electronic bid for either series of the Bonds is accepted by the City, this Official Notice of Bond Sale (including any amendments issued by the City through a wire service), the related Official Bid Form to be made available by the City and the information regarding the purchase price of such series of Bonds, any Term Bonds specified and the interest rates for any maturity of such series of Bonds that is submitted electronically to the City through Parity shall form a contract between the bidder for that series of the Bonds and the City, and such bidder shall be bound by the terms of such contract whether or not such bidder in fact attempted or intended to submit a bid on those terms.

#### **Good Faith Deposit**

All bids must be backed by a good faith deposit in the amount of \$950,000 for the LTGO Bonds and \$590,000 for the UTGO Bonds. **The good faith deposit shall be in the form of a financial surety bond, payable to the order of The City of Seattle and received by the City not later than the time bids are to be received.** The City reserves the right to invest the deposit of the successful bidder pending payment for the Bonds, and the successful bidder will not receive credit for any earnings on such investment. The deposit will be applied to the purchase price of the Bonds.

The financial surety bond must be from a surety company pre-approved by the City. The City has pre-approved Financial Security Assurance Inc. Acknowledgement that such financial surety bond has been issued must be received by the City's Financial Advisor prior to the bid opening and must identify each bidder whose deposit is guaranteed. The successful bidder shall submit its good faith deposit to the City in the form of a certified or bank cashier's check or by wire transfer, no later than 2:00 p.m., Pacific Time, on the next business day following the award. If the deposit is not received by that time, the City may draw on the financial surety bond to satisfy the deposit requirement. If the financial surety bond is called upon and the City has not received the good faith deposit in such form from the surety company that provided the bond within two business days following the bid award, the City may cancel the bid award and have no further obligation to that bidder. The City may, in addition and without limitation, take such steps as it deems appropriate against the provider of the financial surety bond or the successful bidder or both to obtain the amount of the good faith deposit and, in the event the City cancels the bid award, retain the recovered amount as reasonable liquidated damages and not as a penalty.

The good faith deposit of the successful bidder of each series shall be retained by the City as security for the performance of the successful bid and shall be applied to the purchase price of such series of the Bonds upon the delivery of the Bonds to the successful bidder. Pending delivery of either series of the Bonds, the good faith deposit may be invested for the sole benefit of the City. If either series of the Bonds is ready for delivery and the successful bidder for such series fails or neglects to complete the purchase of such series of the Bonds within 45 days following the acceptance of its bid, the good faith deposit shall be retained by the City as reasonable liquidated damages and not as a penalty.

**Award**

The Bonds of each series will be sold to the bidder making a bid conforming to the terms of the offering and which, on the basis of the City's determination of the lowest true interest cost, is the best bid. The true interest cost to the City will be the rate that, when used to discount to the date of such series of the Bonds all future payments of principal and interest (using semiannual compounding and a 30/360 day basis), produces an amount equal to the bid amount. If there are two or more equal bids for a particular series of the Bonds and those bids are the best bids received, the Director of Finance will determine by lot which bid will be presented to the City Council.

The City reserves the right to reject any or all bids submitted and to waive any formality or irregularity in the bid or bidding process. If all bids for a particular series of the Bonds are rejected, then such series of Bonds may be sold in the manner provided by law. Any bid presented after the time specified for the receipt of bids will not be accepted, and any bid not backed by the required good faith deposit at the time of opening that bid will not be read or considered. The successful bid for each series of the Bonds shall remain in effect until 5:00 p.m., Pacific Time, on the date following such bid opening.

**Adjustment of Principal Amounts and Bid Price After Bid Opening**

The City has reserved the right to increase or decrease the preliminary principal amount of either series of the Bonds by an amount not to exceed ten percent (10%) following the opening of the bids. The City also reserves the right to increase or decrease the preliminary principal amount of any maturity shown on either of the Official Bid Forms by an amount not to exceed the greater of \$400,000 or fifteen percent (15%) of the preliminary principal amount of that maturity. The price bid by the successful bidder of each series of the Bonds will be adjusted by the City on a proportionate basis to reflect an increase or decrease in the principal amount and maturity schedule within 24 hours after the bid opening. In the event that the City elects to alter the bond size after the bid pursuant to the Official Notice of Sale, the underwriter's discount, expressed in dollars per thousand, will be held constant. The City will not be responsible in the event and to the extent that any adjustment affects (i) the net compensation to be realized by each successful bidder or (ii) the true interest cost of the winning bid or its ranking relative to other bids.

**Issue Price Information**

Upon award of each series of the Bonds, the successful bidder for each series of the Bonds shall advise the City and Bond Counsel of the initial reoffering prices at which each maturity of such series of the Bonds is reasonably expected on the sale date to be sold to the public (the "Initial Reoffering Prices"), for the City's inclusion in the final Official Statement for the Bonds. Simultaneously with or before delivery of each series of the Bonds, the successful bidder for each series of the Bonds shall furnish to the City and Bond Counsel a certificate in form and substance acceptable to Bond Counsel:

- (i) confirming the Initial Reoffering Prices,
- (ii) certifying that a *bona fide* offering of such series of the Bonds has been made to the public (excluding bond houses, brokers and other intermediaries),
- (iii) stating the first price at which a substantial amount (at least ten percent) of each maturity of such series of the Bonds was sold to the public (excluding bond houses, brokers and other intermediaries),
- (iv) if the first price at which a substantial amount of any maturity of such series of the Bonds does not conform to the Initial Reoffering Price of that maturity, providing an explanation of the facts and circumstances that resulted in that nonconformity, and
- (v) stating which maturities, if any, are amortization installments of Term Bonds of such series maturing in the years specified by the bidder.

