

SERIES RESOLUTION
PORT OF SEATTLE, WASHINGTON
RESOLUTION NO. 3111, AS AMENDED

RESOLUTION OF THE PORT COMMISSION OF THE PORT OF SEATTLE, WASHINGTON, AUTHORIZING THE SALE AND ISSUANCE OF REVENUE BONDS, SERIES 1992A AND SERIES 1992B OF THE PORT IN THE PRINCIPAL AMOUNTS OF \$25,450,000 AND \$115,440,000, RESPECTIVELY, FOR THE PURPOSE OF FINANCING ADDITIONS AND IMPROVEMENTS TO ITS PROPERTIES AND FACILITIES; FIXING THE DATE, FORMS, TERMS, MATURITIES FOR EACH SERIES; AND AUTHORIZING THE APPROVAL OF INTEREST RATES AND SALE OF SUCH BONDS.

ADOPTED: *April 14, 1992*

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PORT OF SEATTLE
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SERIES RESOLUTION

PORT OF SEATTLE, WASHINGTON

RESOLUTION NO. 3111, AS AMENDED

A RESOLUTION of the Port Commission of the Port of Seattle, Washington, authorizing the sale and issuance of Revenue Bonds, Series 1992A and Series 1992B of the Port in the principal amounts of \$25,450,000 and \$115,440,000, respectively, for the purpose of financing additions and improvements to its properties and facilities; fixing the date, forms, terms, maturities for each series; and authorizing the approval of interest rates and sale of such bonds.

WHEREAS, the Port of Seattle (the "Port"), a municipal corporation of the State of Washington, owns and operates Seattle-Tacoma International Airport and a system of marine terminals and properties; and

WHEREAS, the airport and marine facilities of the Port are in need of capital expansion and improvement; and

WHEREAS, the Port has issued and there are currently outstanding the following series of senior lien revenue bonds:

<u>Resolution Number</u>	<u>Date of Issue</u>	<u>Original Principal Amt.</u>	<u>Currently Outstanding (4/1/92)</u>	<u>Final Maturity Dates</u>
2286	Feb 1, 1969	\$ 20,000,000	\$10,770,000	Feb 1, 1999
2397	Nov 1, 1971	22,300,000	13,030,000	Nov 1, 2001
2504	Nov 1, 1973	111,000,000	65,320,000	Nov 1, 2001
2653	Oct 1, 1976	55,000,000	24,655,000	Apr 1, 2000
2764	July 1, 1979	55,000,000	42,150,000	July 1, 2009
2919	Jan 1, 1984	26,900,000	16,880,000	Jan 1, 1999
2983	Dec 1, 1985	40,800,000	32,485,000	Dec 1, 2001

; and

WHEREAS, the Port has authorized the issuance of revenue bonds in one or more series pursuant to Resolution No. 3059, as amended, adopted on February 2, 1996 (the "Master Resolution"); and

WHEREAS, the Port has issued and currently has outstanding three series of revenue bonds pursuant to the Master Resolution, as follows:

<u>Resolution Number</u>	<u>Date of Issue</u>	<u>Original Principal Amt.</u>	<u>Currently Outstanding (4/1/92)</u>	<u>Final Maturity Dates</u>
3060	2/1/90	(A) \$66,240,492 05	\$65,660,492 05	12/1/14
3060	2/1/90	(B) 59,969 771 35	59,444,771 35	12/1/14
3060	2/1/90	(C) 24,805,000 00	22,875,000 00	12/1/05

(the "Outstanding Bonds"); and

WHEREAS, the bonds authorized under the Master Resolution, including the Outstanding Bonds, are payable from Net Revenues (as such term is defined in the Master Resolution) and have a lien subordinate to the lien of the Senior Lien Bonds; and

WHEREAS, it is now deemed necessary that two series of bonds be issued under authority of the Master Resolution to finance necessary capital improvements; and

WHEREAS, the Port Commission has held a public hearing on the issuance of one series of such bonds as required by Section 147(f) of the Internal Revenue Code of 1986, as amended; and

WHEREAS, it is necessary that the date, form, terms and maturities of each series of such revenue bonds be fixed; and

WHEREAS, it is deemed necessary and desirable that such revenue bonds of both series be sold pursuant to negotiated sale as herein provided;

NOW, THEREFORE, BE IT RESOLVED BY THE PORT COMMISSION OF THE PORT OF SEATTLE, WASHINGTON, as follows:

Section 1. Definitions. Unless otherwise defined herein, the terms used in this Series Resolution, including the preamble hereto, which are defined in the Master Resolution shall have the meanings set forth in the Master Resolution. In addition, the following terms shall have the following meanings in this Series Resolution:

"Bond Year" means each one year period (or shorter period from the date of issue) that ends at the close of business on the date specified in the Tax Exemption Agreement and Arbitrage Certification.



"Code" means the Internal Revenue Code of 1986, as amended, and shall include all applicable regulations and rulings relating thereto.

"Construction Fund-1992A, Airport" means the account or fund by that name maintained in the office of the Treasurer for the purpose of holding the proceeds of the Series 1992A Bonds to be used for airport purposes.

"Construction Fund-1992B, Airport" means the account or fund by that name maintained in the office of the Treasurer for the purpose of holding a portion of the proceeds of the Series 1992B Bonds to be used for airport purposes.

"Construction Fund-1992B, Marine" means the account or fund by that name maintained in the office of the Treasurer for the purpose of holding a portion of the proceeds of the Series 1992B Bonds to be used for marine division purposes.

"Co-Paying Agents" means the Registrar appointed for purposes of paying the principal of and interest and premium, if any, on the Series 1992 Bonds.

"DTC" means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Series 1992 Bonds pursuant to Section 3 hereof.

"Future Parity Bonds" means those revenue bonds or other revenue obligations which will be issued by the Port in the future as Parity Bonds.

"Insurer" means MBIA, the municipal bond insurance company issuing the Surety Bond.

"Letter of Representations" means the letter of representations from the Registrar and the Port to DTC, in substantially the form of Exhibit C attached hereto and made a part hereof by this reference.

"MBIA" means Municipal Bond Investors Assurance Corporation, a stock insurance corporation incorporated under the laws of the State of New York.

"Net Proceeds," when used with reference to the Series 1992A Bonds, means the face amount of the Series 1992A Bonds, plus accrued interest and original issue premium, if any, and less original issue discount and proceeds, if any, deposited into the Series 1992 Reserve Account.