**Insurance**

Bids for either series of the Bonds shall not be conditioned upon obtaining insurance or any other credit enhancement, or upon City acceptance of the terms of insurance or other credit enhancement. If either series of the Bonds qualifies for issuance of any policy of municipal bond insurance or commitment therefor, any purchase of such insurance or commitment therefor shall be at the sole option and expense of the bidder and any increased costs of issuance of such series of the Bonds resulting by reason of such insurance, unless otherwise paid, shall be paid by such bidder, but shall not, in any event, be paid by the City. Any failure of either series of the Bonds to be so insured or of any such policy of insurance to be issued shall not in any way relieve the purchaser of its contractual obligations arising from the City's acceptance of such purchaser's bid for such series of the Bonds.

**Modifications**

The terms and conditions of this Official Notice of Bond Sale are subject to modification by the Director of Finance. Any such modification will be communicated by wire service not less than 24 hours prior to the time the bids are to be received.

**DELIVERY**

The City will deliver the Bonds (consisting of one certificate for each maturity) to DTC in New York, New York, or to the Bond Register on behalf of DTC by Fast Automated Securities Transfer, prior to the date of closing. Closing shall occur within 45 days after the sale date. Settlement shall be in immediately available federal funds in Seattle, Washington, on the date of delivery.

If, prior to the delivery of the Bonds, the interest receivable by the owners of either series of the Bonds becomes includable in gross income for federal income tax purposes, or becomes subject to federal income tax other than as described in the Official Statement for the Bonds, the successful bidder for that series of the Bonds, at its option, may be relieved of its obligation to purchase such series of the Bonds and in that case the good faith deposit accompanying its bid will be returned without interest.

**Legal Opinion**

The approving legal opinion of Foster Pepper PLLC, Seattle, Washington, Bond Counsel, will be provided to the purchaser of each series of the Bonds at the time of the delivery of such series of the Bonds. A no-litigation certificate will be included in the closing documents of the Bonds.

**CUSIP Numbers**

It is anticipated that CUSIP identification numbers will appear on the Bonds if requested by the purchaser, but neither the failure to insert such numbers on the Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of this Official Notice of Bond Sale. The purchaser is responsible for obtaining CUSIP numbers for the Bonds, and the charge of the CUSIP Bureau shall be paid by the purchaser.

**CONTINUING DISCLOSURE UNDERTAKING**

In order to assist bidders in complying with paragraph (b)(5) of SEC Rule 15c2-12, the City will undertake to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and also will be set forth in the final Official Statement.

**OFFICIAL STATEMENT AND OTHER INFORMATION**

At closing, the City will furnish a certificate of an official or officials of the City, relying on the opinions of Bond Counsel where appropriate, stating that, to the best knowledge of such official(s) as of the date of the Official Statement and as of the date of delivery of the Bonds,

(i) the information (including financial information) regarding the City contained in the Official Statement was and is true and correct in all material respects and did not and does not contain any untrue statement of a material fact or omit any statement or information which is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (however, the City will make no representation regarding Bond Counsel's form of opinion or the information provided by DTC, The Bank of New York or any entity providing bond insurance, reserve insurance or other credit facility); and

(ii) the descriptions and statements, including financial data, of or pertaining to other bodies and their activities contained in the Official Statement have been obtained from sources that the City believes to be reliable and the City has no reason to believe that they are untrue in any material respect.

The Preliminary Official Statement is in a form that has been deemed final by the City for the purpose of paragraph (b)(1) of SEC Rule 15c2-12, but is subject to revision, amendment and completion in a final Official Statement, which the City will deliver, at the City's expense, to the purchaser of each series of the Bonds through its designated representative not later than seven business days after the City's acceptance of such purchaser's bid. The City will provide no more than 250 copies of the final Official Statement to the purchaser of each series of the Bonds without charge. Additional copies will be provided at each purchaser's expense.

By submitting the successful bid, the purchaser's designated senior representative of each purchaser agrees to file the final Official Statement or cause it to be filed with the Municipal Securities Rulemaking Board within one business day following its receipt from the City.

The Preliminary Official Statement (with the Official Notice of Bond Sale) and further information regarding the details of the Bonds may be obtained upon request to the City's Debt Manager, 600 Fourth Avenue, Sixth Floor, Seattle, Washington, 98124-4747 (telephone: (206) 684-8347) or to Seattle-Northwest Securities Corporation, 1420 Fifth Avenue, Suite 4300, Seattle, Washington, 98101 (telephone: (206) 628-2882).

DATED at Seattle, Washington, this 11th day of April, 2007.

/s/ \_\_\_\_\_  
Dwight D. Dively  
Director of Finance



## EXHIBIT D

### Printed Version of Purchaser's Electronic Bid for the Bonds

PARITY Bid Form

Page 1 of 2

Upcoming Calendar Overview Result Excel

**BB&T Capital Markets - Charlotte , NC's Bid  
Seattle**

**PARITY**

### **\$58,750,000 Unlimited Tax General Obligation Refunding Bonds, 2007**

For the aggregate principal amount of \$58,750,000.00, we will pay you \$60,440,743.45, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
12/01/2007	1,475M	5.0000
12/01/2010	5,280M	5.0000
12/01/2011	5,515M	5.0000
12/01/2012	5,760M	4.2500
12/01/2013	6,025M	4.2500
12/01/2014	6,310M	4.2500
12/01/2015	6,605M	4.2500
12/01/2016	6,925M	4.2500
12/01/2017	7,250M	4.2500
12/01/2018	7,605M	4.2500

Total Interest Cost: \$19,566,700.28  
Premium: \$1,690,743.45  
Net Interest Cost: \$17,875,956.83  
TIC: 3.887083  
Time Last Bid Received On: 04/18/2007 7:59:52 PDST

This proposal is made subject to all of the terms and conditions of the Official Bid Form, the Official Notice of Sale, and the Preliminary Official Statement, all of which are made a part hereof.

Bidder: BB&T Capital Markets, Charlotte , NC  
Contact: Mark Cantrell  
Title:  
Telephone: 704-954-1504  
Fax: 704-954-1550

Issuer Name: City of Seattle

Company Name: \_\_\_\_\_

Accepted By: \_\_\_\_\_ Accepted By: \_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame=content&page=parityBi...> 4/18/2007

PARITY Reoffering

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Result

**BB&T Capital Markets's Reoffering Scale  
Seattle**

**PARITY**

**\$58,750,000 Unlimited Tax General Obligation Refunding  
Bonds, 2007**

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price	Call Date
12/01/2007	1,475M	5.0000	3.6000	100.794	
12/01/2010	5,280M	5.0000	3.7100	104.285	
12/01/2011	5,515M	5.0000	3.7100	105.385	
12/01/2012	5,760M	4.2500	3.7800	102.342	
12/01/2013	6,025M	4.2500	3.8000	102.595	
12/01/2014	6,310M	4.2500	3.8200	102.804	
12/01/2015	6,605M	4.2500	3.8500	102.896	
12/01/2016	6,925M	4.2500	3.8900	102.853	
12/01/2017	7,250M	4.2500	3.9400	102.555	06/01/2017
12/01/2018	7,605M	4.2500	3.9800	102.221	06/01/2017

**Accrued Interest: \$0.00**

**Gross Production: \$60,496,118.20**

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<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame=content&page=parityR...> 4/18/2007

PARITY Result Screen

Page 1 of 1

08:00:32 a.m. PDST Upcoming Calendar Overview Compare Summary

## Bid Results

### Seattle \$58,750,000 Unlimited Tax General Obligation Refunding Bonds, 2007

The following bids were submitted using **PARITY®** and displayed ranked by lowest TIC.  
Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
<input type="checkbox"/>	<a href="#">BB&amp;T Capital Markets</a>	3.887083
<input type="checkbox"/>	<a href="#">J.P. Morgan Securities Inc.</a>	3.916671
<input type="checkbox"/>	<a href="#">Merrill Lynch &amp; Co.</a>	3.925661
<input type="checkbox"/>	<a href="#">Lehman Brothers</a>	3.926192
<input type="checkbox"/>	<a href="#">UBS Securities LLC</a>	3.927317
<input type="checkbox"/>	<a href="#">Morgan Stanley &amp; Co Inc.</a>	3.928364
<input type="checkbox"/>	<a href="#">Raymond James &amp; Associates, Inc.</a>	3.929472
<input type="checkbox"/>	<a href="#">Banc of America Securities LLC</a>	3.931781
<input type="checkbox"/>	<a href="#">Citigroup Global Markets Inc.</a>	3.931892
<input type="checkbox"/>	<a href="#">Goldman, Sachs &amp; Co.</a>	3.938548
<input type="checkbox"/>	<a href="#">LaSalle Financial Services, Inc.</a>	3.946132

\*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

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<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?frame=content&page=parityR...> 4/18/2007

EXHIBIT E

REFUNDING TRUST AGREEMENT

THIS AGREEMENT is made and entered into as of the \_\_\_\_ day of May, 2007, by and between THE CITY OF SEATTLE, WASHINGTON (the "City"), a municipal corporation, and THE BANK OF NEW YORK of New York, New York (the "Refunding Trustee"). All capitalized terms not defined herein have the respective meanings given in Ordinances 122286 and 121651 and Resolution \_\_\_\_ of the City (the "LTGO Bond Legislation") and Ordinance 121651, as amended by Ordinance 122286 and Resolution \_\_\_\_ of the City (the "UTGO Bond Legislation" and collectively, the "Bond Legislation"). All schedules and attachments attached hereto are incorporated herein by reference.

WHEREAS, the City now has outstanding certain Limited Tax General Obligation Bonds, 1998, Series F (the "Refunded LTGO Bonds"), and Unlimited Tax General Obligation Bonds, 1999, Series A (Library Facilities) (the "Refunded UTGO Bonds" and collectively, the "Refunded Bonds"), described in Schedule 1 attached hereto; and

WHEREAS, pursuant to the Bond Legislation, the City has determined that the Refunded Bonds be refunded out of a portion of the proceeds of the sale of its Limited Tax General Obligation Improvement and Refunding Bonds, 2007 (the "LTGO Bonds"), and out of the proceeds of the sale of its Unlimited Tax General Obligation Refunding Bonds, 2007 (the "UTGO Bonds" and collectively, "the Bonds"), for the purpose of realizing a debt service savings for the City; and

WHEREAS, the payment, through advance refunding of the Refunded Bonds will be accomplished pursuant to this Refunding Trust Agreement (including the Schedule and the Attachments attached hereto) and the Bond Legislation, which documents provide for and, for the purpose of Sections 103, 148, and 149(d) of the Internal Revenue Code of 1986, as amended (the "Code"), are to be considered as the Refunding Plan, by:

(a) The delivery by the City to the Refunding Trustee on the date the Bonds are delivered to the original purchaser thereof and the City receives full payment therefor (the "Date of Closing"), of the proceeds of the Bonds allocated to the Refunding Plan and other money of the City;