"Outstanding Bonds" means the Port's Revenue Bonds, Series 1990A, Revenue Bonds, Series 1990B and Revenue Bonds, Series 1990C, issued pursuant to Resolution No. 3060, as amended, and as further described in the recitals to this Series Resolution.

"Parity Bonds" means any revenue obligations issued by the Port pursuant to Section 7 of the Master Resolution, which Parity Bonds have a lien upon the Net Revenues for the payment of the principal thereof and interest thereon equal to the lien created upon Net Revenues for the payment of the principal of and interest on the Outstanding Bonds and the Series 1992 Bonds, and the term "Parity Bonds" shall mean and include the Outstanding Bonds, the Series 1992 Bonds and any Future Parity Bonds.

"Private Person" means any natural person engaged in a trade or business or any trust, estate, partnership, association, company or corporation.

"Private Person Use" means the use of property in a trade or business by a private person if such use is other than as a member of the general public. Private Person Use includes ownership of the property by the private person as well as other arrangements that transfer to the private person the actual or beneficial use of the property (such as a lease, management or incentive payment contract or other special arrangement) in such a manner as to set the private person apart from the general public. Use of property as a member of the general public includes attendance by the private person at municipal meetings or business rental of property to the private person on a day-to-day basis if the rental paid by such private person is the same as the rental paid by any private person who desires to rent the property. Use of property by nonprofit community groups or com-

munity recreational groups is not treated as Private Person Use if such use is incidental to the governmental uses of property, the property is made available for such use by all such community groups on an equal basis and such community groups are charged only a de minimis fee to cover custodial expenses.

"Qualified Insurance" means any non-cancellable municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States (or by a service corporation acting on behalf of one or more such insurance companies) (i) which insurance company or companies, as of the time of issuance of such policy or surety bond, are rated in one of the two highest Rating Categories by one or more of the Rating Agencies for unsecured debt or insurance underwriting or claims paying ability or (ii) by issuing its policies causes obligations insured thereby to be rated in one of the two highest Rating Categories.

"Qualified Letter of Credit" means any irrevocable letter of credit issued by a financial institution, which institution maintains an office, agency or branch in the United States and as of the time of issuance of such letter of credit, is rated in one of the two highest Rating Categories by one or more of the Rating Agencies.

"Rating Category" means the generic rating categories of the Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

"Rebatable Arbitrage" means the amount computed from time to time pursuant to Section 10(a) of this Series Resolution.

"Registered Owner" means the person named as the registered owner of a Series 1992 Bond in the Bond Register.

"Registrar" means, collectively, the fiscal agency of the State of Washington in Seattle, Washington, and New York, New York, appointed by this Series Resolution for the purposes of registering and authenticating the Series 1992 Bonds, maintaining

the Bond Register, and effecting transfer of ownership of the Series 1992 Bonds.

"Series 1992 Bond Fund" means the Port of Seattle Revenue Bond Fund, Series 1992 created in the office of the Treasurer of the Port by Section 7 of this Series Resolution.

"Series 1992 Bonds" means, collectively, the Series 1992A Bonds and the Series 1992B Bonds.

"Series 1992 Debt Service Account" means the account of that name created in the Series 1992 Bond Fund by Section 7(a) of this Series Resolution.

"Series 1992 Reserve Account" means the account of that name created in the Series 1992 Bond Fund by Section 7(b) of this Series Resolution.

"Series 1992 Reserve Account Requirement" means the lesser of (i) \$10,600,000 or (ii) average Annual Debt Service with respect to the Series 1992 Bonds.

"Series 1992A Bonds" means the Port of Seattle, Washington, Revenue Bonds, Series 1992A, authorized to be issued by Section 2(a) of this Series Resolution.

"Series 1992B Bonds" means the Port of Seattle, Washington, Revenue Bonds, Series 1992B, authorized to be issued by Section 2(b) of this Series Resolution.

"Surety Bond" means the surety bond issued by the Insurer on the date of issuance and delivery of the Series 1992 Bonds for the purpose of satisfying the Series 1992 Reserve Account Requirement.

"Surety Bond Agreement" means the Guaranty Agreement between the Port and the Insurer, in substantially the form of Exhibit D attached hereto and made a part hereof by this reference.

"Tax Exemption Agreement and Arbitrage Certification" means the certificate executed by the Port at the time of closing and delivery of the Series 1992 Bonds that sets forth the methodology for computation of Rebutable Arbitrage.

Section 2. Authorization of Series 1992 Bonds.

(a) Series 1992A Bonds. The Port shall issue the Series 1992A Bonds in the principal amount of \$25,450,000 for the purpose of providing part of the funds necessary to (i) pay the Costs of Construction of any or all of the projects described on Exhibit A attached hereto and (ii) pay all costs incidental to the foregoing and to the issuance of the Series 1992A Bonds.

(b) Series 1992B Bonds. The Port shall issue the Series 1992B Bonds in the principal amount of \$115,440,000 for the purpose of providing all or part of the funds necessary to (i) pay the Costs of Construction of any or all of the projects described on Exhibit B attached hereto and (ii) pay all costs incidental to the foregoing and to the issuance of the Series 1992B Bonds.

Section 3. Series 1992 Bond Details.

(a) Series 1992A Bonds. The Series 1992A Bonds shall be designated as "Port of Seattle, Washington, Revenue Bonds, Series 1992A," shall be registered as to both principal and interest and shall be numbered separately in the manner and with any additional designation as the Registrar deems necessary for purposes of identification, shall be dated April 1, 1992, shall be in the denomination of \$5,000 each or any integral multiple of \$5,000, provided no Series 1992A Bond shall represent more than one maturity, shall bear interest from April 1, 1992 until the Series 1992A Bond bearing such interest has been paid or its payment duly provided for, payable on November 1, 1992, and semiannually on the first days of each May and November thereafter, and shall mature on November 1 of the following years in the following amounts and bear interest at the following rates per annum:

<u>Maturity Year</u> <u>(November 1)</u>	<u>Principal Amount</u>	<u>Interest Rates</u>
1992	\$ 185,000	3.10%
1993	765,000	3.80
1994	920,000	4.60
1995	960,000	4.90
1996	1,010,000	5.10
1997	1,065,000	5.40
1998	1,125,000	5.60
1999	1,190,000	5.75
2000	1,260,000	5.90
2001	1,335,000	6.00
2002	600,000	6.10
2003	635,000	6.20
2004	675,000	6.30
2005	720,000	6.40
2006	770,000	6.40
2010	3,700,000	6.25
2017	8,535,000	6.25