(b) The purchase by the Refunding Trustee on the Date of Closing of the noncallable direct obligations of the United States of America listed on Attachment A attached hereto and made a part hereof by this reference (the "Acquired Obligations"), which Acquired Obligations satisfy the requirements of the Verification described in paragraph (c);

(c) The delivery to the City and the Refunding Trustee of a verification (the "Verification") by a nationally recognized independent certified public accounting firm verifying the mathematical accuracy of the computations (which computations shall be attached to that report) showing that the Acquired Obligations to be purchased by the Refunding Trustee pursuant to the Bond Legislation and this Refunding Trust Agreement, together with the specified beginning cash balance, if any, and the maturing principal of and interest on such Acquired Obligations, will provide sufficient money (assuming that all principal of and interest on the Acquired Obligations are paid on the due dates thereof and assuming no reinvestment of such maturing principal and interest) to:

(i) pay interest on the Refunded LTGO Bonds when due up to and including December 15, 2008, and call, pay, and redeem on December 15, 2008 (A) the outstanding Refunded LTGO Bonds maturing in 2014 through 2020 at a price of 101% of par, and (B) the outstanding Refunded LTGO Bonds maturing in 2028 at a price of par; and

(ii) pay interest on the Refunded UTGO Bonds when due up to and including December 1, 2009, and call, pay, and redeem on December 1, 2009, the outstanding Refunded UTGO Bonds at a price of 100% of par.

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

(e) The Refunding Trustee's payment to the fiscal agent of the State of Washington of money sufficient to make the payments on the Refunded Bonds set forth herein;

and

WHEREAS, upon the issuance of the Bonds to carry out the Refunding Plan under the authority of chapter 39.53 RCW and other laws of the State of Washington (collectively, the "Refunding Bond Act"), the principal amount of the Refunded Bonds no longer shall be considered outstanding pursuant to the defeasance provisions of the Bond Legislation that authorized the issuance of the Refunded Bonds (the "Refunded Bond Legislation"); and

WHEREAS, the City Council of the City has found that the refunding of the Refunded Bonds, through the issuance of the Bonds, is beneficial and will realize a debt service savings to the City and its taxpayers; and

WHEREAS, the City Council of the City, pursuant to the Bond Legislation, has duly and validly authorized the execution and delivery of this Refunding Trust Agreement, the delivery of a portion of the proceeds of the LTGO Bonds and the proceeds of the UTGO Bonds to the Refunding Trustee, the purchase by the Refunding Trustee of the Acquired Obligations and the carrying out of the Refunding Plan;

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

Section 1. Delivery of Money to Refunding Trustee. On the Date of Closing, the City shall cause to be delivered to the Refunding Trustee all of the proceeds of the refunding portion of the Bonds.

Section 2. Investment and Expenditure of Money. On the Date of Closing, the Refunding Trustee shall apply \$ \_\_\_\_\_ to pay on behalf of the City the purchase and/or subscription prices of the Acquired Obligations, from the sources, in the principal amounts, with the dates of maturity and bearing the interest rates or yields set forth in Attachment A, and \$ \_\_\_\_\_ to establish a beginning cash balance. Upon receipt thereof, the Refunding Trustee shall deliver to the City copies of the documents evidencing the purchase of and payment for the Acquired Obligations. Investments in mutual funds and unit investment trusts are prohibited.

Section 3. Sufficiency of Acquired Obligations. Based upon the Verification, the City represents that the Acquired Obligations and the maturing principal thereof and the interest thereon, if paid when due, together with the beginning cash balance, shall be sufficient to make when due the payments required by the Refunding Plan. Such amounts coming due are sometimes referred to hereinafter as the "payments described in Section 3." The schedules of the sources, amounts, maturities, and interest rates or yields of the Acquired Obligations and of the Refunded Bonds that will fulfill the foregoing requirements are set forth in the Verification.

Section 4. Collection of Proceeds of Acquired Obligations and Application of Such Proceeds and Money. The Refunding Trustee shall present for payment and shall collect and receive on the due dates thereof the maturing installments of the principal of and the interest on the Acquired Obligations and any Substitute Obligations (defined hereinafter). The Refunding Trustee shall make payments, but only in the amounts received pursuant to this section, in a timely manner to the Fiscal Agent of the State of Washington (the "Fiscal Agent") of the amounts to be paid on the





1 Refunded Bonds as shown in the Verification. Those payments shall be made by check, wire transfer, or such other  
2 method of transfer of funds as shall be agreed upon by the Refunding Trustee and the Fiscal Agent.

3 Section 5. Notice of Defeasance/Notice of Redemption. The Refunding Trustee agrees to give a notice of  
4 defeasance and a notice of redemption of the Refunded Bonds pursuant to the terms of the Refunded Bonds, and in  
5 substantially the forms attached hereto as and as described in Attachments A, B, C and D to the Fiscal Agent for  
6 distribution as described therein. The notice of defeasance shall be given immediately following the execution of this  
7 Refunding Trust Agreement, and the notice of redemption shall be given in accordance with the Refunded Bond  
8 Legislation. The cost of giving the notice shall be paid by the City.