(b) Series 1992B Bonds. The Series 1992B Bonds shall be designated as "Port of Seattle, Washington, Revenue Bonds, Series 1992B," shall be registered as to both principal and interest and shall be numbered separately in the manner and with any additional designation as the Registrar deems necessary for purposes of identification, shall be dated April 1, 1992, shall be in the denomination of \$5,000 each or any integral multiple of \$5,000, provided no Series 1992B Bond shall represent more than one maturity, shall bear interest from April 1, 1992 until the Series 1992B Bond bearing such interest has been paid or its payment duly provided for, payable on November 1, 1992, and semiannually on the first days of each May and November thereafter, and shall mature on November 1 of the following years in the following amounts and bear interest at the following rates per annum:

<u>Maturity Year</u> <u>(November 1)</u>	<u>Principal Amount</u>	<u>Interest Rates</u>
1992	\$ 825,000	3.20%
1993	3,415,000	3.90
1994	4,105,000	4.70
1995	4,305,000	5.00
1996	4,520,000	5.30
1997	4,760,000	5.50
1998	5,030,000	5.70
1999	5,310,000	5.90
2000	5,630,000	6.00
2001	5,970,000	6.10
2002	2,675,000	6.30
2003	2,850,000	6.40
2004	3,025,000	6.50
2005	3,230,000	6.50
2006	3,430,000	6.50
2010	16,095,000	6.70
2017	40,265,000	6.00

(c) Series 1992 Bonds Not A General Obligation. The Series 1992 Bonds are not a general obligation of the Port, and no tax revenues of the Port may be used to pay the principal of and interest on the Series 1992 Bonds.

Section 4. Right of Prior Redemption and Purchase.

(a) Mandatory Redemption.

(1) The Series 1992A Bonds maturing on November 1, 2010, unless previously redeemed pursuant to optional redemption provisions of Section 4(b)(1) hereof, shall be redeemed by lot at par plus accrued interest to the date of redemption in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
2007	\$ 840,000
2008	895,000
2009	950,000
2010	1,015,000*

* Final Maturity

(2) The Series 1992A Bonds maturing on November 1, 2017, unless previously redeemed pursuant to optional redemption provisions of Section 4(b)(2) hereof, shall be redeemed by lot at par plus accrued interest to the date of redemption in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
2011	\$1,015,000
2012	1,075,000
2013	1,140,000
2014	1,215,000
2015	1,280,000
2016	1,365,000
2017	1,445,000*

***Final Maturity**

(3) The Series 1992B Bonds maturing on November 1, 2010, unless previously redeemed pursuant to optional redemption provisions of Section 4(b)(3) hereof, shall be redeemed by lot at par plus accrued interest to the date of redemption in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
2007	\$3,640,000
2008	3,885,000
2009	4,140,000
2010	4,430,000*

*** Final Maturity**

(4) The Series 1992B Bonds maturing on November 1, 2017, unless previously redeemed pursuant to optional redemption provisions of Section 4(b)(4) hereof, shall be redeemed by lot at par plus accrued interest to the date of redemption in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
2011	\$4,780,000
2012	5,075,000
2013	5,385,000
2014	5,715,000
2015	6,060,000
2016	6,425,000
2017	6,825,000*

***Final Maturity**

(5) To the extent that the Port shall have optionally redeemed or purchased the Series 1992 Bonds pursuant to subsection (b) or (f) of this Section 4 since the last scheduled mandatory redemption of the Series 1992 Bonds, the Port may reduce the principal amount of Series 1992 Bonds to be redeemed in like principal amount. Such reduction may be

applied in the year specified by the Designated Port Representative.

(b) Optional Redemption.

(1) The Port hereby reserves the right, at its option, to redeem the Outstanding Series 1992A Bonds maturing on and after November 1, 2003, exclusive of the Series 1992A Bonds maturing on November 1, 2017, on and after November 1, 2002 in whole on any date or in part and if in part on any interest payment date, with maturities to be selected by the Port and by lot within a maturity, at the following prices, expressed as a percentage of the principal amount of the Series 1992A Bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Prices</u>
November 1, 2002 through October 31, 2003	102%
November 1, 2003 through October 31, 2004	101%
November 1, 2004 and thereafter	100%

(2) The Port hereby reserves the right, at its option, to redeem the Outstanding Series 1992A Bonds maturing on November 1, 2017 on and after November 1, 2002 in whole on any date or in part and if in part on any interest payment date, by lot within the maturity, at the following prices, expressed as a percentage of the principal amount of the Series 1992A Bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Prices</u>
November 1, 2002 through October 31, 2003	101%
November 1, 2003 and thereafter	100%

(3) The Port hereby reserves the right, at its option, to redeem the Outstanding Series 1992B Bonds maturing on and after November 1, 2003, exclusive of the Series 1992B Bonds maturing November 1, 2017, on and after November 1, 2002, in whole on any date or in part and if in part on any interest payment date, with maturities to be selected by the Port and by lot within a maturity, at the following prices, expressed as a percentage of the principal amount of the Series 1992B

Bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Prices</u>
November 1, 2002 through October 31, 2003	102%
November 1, 2003 through October 31, 2004	101%
November 1, 2004 and thereafter	100%

(4) The Port hereby reserves the right, at its option, to redeem the Outstanding Series 1992B Bonds maturing on November 1, 2017 on and after November 1, 2002 in whole on any date or in part and if in part on any interest payment date, by lot within the maturity, at a price of par, plus accrued interest to the date fixed for redemption.

(c) Selection of Series 1992 Bonds for Redemption. If the Port redeems at any one time fewer than all of the Series 1992 Bonds having the same maturity date, the particular Series 1992 Bonds or portions of Series 1992 Bonds of such maturity to be redeemed shall be selected by lot within the series being redeemed (or in such manner determined by the Registrar) in increments of \$5,000; provided, however, as long as the Series 1992 Bonds are in fully immobilized form, the selection of Series 1992 Bonds for redemption shall be made as provided in the Letter of Representations. In the case of a Series 1992 Bond of a denomination greater than \$5,000, the Port and Registrar shall treat each Series 1992 Bond as representing such number of separate Series 1992 Bonds each of the denomination of \$5,000 as is obtained by dividing the actual principal amount of such Series 1992 Bond by \$5,000 of actual principal amount. In the event that only a portion of the principal sum of a Series 1992 Bond is redeemed, upon surrender of the Series 1992 Bond at the principal office of the Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof, at the option of the Registered Owner, a Series 1992 Bond or Series 1992 Bonds of like maturity and interest rate in any of the denominations herein authorized.

(d) Notice of Redemption. For so long as all Outstanding Series 1992 Bonds are in fully immobilized form, notice of redemption shall be given as provided in the Letter of Representations.

In the event that the Series 1992 Bonds are no longer in fully immobilized form, notice of any such intended redemption 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 any Series 1992 Bond to be redeemed at the address appearing on the Bond Register. The requirements of this section shall be deemed to be complied with when notice is mailed as herein provided, regardless of whether it is actually received by the Registered Owner of any Series 1992 Bond. Notice shall also be mailed within the same time period, postage prepaid, to PaineWebber Incorporated, Goldman, Sachs & Co., Lehman Brothers, M.R. Beal & Company and Artemis Capital Group, Inc. or to their respective business successors, if any, but mailing of the notice shall not be a condition precedent to the call of any Series 1992 Bonds for redemption.

All official notices of redemption shall be dated and shall state:

- (1) the redemption date;
- (2) the redemption price;
- (3) if fewer than all outstanding Series 1992 Bonds are to be redeemed the identification (and, in the case of partial redemption, the respective principal amounts) of the Series 1992 Bonds to be redeemed;
- (4) that on the redemption date the redemption price will become due and payable upon each such Series 1992 Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date;
- (5) the place where such Series 1992 Bonds are to be surrendered for payment of the redemption price, which place

of payment shall be the principal office of the Registrar;
and

(6) that the notice of redemption may be withdrawn and the proposed redemption of Series 1992 Bonds cancelled if for any reason funds will not be available on the date fixed for redemption.

On or prior to any redemption date, the Port shall deposit with the Registrar from money available therefor an amount of money sufficient to pay the redemption price of all the Series 1992 Bonds or portions of Series 1992 Bonds which are to be redeemed on that date.

Any notice of redemption may be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for payment in full of the Series 1992 Bonds then called for redemption.

Official notice of redemption having been given as aforesaid, the Series 1992 Bonds or portions of Series 1992 Bonds which are to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Port shall default in the payment of the redemption price) such Series 1992 Bonds or portions of Series 1992 Bonds shall cease to bear interest. If said funds shall not be so available on the redemption date, such Series 1992 Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption. Upon surrender of such Series 1992 Bonds for redemption in accordance with said notice, such Series 1992 Bonds shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Series 1992 Bond, there shall be prepared for the Registered Owner a new Series 1992 Bond or Series 1992 Bonds of the same maturity in the amount of the unpaid principal. All

Series 1992 Bonds which have been redeemed shall be cancelled and destroyed by the Registrar and shall not be reissued.

In addition to the foregoing notice, further notice shall be given by the Registrar as set out below, but no defect in said further notice nor failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus: (i) the CUSIP numbers of all Series 1992 Bonds being redeemed; (ii) the date of issue of the Series 1992 Bonds as originally issued; (iii) the rate of interest borne by each Series 1992 Bond being redeemed; (iv) the maturity date of each Series 1992 Bond being redeemed; and (v) any other descriptive information needed to identify accurately the Series 1992 Bonds being redeemed.

Each further notice of redemption shall be sent at least 35 days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Series 1992 Bonds (such depositories now being DTC, Midwest Securities Trust Company of Chicago, Illinois, and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania).

Upon the payment of the redemption price of the Series 1992 Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue or maturity, the Series 1992 Bonds being redeemed with the proceeds of such check or other transfer.

(e) Effect of Call. Interest on any Series 1992 Bonds so called for redemption shall cease on such redemption date unless the same shall not be redeemed upon presentation made pursuant to such call.

(f) Purchase of Series 1992 Bonds for Retirement. The Port further reserves the right to use at any time any surplus Gross Revenue available after providing for the payment required by paragraph First through Sixth of Section 4(a) of the Master Resolution to purchase any of the Series 1992 Bonds in the open market for retirement.

(g) Source of Funds for Series 1992 Bond Redemption. Redemption of the Series 1992 Bonds, pursuant to this Section 4, other than mandatory redemption pursuant to subsection (a) hereof, shall be made only from and to the extent of funds deposited with the Treasurer of the Port and available for such purpose.

Section 5. Place and Medium of Payment. Both principal of and interest on the Series 1992 Bonds shall be payable in lawful money of the United States of America. For so long as all Outstanding Series 1992 Bonds are in fully immobilized form, payments of principal and interest thereon shall be made as provided in the Letter of Representations.

In the event that the Series 1992 Bonds are no longer in fully immobilized form, interest on the Series 1992 Bonds shall be paid by check or draft mailed (or by wire transfer to a Registered Owner of Series 1992 Bonds in aggregate principal amount of \$1,000,000 or more who so requests) to the Registered Owners of the Series 1992 Bonds at the addresses for such Registered Owners appearing on the Bond Register on the 15th day of the month preceding the interest payment date. Principal of the Series 1992 Bonds shall be payable upon presentation and surrender of the Series 1992 Bonds by the Registered Owners at the principal office of the Registrar.

Section 6. Registration.

(a) Bond Register. The Port hereby appoints the fiscal agency of the State of Washington as the Registrar. The Port shall cause a bond register to be maintained by the Registrar. So long as any Series 1992 Bonds remain Outstanding, the

Registrar shall make all necessary provisions to permit the exchange or registration or transfer of Series 1992 Bonds at its principal office.

(b) Registered Ownership. The Port and the Registrar, each in its discretion, may deem and treat the Registered Owner of each Series 1992 Bond as the absolute owner thereof for all purposes, and neither the Port nor the Registrar shall be affected by any notice to the contrary. Payment of any such Series 1992 Bond shall be made only as described in Section 5 hereof, but such registration may be transferred as herein provided. All such payments made as described in Section 5 shall be valid and shall satisfy and discharge the liability of the Port upon such Series 1992 Bond to the extent of the amount or amounts so paid.

(c) DTC Acceptance/Letter of Representations. To induce DTC to accept the Series 1992 Bonds as eligible for deposit at DTC, the Port shall execute and deliver the Letter of Representations. The Designated Port Representative is hereby authorized to execute the Letter of Representations with such changes as may hereafter be approved by the Designated Port Representative, and such approval shall be conclusively presumed by the Designated Port Representative's execution thereof. The Series 1992 Bonds initially issued shall be held in fully immobilized form by DTC acting as depository pursuant to the terms and conditions set forth in Exhibit C attached hereto; shall be issued in denominations equal to the aggregate principal amount of each maturity and initially shall be registered in the name of Cede & Co., as the nominee of DTC.