9 Section 6. All Obligations and Money and Proceeds Thereof Held in Trust. The Refunding Trustee irrevocably  
10 agrees to hold the Acquired Obligations, the Substitute Obligations, if any, the principal thereof and interest thereon, and  
11 any other money it may receive pursuant to this Refunding Trust Agreement and any reinvestments thereof made  
12 pursuant to Sections 8 and 9 hereof, in trust and separate at all times from all other funds and investments held by the  
13 Refunding Trustee, solely for the purpose of making the payments described in Section 3. The City irrevocably conveys,  
14 transfers, and assigns to the Refunding Trustee the Acquired Obligations, any Substitute Obligations, the principal  
15 thereof and the interest thereon, and any other money and investments deposited with the Refunding Trustee pursuant to  
16 this Refunding Trust Agreement, for the purpose of making such payments. The Refunding Trustee shall not sell,  
17 transfer, assign, or hypothecate any Acquired Obligations, reinvestments, or Substitute Obligations except pursuant to  
18 Sections 8, 9, 13 and 14 hereof.

19 Section 7. Reports. The Refunding Trustee shall submit a report to the City, at least semiannually, which  
20 report shall set forth the cash, Acquired Obligations, and any Substitute Obligations held hereunder by the Refunding  
21 Trustee, the obligations which have matured and amounts received by the Refunding Trustee by reason of such maturity,  
22 the interest earned on such obligations, a list of any investments or reinvestments made by the Refunding Trustee in  
23 other obligations and the interest and/or principal derived therefrom, the amounts paid to the Fiscal Agent, and any other  
24 transaction of the Refunding Trustee pertaining to its duties and obligations as set forth herein.

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

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

(b) An opinion from Foster Pepper PLLC, bond counsel to the City, its successor or  
other nationally recognized bond counsel to the City, that the disposition and substitution or purchase  
of such securities, under the statutes, rules, and regulations then in force and applicable to the Bonds,  
will not cause the interest on the Bonds or the Refunded Bonds to be included in gross income for  
federal income tax purposes and that such disposition and substitution or purchase is in compliance  
with the statutes and regulations applicable to the Bonds.

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

6 Section 9. Reinvestment of Proceeds of Acquired and/or Substitute Obligations. The proceeds (principal and  
7 interest) and reinvestment proceeds of any Acquired Obligations and/or Substitute Obligations held by the Refunding  
8 Trustee in accordance with this Refunding Trust Agreement, which are not needed within five business days of the  
9 receipt thereof to make the payments described in Section 3, shall be reinvested by the Refunding Trustee, but only upon  
10 receipt of written request of the City, on such date of receipt or the next business day. The City shall direct such  
11 reinvestment subject to the following conditions:

12 (a) Except as provided in subsection (c) below, the proceeds of such Acquired  
13 Obligations and/or Substitute Obligations shall be reinvested in Substitute Obligations at a yield that  
14 will not cause the composite yield on the refunding escrow to exceed \_\_\_\_\_% during its term or  
15 such higher yield as may be directed by letter of instructions from the City to the Refunding Trustee,  
16 but if the composite yield on the directed investments made pursuant to this Refunding Trust  
17 Agreement would exceed \_\_\_\_\_%, such letter of instructions shall contain a verification of such  
18 composite yield and shall be based upon and accompanied by the opinion of Foster Pepper PLLC,  
19 bond counsel to the City, its successor, or other nationally recognized bond counsel to the City,  
20 approving reinvestment of such proceeds at such higher yield.

21 (b) The obligations in which such proceeds are reinvested shall mature in an amount at  
22 least equal to their purchase price on the date or dates directed by the City, but not later than the date  
23 (as shown by the then most recent certified public accountant verification) the principal thereof is  
24 needed to make the payments described in Section 3;

25 (c) If such proceeds, together with other funds remaining in trust, are insufficient to  
26 reinvest in the smallest denomination of such obligations or are required to be used to make payments  
described in Section 3 sooner than the shortest maturity available for such obligations, then those  
proceeds and funds either shall be converted to United States currency and retained or shall remain  
uninvested in the refunding escrow and carried on the books of the Refunding Trustee until required to  
make the payments described in Section 3, or until sufficient money is accumulated to permit the  
investment thereof; and

(d) "Yield," as used in paragraph (a) of this section with respect to the Acquired  
Obligations and Substitute Obligations, means that yield computed in accordance with and permitted  
by the Code applicable to the Bonds and the trust under this Refunding Trust Agreement so as to  
preserve the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

The Refunding Trustee may make any and all investments permitted by the provisions of this Section through its own  
investment department or the investment departments of any of its affiliates.

23 Section 10. Amendments to Refunding Trust Agreement. The Refunding Trustee and the City recognize that  
24 the owners of the Refunded Bonds and the Bonds from time to time have a beneficial interest in the Acquired  
25 Obligations, the Substitute Obligations, and money to be held by the Refunding Trustee as herein provided. Therefore,  
26 this Refunding Trust Agreement is irrevocable and shall not be subject to amendment except for the purpose of clarifying  
any ambiguity herein, increasing the protection of the rights of the owners of the Refunded Bonds or the Bonds, or  
preserving the exclusion of the interest on the Refunded Bonds and the Bonds from gross income for federal income tax  
purposes, and only if such amendment is accompanied by an opinion addressed to the City and the Refunding Trustee

1 from Foster Pepper PLLC, its successor or other nationally recognized bond counsel to the City, to the effect that such  
2 change is necessary for one of the above reasons and does not detrimentally affect the owners of the outstanding  
3 Refunded Bonds and the Bonds or that it strengthens the protection of the owners of the Refunded Bonds and the Bonds  
4 and does not detrimentally affect the owners of the Refunded Bonds and the Bonds. If such amendment affects the  
5 amount of money and investments in the escrow account or the application thereof, prior to the amendment's taking  
6 effect there also shall be a verification by a nationally recognized independent certified public accounting firm  
7 satisfactory to the Refunding Trustee to the effect that after such amendment the Acquired Obligations, Substitute  
8 Obligations, and other money in the escrow account will be sufficient to make the payments described in Section 3. A  
9 copy of such verification shall be delivered to the Refunding Trustee.