Neither the Port nor the Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees with respect to the Series 1992 Bonds in respect of the accuracy of any records maintained by DTC or any DTC participant, the payment by DTC or any DTC participant of any amount in respect of the principal or redemption price of or

interest on the Series 1992 Bonds, any notice which is permitted or required to be given to Registered Owners under this resolution (except such notices as shall be required to be given by the Port to the Registrar or to DTC), the selection by DTC or any DTC participant of any person to receive payment in the event of a partial redemption of the Series 1992 Bonds or any consent given or other action taken by DTC as the Registered Owner. For so long as any Series 1992 Bonds are held in fully immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes hereunder, and all references herein to the Registered Owners shall mean DTC or its nominee and shall not mean the owners of any beneficial interest in the Series 1992 Bonds.

If any Series 1992 Bond shall be duly presented for payment and funds have not been duly provided by the Port on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Series 1992 Bond until it is paid.

(d) Use of Depository.

(1) The Series 1992 Bonds shall be registered initially in the name of "Cede & Co.," as nominee of DTC, with one Series 1992 Bond maturing on each of the maturity dates for the Series 1992 Bonds of each series in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such immobilized Series 1992 Bonds, or any portions thereof, may not thereafter be transferred except (i) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (ii) to any substitute depository appointed by the Commission pursuant to subsection (2) below or such substitute depository's successor; or (iii) to any person as provided in subsection (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Commission that it is no longer in the best interests of owners of beneficial interests of the Series 1992 Bonds to continue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the Commission may hereafter appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provided the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (i) or (ii) of subsection (1) above, the Registrar shall, upon receipt of all Outstanding Bonds, together with a written request on behalf of the Commission, issue a single new Series 1992 Bond for each maturity of such Series 1992 Bonds then Outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the Commission.

(4) In the event that (i) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (ii) the Commission determines that it is in the best interest of the beneficial owners of the Series 1992 Bonds that they be able to obtain Series 1992 Bond certificates, the ownership of Series 1992 Bonds may then be transferred to any person or entity as herein provided, and the Series 1992 Bonds shall no longer be held in fully immobilized form. The Commission shall deliver a written request to the Registrar, together with a supply of definitive Series 1992 Bonds, to issue Series 1992 Bonds as herein provided in any authorized denomination. Upon receipt of all then outstanding Series 1992 Bonds by the

Registrar together with a written request on behalf of the Commission to the Registrar, new Series 1992 Bonds shall be issued in such denominations and registered in the names of such persons as are requested in such written request.

(5) The Port and the Registrar shall be entitled to treat the person in whose name any Series 1992 Bond is registered as the absolute owner thereof for all purposes of this resolution and any applicable laws, notwithstanding any notice to the contrary received by the Registrar or the Port. Neither the Port nor the Registrar will have any responsibility or obligations, legal or otherwise, to any other party including DTC or its successor (or substitute depository or its successor), except for the Registered Owners of the Series 1992 Bonds.

(e) Transfer or Exchange of Registered Ownership; Change in Denominations. The registered ownership of any Series 1992 Bond may be transferred or exchanged, but no transfer of any Series 1992 Bond shall be valid unless it is surrendered to the Registrar with the assignment form appearing on such Series 1992 Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered Series 1992 Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Series 1992 Bond (or Series 1992 Bonds at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same series, aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Series 1992 Bond, in exchange for such surrendered and cancelled Series 1992 Bond. Any Series 1992 Bond may be surrendered to the Registrar and exchanged, without charge, for an equal aggregate principal amount of Series 1992 Bonds of the same series, date, maturity and interest rate, in

any authorized denomination. The Registrar shall not be obligated to transfer or exchange any Series 1992 Bond during the 15 days preceding any interest payment or principal payment date or following any publication of notice of redemption.

(f) Registrar's Ownership of Series 1992 Bonds. The Registrar may become the Registered Owner of any Series 1992 Bond with the same rights it would have if it were not the Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the right of the Registered Owners of the Series 1992 Bonds.

(g) Registration Covenant. The Port covenants that, until all Series 1992 Bonds have been surrendered and cancelled, it will maintain a system for recording the ownership of each Series 1992 Bond that complies with the provisions of Section 149 of the Code.

(h) Series 1992 Bonds Payable from Series 1992 Bond Fund. The Series 1992 Bonds shall be obligations only of the Series 1992 Bond Fund and shall be payable and secured as provided herein. The Series 1992 Bonds are not general obligations of the Port. The Series 1992 Bonds do not constitute an indebtedness of the Port within the meaning of the constitutional provisions and limitations of the State of Washington.

Section 7. Series 1992 Bond Fund. A special fund of the Port designated the "Port of Seattle Revenue Bond Fund, Series 1992" (the "Series 1992 Bond Fund") is hereby authorized to be created in the office of the Treasurer of the Port for the purpose of paying and securing the payment of the Series 1992 Bonds. The Series 1992 Bond Fund shall be held separate and apart from all other funds and accounts of the Port and shall be a trust fund for the owners, from time to time, of the Series 1992 Bonds.

(a) Series 1992 Debt Service Account. A Series 1992 Debt Service Account is hereby authorized to be created in the Series

1992 Bond Fund for the purpose of paying the principal of, premium, if any, and interest on the Series 1992 Bonds.

The Port hereby irrevocably obligates and binds itself for as long as any Series 1992 Bonds remain Outstanding to set aside and pay into the Series 1992 Debt Service Account from Net Revenues or money in the Revenue Fund, on or prior to the respective dates the same become due:

(1) Such amounts as are required to pay the interest scheduled to become due on Outstanding Series 1992 Bonds; and

(2) Such amounts with respect to Outstanding Series 1992 Bonds as are required (A) to pay maturing principal, (B) to make required sinking fund payments, and (C) to redeem Outstanding Series 1992 Bonds in accordance with any mandatory redemption provisions.

(b) Series 1992 Reserve Account. A Series 1992 Bond Reserve Account (the "Series 1992 Reserve Account") is hereby authorized to be created in the Series 1992 Bond Fund for the purpose of securing the payment of the principal of and interest on Series 1992 Bonds.

The Port hereby covenants and agrees that on the date of issuance of the Series 1992 Bonds, it will purchase the Surety Bond, as Qualified Insurance, in the aggregate total policy amount of \$10,600,000, in satisfaction of the Series 1992 Reserve Account Requirement for deposit in the Series 1992 Reserve Account. At the time of issuance of the Surety Bond, the Port shall enter into, and the Designated Port Representative is hereby authorized to execute, a Surety Bond Agreement, substantially in the form attached hereto as Exhibit D, incorporated by this reference herein. The Designated Port Representative may negotiate such modifications of said Surety Bond Agreement on his/her discretion, and the terms of said Surety Bond Agreement shall be deemed approved conclusively by the Port upon the

execution of the Surety Bond Agreement by the Designated Port Representative.