6 Section 11. Limitation of Liability of Refunding Trustee. None of the provisions contained in this Refunding  
7 Trust Agreement shall require the Refunding Trustee to use or advance its own funds in the performance of any of its  
8 duties or the exercise of any of its rights or powers hereunder. The Refunding Trustee shall be under no liability for the  
9 payment of interest on any funds or other property received by it hereunder except to the extent the Refunding Trustee is  
10 required by the express terms of this Refunding Trust Agreement to invest such funds.

9 The Refunding Trustee's liabilities and obligations in connection with this Refunding Trust Agreement are  
10 confined to those specifically described herein. The Refunding Trustee is authorized and directed to comply with the  
11 provisions of this Refunding Trust Agreement and is relieved from all liability for so doing notwithstanding any demand  
12 or notice to the contrary by any party hereto. The Refunding Trustee shall not be responsible or liable for the  
13 sufficiency, correctness, genuineness, or validity of the Acquired Obligations or the Substitute Obligations deposited  
14 with it; the performance or compliance by any party other than the Refunding Trustee with the terms or conditions of any  
15 such instruments; or any loss which may occur by reason of forgeries, false representations, or the exercise of the  
16 Refunding Trustee's discretion in any particular manner unless such exercise is negligent or constitutes willful  
17 misconduct.

14 If any controversy arises between the City and any third person, the Refunding Trustee shall not be required to  
15 determine the same or to take any action in the premises, but it may institute, in its discretion, an interpleader or other  
16 proceedings in connection therewith as it may deem proper, and in following either course, it shall not be liable.

16 Section 12. Remittance of Funds When Refunded Bonds Paid in Full. At such time as the Refunding Trustee  
17 has received the representation of the City that all of the payments described in Section 3 have been made and the  
18 confirmation of such representation by the Fiscal Agent, together with such other evidence of such payments as shall be  
19 satisfactory to the City and the Refunding Trustee, the Refunding Trustee shall deliver forthwith or remit to the City any  
20 remaining Acquired Obligations, Substitute Obligations, and money held pursuant to this Refunding Trust Agreement.

19 Section 13. Compensation of Refunding Trustee. The payment arrangement heretofore made between the  
20 Refunding Trustee and the City on compensation and expenses of the Refunding Trustee for services rendered by it  
21 pursuant to the provisions of this Refunding Trust Agreement is satisfactory to it and to the City, and no further payment  
22 to the Refunding Trustee shall be required for such purpose. Such arrangement for compensation and expenses is  
23 intended as compensation for the ordinary services as contemplated by this Refunding Trust Agreement, and if the  
24 Refunding Trustee renders any service hereunder not provided for in this Refunding Trust Agreement, or the Refunding  
25 Trustee is made a party to or intervenes in any litigation pertaining to this Refunding Trust Agreement or institutes  
26 interpleader proceedings relative hereto, the Refunding Trustee shall be compensated reasonably by the City for such  
27 extraordinary services and reimbursed for all fees, costs, liability, and expenses (including reasonable attorneys' fees)  
28 occasioned thereby. The Refunding Trustee shall not have a lien against or otherwise be compensated for its services  
29 and expenses from the money, Acquired Obligations, and Substitute Obligations held pursuant to this Refunding Trust  
30 Agreement to make the payments described in Section 3.

26 Section 14. Successor Refunding Trustee. The obligations assumed by the Refunding Trustee pursuant to this  
Refunding Trust Agreement may be transferred by the Refunding Trustee to a successor if (a) the Refunding Trustee has



presented evidence satisfactory to the City and to Foster Pepper PLLC, its successor or other nationally recognized bond counsel to the City that the successor trustee meets the requirements of RCW 39.53.070, as now in effect or hereafter amended; (b) the City approves the appointment of the successor trustee; (c) the successor trustee has assumed all of the obligations of the Refunding Trustee under this Refunding Trust Agreement and has been compensated; and (d) all of the Acquired Obligations, reinvestments, Substitute Obligations, and money then held by the Refunding Trustee pursuant to this Refunding Trust Agreement have been duly transferred to such successor trustee.

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

Section 15. Miscellaneous. This Refunding Trust Agreement is governed by Washington law without regard to the conflict of laws provisions thereof and may not be modified except by a writing signed by the parties and subject to the limitations of Section 10. If any one or more of the provisions contained in this Refunding Trust Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Refunding Trust Agreement, but this Refunding Trust Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

Section 16. Notice to Rating Agencies. The Refunding Trustee shall notify all national rating agencies maintaining (at the request of the City) a rating on the Refunded Bonds or the Bonds, in writing upon timely receipt of notice or evidence of either of the following circumstances:

(a) Prior to their taking effect, any amendments to this Refunding Trust Agreement under Section 10, enclosing the proposed amendatory documents; and

(b) The holding (referred to in Section 15) that one or more provisions of this Refunding Trust Agreement are invalid, illegal, or unenforceable in any respect, enclosing a copy of that holding.

Such notices shall be sent to the applicable rating agencies by first class mail to the addresses advised by those rating agencies.

Section 17. Counterparts. This Agreement may be executed in counterparts.