In consideration of the issuance and maintenance of the Surety Bond, the covenants of the Port in this Series Resolution and in the Master Resolution are hereby declared to be for the further benefit of the Insurer as issuer of the Surety Bond, and said corporation shall be a beneficiary of all said covenants.

In addition, the Port hereby covenants and agrees that any provision of this Series Resolution which expressly recognizes or grants rights in or to the Insurer may not be amended in any manner which affects the rights of the Insurer hereunder without the prior written consent of the Insurer. The consent of the Insurer shall be required in addition to the consent of the Registered Owners, when required, for the following purposes: (1) adoption of supplemental resolutions and (ii) the initiation or approval of any other action which requires the consent of the Registered Owners. The Designated Port Representative may provide such additional information and/or notices to the Insurer as he/she shall determine in his/her discretion.

The Port further covenants and agrees that it will maintain the Surety Bond or equivalent thereof (as provided in the following sentence) in the Series 1992 Reserve Account in an amount at least equal to the Series 1992 Reserve Account Requirement. The Series 1992 Reserve Account Requirement may be maintained by deposits of cash, a Qualified Letter of Credit or Qualified Insurance, or a combination of the foregoing. In computing the amount on hand in the Series 1992 Reserve Account, Qualified Insurance and/or a Qualified Letter of Credit shall be valued at the face amount thereof, and all other obligations purchased as an investment of moneys therein shall be valued at cost.

If the balance on hand in the Series 1992 Reserve Account is sufficient to satisfy the Series 1992 Reserve Account Requirement, and prior to the completion of the projects authorized in Section 2 hereof, interest earnings thereon shall be transferred

to the construction fund designated by the Designated Port Representative and used to pay the Costs of Construction of the projects payable from such fund and thereafter such interest earnings shall be applied as provided in the following sentences. Whenever there is a sufficient amount in the Series 1992 Bond Fund, including the Series 1992 Reserve Account and the Series 1992 Debt Service Account to pay the principal of, premium, if any, and interest on all outstanding Series 1992 Bonds, the money in the Series 1992 Reserve Account may be used to pay such principal, premium, if any, and interest. As long as the moneys left remaining on deposit in the Series 1992 Reserve Account are equal to the Series 1992 Reserve Account Requirement, money in the Series 1992 Reserve Account may be transferred to the Series 1992 Debt Service Account and used to pay the principal of and interest on Series 1992 Bonds as the same becomes due and payable or to redeem and retire, and to pay the interest due to such date of redemption and premium, if any, on any Outstanding Series 1992 Bonds. The Port may also transfer out of the Series 1992 Reserve Account any moneys required in order to prevent any Series 1992 Bonds from becoming "arbitrage bonds" under the Code.

If a deficiency in the Series 1992 Debt Service Account shall occur, such deficiency shall be made up from the Series 1992 Reserve Account by the withdrawal of cash therefrom for that purpose and by the sale or redemption of obligations held in the Series 1992 Reserve Account, if necessary, in such amounts as will provide cash in the Series 1992 Reserve Account sufficient to make up any such deficiency, and if a deficiency still exists immediately prior to an interest payment date and after the withdrawal of cash, the Port shall then draw from the Surety Bond or any other Qualified Letter of Credit or Qualified Insurance in sufficient amount to make up the deficiency. Such draw shall be made at such times and under such conditions as the Surety Bond Agreement or the agreement for such Qualified Letter of Credit or such Qualified Insurance shall provide. Reimbursement shall be

made to the issuer of the Surety Bond in accordance with the terms of the Surety Bond Agreement, and after making necessary provision for the payments required to be made in paragraph First through Third of Section 4(a) of the Master Resolution. Any deficiency created in the Series 1992 Reserve Account by reason of any such withdrawal shall be made up within one year from Qualified Insurance or a Qualified Letter of Credit or out of Net Revenues (or out of any other moneys on hand legally available for such purpose) (in 12 equal installments) after making necessary provision for the payments required to be made into the Series 1992 Debt Service Account within such year.

In making the payments and credits to the Series 1992 Reserve Account required by this Section 7(b), to the extent that the Port has obtained Qualified Insurance or a Qualified Letter of Credit for specific amounts required pursuant to this section to be paid out of the Series 1992 Reserve Account, such amounts so covered by Qualified Insurance or a Qualified Letter of Credit shall be credited against the amounts required to be maintained in the Series 1992 Reserve Account by this Section 7(b) to the extent that such payments and credits to be made are insured by an insurance company, or guaranteed by a letter of credit from a financial institution. Such Qualified Letter of Credit or Qualified Insurance shall not be cancellable on less than one year's notice. In the event of any cancellation or if the issuer of the Qualified Insurance or the Qualified Letter of Credit shall be insolvent, the Reserve Account Requirement shall be satisfied (i) within one year of the insolvency but in any event no later than the date of cancellation with Qualified Insurance or another Qualified Letter of Credit, or (ii) within one year (in 12 equal installments) of the insolvency or cancellation out of Net Revenues (or out of moneys on hand legally available for such purpose) after making necessary provisions for the payments required to be made into the Series 1992 Debt Service Account.

(c) Said amounts so pledged to be paid into the Series 1992 Debt Service Account and Series 1992 Reserve Account with respect to the Series 1992 Bonds are hereby declared to be an equal and prior lien and charge upon the Gross Revenue superior to all other charges of any kind or nature whatsoever, except for the lien and charge thereon of the Senior Lien Bonds and except for Operating Expenses and except that the amounts so pledged are of equal lien to the lien and charge thereon of the Outstanding Bonds and to any lien and charge thereon which may hereafter be made to pay and secure the payment of the principal of and interest on any Future Parity Bonds.

(d) Use of Excess Money. Money in the Series 1992 Bond Fund not needed to pay the interest or principal and interest next coming due on any Outstanding Series 1992 Bonds or to maintain required reserves therefor may be used to purchase or redeem and retire Series 1992 Bonds. Money in the Series 1992 Debt Service Account and the Series 1992 Reserve Account may be invested in any investments legal for port districts.