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

THE CITY OF SEATTLE, WASHINGTON

THE BANK OF NEW YORK,  
as Refunding Trustee

By \_\_\_\_\_

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

**SCHEDULE 1**

**THE CITY OF SEATTLE, WASHINGTON**

**LIMITED TAX GENERAL OBLIGATION  
IMPROVEMENT AND REFUNDING BONDS, 2007**

and

**UNLIMITED TAX GENERAL OBLIGATION REFUNDING BONDS, 2007**

**REFUNDED BONDS**

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
<b>LTGO Bonds, 1998, Series F, 1998F:</b>					
SERIALS	12/15/2014	4.700%	760,000.00	12/15/2008	101.000
	12/15/2014	5.250%	500,000.00	12/15/2008	101.000
	12/15/2015	5.250%	3,055,000.00	12/15/2008	101.000
	12/15/2016	5.250%	3,400,000.00	12/15/2008	101.000
	12/15/2017	5.250%	3,765,000.00	12/15/2008	101.000
	12/15/2018	5.250%	4,160,000.00	12/15/2008	101.000
	12/15/2019	5.250%	4,580,000.00	12/15/2008	101.000
	12/15/2020	5.250%	5,025,000.00	12/15/2008	101.000
TERM2028	12/15/2028	5.125%	35,560,000.00	12/15/2008	100.000
			<u>60,805,000.00</u>		
<b>UTGO Bonds, 1999, Series A (Library Facilities), 1999ALIB:</b>					
SERIALS	12/01/2010	5.375%	5,370,000.00	12/01/2009	100.000
	12/01/2011	5.375%	5,630,000.00	12/01/2009	100.000
	12/01/2012	5.375%	5,905,000.00	12/01/2009	100.000
	12/01/2013	5.375%	6,200,000.00	12/01/2009	100.000
	12/01/2014	5.375%	6,515,000.00	12/01/2009	100.000
	12/01/2015	5.375%	6,845,000.00	12/01/2009	100.000
	12/01/2016	5.375%	7,200,000.00	12/01/2009	100.000
	12/01/2017	5.375%	7,570,000.00	12/01/2009	100.000
	12/01/2018	5.375%	7,970,000.00	12/01/2009	100.000
			<u>59,205,000.00</u>		
			<u>120,010,000.00</u>		

ATTACHMENT A

THE CITY OF SEATTLE, WASHINGTON

LIMITED TAX GENERAL OBLIGATION  
IMPROVEMENT AND REFUNDING BONDS, 2007

and

UNLIMITED TAX GENERAL OBLIGATION REFUNDING BONDS, 2007

ACQUIRED OBLIGATIONS

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



**ATTACHMENT B**

**Notice of Defeasance\***  
**The City of Seattle, Washington**  
**Limited Tax General Obligation Bonds, 1998, Series F**

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds with respect to which, pursuant to the Refunding Trust Agreement dated as of May 2, 2007, by and between The City of Seattle, Washington (the "City"), and The Bank of New York (the "Refunding Trustee"), there has been deposited into an escrow account, held by the Refunding Trustee, cash and non-callable direct obligations of the United States of America, the principal of and interest on which, when due, will provide money to pay each year, to and including the respective maturity or redemption dates of such bonds so provided for, the principal thereof and interest thereon (the "Refunded Bonds"). Such Refunded Bonds are therefore deemed to be no longer outstanding pursuant to Section 9 of Ordinance 119155 of the City relating to the Refunded Bonds, but will be paid by application of the assets in such escrow account.

The Refunded Bonds are described as follows:

The City of Seattle, Washington  
Limited Tax General Obligation Bonds, 1998, Series F  
(Dated November 1, 1998)

Maturity Date (Dec. 15)	Par Amount Defeased	Interest Rate	Call Date (at 101%)	CUSIP Nos.
2014	\$ 760,000	4.700%	12/15/2008	
2014	500,000	5.250	12/15/2008	
2015	3,055,000	5.250	12/15/2008	
2016	3,400,000	5.250	12/15/2008	
2017	3,765,000	5.250	12/15/2008	
2018	4,160,000	5.250	12/15/2008	
2019	4,580,000	5.250	12/15/2008	
2020	5,025,000	5.250	12/15/2008	
***	***	***	***	***
			Call Date (at 100%)	
2028	35,560,000	5.125	12/15/2008	

**The Bank of New York, as Refunding Trustee**

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

\* This notice shall be given immediately by first class mail to each registered owner of the Refunded Bonds and to each Nationally Recognized Municipal Securities Information Repository.



ATTACHMENT C

Notice of Redemption\*

The City of Seattle, Washington  
Limited Tax General Obligation Bonds, 1998, Series F

NOTICE IS HEREBY GIVEN that The City of Seattle, Washington, has called for redemption on December 15, 2008, all of its then-outstanding Limited Tax General Obligation Bonds, 1998, Series F (the "Bonds").

The Bonds maturing in 2014 through 2020 will be redeemed at a price of one hundred and one percent (101%) of their principal amount, plus accrued interest to December 15, 2008 and the Bonds maturing in 2028 will be redeemed at a price of one hundred percent (100%) of their principal amount, plus accrued interest to December 15, 2008. The redemption price of the Bonds is payable on presentation and surrender of the Bonds at the office of:

[By Mail or in Person]

-or-

[In Person Only]

The Bank of New York  
Worldwide Securities Processing  
2001 Bryan Street, 9<sup>th</sup> Floor  
Dallas, TX 75201

Any branch of Wells Fargo Bank,  
National Association in the State of  
Washington

Interest on all Bonds or portions thereof which are redeemed shall cease to accrue on December 15, 2008.

The following Bonds are being redeemed:

Maturity Date (Dec. 15)	Par Amount <u>Defeased</u>	Interest <u>Rate</u>	CUSIP <u>Nos.</u>
2014	\$ 760,000	4.700%	
2014	500,000	5.250	
2015	3,055,000	5.250	
2016	3,400,000	5.250	
2017	3,765,000	5.250	
2018	4,160,000	5.250	
2019	4,580,000	5.250	
2020	5,025,000	5.250	
***	***	***	***
2028	35,560,000	5.125	

By Order of The City of Seattle, Washington  
The Bank of New York, as Paying Agent  
Dated: \_\_\_\_\_

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

\* This notice shall be given not less than 30 nor more than 60 days prior to December 15, 2008, by first class mail, postage prepaid, to each registered owner of the redeemed bonds. In addition, notice shall be mailed within the same period, postage prepaid, to Moody's Investors Service, Inc., and Standard & Poor's at their offices in New York, New York; Lehman Brothers, Inc. at its principal office in Seattle, Washington; and The Depository Trust Company of New York, New York, and each NRMSIR.



ATTACHMENT D

**Notice of Defeasance\***  
**The City of Seattle, Washington**  
**Unlimited Tax General Obligation Bonds, 1999, Series A (Library Facilities)**

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds with respect to which, pursuant to the Refunding Trust Agreement dated as of May 2, 2007, by and between The City of Seattle, Washington (the "City"), and The Bank of New York (the "Refunding Trustee"), there has been deposited into an escrow account, held by the Refunding Trustee, cash and non-callable direct obligations of the United States of America, the principal of and interest on which, when due, will provide money to pay each year, to and including the respective maturity or redemption dates of such bonds so provided for, the principal thereof and interest thereon (the "Refunded Bonds"). Such Refunded Bonds are therefore deemed to be no longer outstanding pursuant to Section 9 of Ordinance 119185 of the City relating to the Refunded Bonds, but will be paid by application of the assets in such escrow account.

The Refunded Bonds are described as follows:

The City of Seattle, Washington  
Unlimited Tax General Obligation Bonds, 1999, Series A (Library Facilities)  
(Dated July 1, 1999)

Maturity Date (Dec. 1)	Par Amount Defeased	Interest Rate	Call Date (at 100%)	CUSIP Nos.
2010	\$5,370,000	5.375%	12/01/2009	
2011	5,630,000	5.375	12/01/2009	
2012	5,905,000	5.375	12/01/2009	
2013	6,200,000	5.375	12/01/2009	
2014	6,515,000	5.375	12/01/2009	
2015	6,845,000	5.375	12/01/2009	
2016	7,200,000	5.375	12/01/2009	
2017	7,570,000	5.375	12/01/2009	
2018	7,970,000	5.375	12/01/2009	

The Bank of New York, as Refunding Trustee

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

\* This notice shall be given immediately by first class mail to each registered owner of the Refunded Bonds and to each Nationally Recognized Municipal Securities Information Repository.



ATTACHMENT E

Notice of Redemption\*

The City of Seattle, Washington  
Unlimited Tax General Obligation Bonds, 1999, Series A (Library Facilities)

NOTICE IS HEREBY GIVEN that The City of Seattle, Washington, has called for redemption on December 1, 2009, all of its then-outstanding Unlimited Tax General Obligation Bonds, 1999, Series A (Library Facilities) (the "Bonds").

The Bonds maturing in 2010 through 2018 will be redeemed at a price of one hundred percent (100%) of their principal amount, plus accrued interest to December 1 2009. The redemption price of the Bonds is payable on presentation and surrender of the Bonds at the office of:

[By Mail or in Person]

-or-

[In Person Only]

The Bank of New York  
Worldwide Securities Processing  
2001 Bryan Street, 9<sup>th</sup> Floor  
Dallas, TX 75201

Any branch of Wells Fargo Bank,  
National Association in the State of  
Washington

Interest on all Bonds or portions thereof which are redeemed shall cease to accrue on December 1, 2009.

The following Bonds are being redeemed:

Maturity Date (Dec. 1)	Par Amount Defeased	Interest Rate	CUSIP Nos.
2010	\$5,370,000	5.375%	
2011	5,630,000	5.375	
2012	5,905,000	5.375	
2013	6,200,000	5.375	
2014	6,515,000	5.375	
2015	6,845,000	5.375	
2016	7,200,000	5.375	
2017	7,570,000	5.375	
2018	7,970,000	5.375	

By Order of The City of Seattle, Washington

The Bank of New York, as Paying Agent

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

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

\* This notice shall be given not less than 30 nor more than 60 days prior to December 15, 2008, by first class mail, postage prepaid, to each registered owner of the redeemed bonds. In addition, notice shall be mailed within the same period, postage prepaid, to Moody's Investors Service, Inc., and Standard & Poor's at their offices in New York, New York; Lehman Brothers, Inc. at its principal office in Seattle, Washington; and The Depository Trust Company of New York, New York, and each NRMSIR.



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**STATE OF WASHINGTON – KING COUNTY**

--SS.

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210368  
CITY OF SEATTLE, CLERKS OFFICE

No.

**Affidavit of Publication**

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12<sup>th</sup> day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

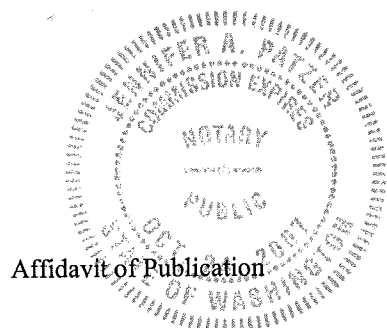
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:RESOLUTION 30981

was published on

04/26/07

The amount of the fee charged for the foregoing publication is the sum of \$4,464.05, which amount has been paid in full.



Affidavit of Publication

Subscribed and sworn to before me on

04/26/07

Notary public for the State of Washington,  
residing in Seattle