Section 8. Defeasance. In the event that money and/or Government Obligations (as defined in RCW ch. 39.53) maturing or having guaranteed redemption prices at the option of the owner at such time or times and bearing interest to be earned thereon in amounts (together with such money, if any) sufficient to redeem and retire part or all of the Series 1992 Bonds in accordance with their terms, are hereafter irrevocably set aside in a special account and pledged to effect such redemption and retirement, then no further payments need be made into the Series 1992 Bond Fund or any account therein for the payment of the principal of and interest on the certain Series 1992 Bonds so provided for and such Series 1992 Bonds shall then cease to be entitled to any lien, benefit or security of this Series Resolution, except the right to receive the funds so set aside and pledged and notices of early redemption, if any, and such Series 1992 Bonds shall no longer be deemed to be Outstanding hereunder, or under any

resolution authorizing the issuance of bonds or other indebtedness of the Port.

Section 9. Disposition of the Proceeds of Sale of Series 1992 Bonds.

(a) Series 1992A Bonds. The proceeds of the Series 1992A Bonds shall be applied as follows:

(1) All interest on the Series 1992A Bonds accrued from their date to the date of delivery shall be paid into the Series 1992 Debt Service Account;

(2) An allocable portion of the premium cost for the Surety Bond designated by the Designated Port Representative, shall be paid from the proceeds of the Series 1992A Bonds on the date of issuance and delivery of the Series 1992A Bonds; and

(3) The remainder of the proceeds of the Series 1992A Bonds shall be paid into the Construction Fund-1992A, Airport (hereinafter authorized to be created).

The Treasurer of the Port is hereby authorized and directed to create a special fund or account of the Port, designated as the "Port of Seattle Construction Fund, 1992A, Airport" (the "Construction Fund-1992A, Airport"). The money on deposit in the Construction Fund-1992A, Airport, shall be utilized to pay Costs of Construction of the projects identified on Exhibit A and costs incidental thereto, and costs incurred in connection with the issuance and sale of the Series 1992A Bonds, to the extent designated by the Port.

All or part of the proceeds of the Series 1992A Bonds may be temporarily invested in or with such institutions or in such obligations as may now or hereafter be permitted to port districts of the State of Washington by law which will mature prior to the date on which such money shall be needed provided however, such proceeds shall not be invested in the obligations of any municipality with a credit rating lower than that of the Port.

In the event that it shall not be possible or practicable to accomplish all of the improvements specified in Section 2(a), the Port may apply the proceeds of the Series 1992A Bonds to pay the Costs of Construction of such portion thereof or such other projects as the Port Commission shall determine to be in the best interests of the Port, subject to the limitations of Section 10 of this Series Resolution.

Any part of the proceeds of the Series 1992A Bonds remaining in the Construction Fund-1992A, Airport, after all costs referred to in this Section have been paid may be used to acquire, construct, equip and make other improvements to the Facilities of the Port subject to the limitations of Section 10(c) hereof or may be transferred to the Series 1992 Bond Fund for the uses and purposes therein provided.

(b) Series 1992B Bonds. The proceeds of the Series 1992B Bonds shall be applied as follows:

(1) All interest on the Series 1992B Bonds accrued from their date to the date of delivery shall be paid into the Series 1992 Debt Service Account;

(2) An allocable portion of the premium cost for the Surety Bond designated by the Designated Port Representative, shall be paid from the proceeds of the Series 1992B Bonds on the date of issuance and delivery of the Series 1992B Bonds; and

(3) The remainder of the proceeds of the Series 1992B Bonds shall be paid into the Construction Fund-1992B, Airport, and the Construction Fund-1992B, Marine, in amounts designated by the Designated Port Representative to the Treasurer.

The Treasurer of the Port is hereby authorized and directed to create two special funds or accounts of the Port, to be designated as the "Port of Seattle Construction Fund-1992B, Airport" (the "Construction Fund-1992B, Airport") and the "Port of Seattle Construction Fund-1992B, Marine" (the "Construction

Fund-1992B, Marine"). The proceeds on deposit in the Construction Fund-1992B, Airport, shall be utilized to pay Costs of Construction of the Facilities identified on Exhibit B, items (1) through (5) and costs incidental thereto, and costs incurred in connection with the issuance and sale of the Series 1992B Bonds, in amounts designated by the Designated Port Representative. The proceeds on deposit in the Construction Fund-1992B, Marine, shall be utilized to pay Costs of Construction of the Facilities identified on Exhibit B, items (6) through (13) and costs incidental thereto, and costs incurred in connection with the issuance and sale of the Series 1992B Bonds, to the extent designated by the Port.

All or part of the proceeds of the Series 1992B Bonds may be temporarily invested in or with such institutions or in such obligations as may now or hereafter be permitted to port districts of the State of Washington by law which will mature prior to the date on which such money shall be needed; provided however, such proceeds shall not be invested in the obligations of any municipality with a credit rating lower than that of the Port.

In the event that it shall not be possible or practicable to accomplish all of the improvements specified in Section 2(b), the Port may apply the proceeds of the Series 1992B Bonds to pay the Costs of Construction of such portion thereof or such other projects as the Port Commission shall determine to be in the best interests of the Port, subject to the limitations of Section 10 of this Series Resolution.

Any part of the proceeds of the Series 1992B Bonds remaining in the Construction Fund-1992B, Airport, and the Construction Fund-1992B, Marine, after all costs referred to in this Section have been paid may be used to acquire, construct, equip and make other improvements to the Facilities of the Port subject to the limitations of Section 10(d) hereof or may be transferred to the Series 1992 Bond Fund for the uses and purposes therein provided.

Section 10. Tax Covenants/Rebate.

(a) Arbitrage Covenant. The Port hereby covenants that it will not make any use of the proceeds of sale of the Series 1992 Bonds or any other funds of the Port which may be deemed to be proceeds of such Series 1992 Bonds pursuant to Section 148 of the Code, as amended, and the applicable regulations thereunder which, if such use had been reasonably expected on the date of delivery of the Series 1992 Bonds to the initial purchasers thereof, would have caused the Series 1992 Bonds to be "arbitrage bonds" within the meaning of said section and said regulations. The Port will comply with the requirements of Section 148 of the Code and the applicable regulations thereunder throughout the term of the Series 1992 Bonds.

(b) Rebate.

(1) The Port will pay Rebatable Arbitrage to the United States of America in accordance with the provisions of the Tax Exemption Agreement and Arbitrage Certification.

(2) Each payment of Rebatable Arbitrage will be made to the Internal Revenue Service Center, Philadelphia, Pennsylvania 19225 and will be accompanied by IRS Form 8038-T.

(c) Private Person Use Limitation for Series 1992A Bonds.

The Port covenants that for as long as the Series 1992A Bonds are outstanding, it will not permit:

(1) More than 10% of the Net Proceeds of the Series 1992A Bonds to be used for any Private Person Use; and

(2) More than 10% of the principal or interest payments on the Series 1992A Bonds in a Bond Year to be (under the terms of this Series Resolution or any underlying arrangement) directly or indirectly: (i) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (ii) derived from payments (whether or not made to the Port)

in respect of property, or borrowed money, used or to be used for any Private Person Use.

The Port further covenants that, if:

(3) More than 5% of the Net Proceeds of the Series 1992A Bonds are to be used for any Private Person Use; and

(4) More than 5% of the principal or interest payments on the Series 1992A Bonds in a Bond Year are (under the terms of this Series Resolution or any underlying arrangement) directly or indirectly: (i) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (ii) derived from payments (whether or not made to the Port) in respect of property, or borrowed money, used or to be used for any Private Person Use.

then, (i) any Private Person Use of the projects financed with the Series 1992A Bonds or Private Person Use payments described in subsection (4) hereof that is in excess of the 5% limitations described in such subsections (3) or (4) will be for a Private Person Use that is related to the state or local governmental use of such projects, and (ii) any Private Person Use will not exceed the amount of Net Proceeds of the Series 1992A Bonds used for the state or local governmental use portion of the projects financed with the Series 1992A Bonds to which the Private Person Use of such portion of such projects relates. The Port further covenants that it will comply with any limitations on the use of such projects by other than state and local governmental users that are necessary, in the opinion of its bond counsel, to preserve the tax exemption of the interest on the Series 1992A Bonds.

(d) Use of Proceeds of Series 1992B Bonds.

(1) The projects financed with the Series 1992B Bonds (collectively, the "projects") include only facilities that are (1) directly related and essential to (A) servicing

aircraft or enabling aircraft to take off and land or (B) transferring passengers or cargo to or from aircraft (the projects referred to in this subsection (d)(1) are hereinafter referred to as the "airport projects") and (ii)(A) docks or wharfs or (B) functionally related and subordinate to such docks or wharfs (the projects referred to in this subsection (d)(ii) are hereinafter referred to as the "marine projects").

(2) The Port will, at all times while the Series 1992B Bonds are Outstanding be the owner of all elements of the projects financed with the Series 1992B Bonds. If any portion of the projects is the subject of a lease or management contract with an entity other than a governmental unit, then the lease or management contract must meet the requirements of Section 142(b)(1)(B) of the Code.

(3) The projects shall not include any:

(i) lodging facility,

(ii) retail facility (including food and beverage facilities) in excess of a size necessary to serve passengers and employees,

(iii) retail facility (other than parking) for passengers or the general public located outside the airport (in the case of an airport project) or the marine terminal (in the case of a marine project),

(iv) office building for persons who are not employees of a governmental unit or the Port,

(v) industrial park or manufacturing facility, that is to be used for any private business use (within the meaning of Section 141(b)(6) of the Code).

(4) Any element of any project that is an office must be located at the airport (in the case of any airport project) or the marine terminal (in the case of a marine project) and no more than a de minimis amount of the functions performed at such office may not be directly

related to day-to-day operations of the airport (in the case of an airport project) or the marine terminal (in the case of a marine project). Any storage or training facilities included in any project must be located at the airport (in the case of an airport project) or the marine terminal (in the case of a marine project) and must be of a character and size commensurate with the character and size of the airport (in the case of an airport project) or the marine terminal (in the case of a marine project).

(5) All elements of the airport projects need to be located at or in close proximity to the take-off and landing area in order to perform their functions.

(6) Any land acquired by the Port as a part of the airport projects will be (i) acquired solely to mitigate damages attributable to airport noise or (ii) land that is adjacent to the airport, impaired by a significant level of airport noise and (A) in the case of improved land, use of the land and improvements before acquisition is incompatible with the airport noise level, use after acquisition is compatible with the airport noise level and the post-acquisition use is essentially different from the pre-acquisition use or (B) in the case of unimproved land (including agricultural land), use of the land after its acquisition will not be incompatible with the level of airport noise.

(7) Any elements of the marine projects that are functionally related and subordinate to the dock and wharf will be of a character and size commensurate with the character and size of the marine terminal and include only equipment needed to receive and discharge cargo and passengers from a vessel, related storage, handling, office and passenger areas.

(e) Modification of Tax Covenants. The covenants of this section 10 are specified solely to assure the continued exemption

from regular income taxation of the interest on the Series 1992 Bonds. To that end, the provisions of this Section 10 may be modified or eliminated without any requirement for formal amendment thereof upon receipt of an opinion of the Port's bond counsel that such modification or elimination will not adversely affect the tax exemption of interest on the Series 1992 Bonds of either series.

Section 11. Lost, Stolen or Destroyed Series 1992 Bonds.

In case any Series 1992 Bond or Series 1992 Bonds shall be lost, stolen or destroyed, the Registrar may execute and deliver a new Series 1992 Bond or Series 1992 Bonds of like series, date, number and tenor to the Registered Owner thereof upon the owner's paying the expenses and charges of the Port in connection therewith and upon his/her filing with the Port evidence satisfactory to the Port that such Series 1992 Bond was actually lost, stolen or destroyed and of his/her ownership thereof, and upon furnishing the Port with indemnity satisfactory to the Port.

Section 12. Form of Series 1992 Bonds and Registration Certificates.

(a) Series 1992A Bonds. The Series 1992A Bonds shall be in substantially the following form:

NO. _____ UNITED STATES OF AMERICA \$ _____
STATE OF WASHINGTON
PORT OF SEATTLE
REVENUE BOND, SERIES 1992A
Maturity Date: CUSIP No.
Interest Rate:
Registered Owner:
Principal Amount:

THE PORT OF SEATTLE, a municipal corporation organized and existing under and by virtue of the laws of the State of Washington (the "Port"), promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, solely from the special fund of the Port known as the "Port of Seattle Revenue Bond Fund, Series 1992" (the "Bond Fund") created by Resolution No. 3111, as amended, of the Port Commission (together with Resolution No. 3059, as amended, hereinafter collectively referred to as the "Bond Resolution")

the Principal Amount indicated above and to pay interest thereon from the Bond Fund from April 1, 1992, or the most recent date to which interest has been paid or duly provided for or until payment of this bond at the Interest Rate set forth above, payable on November 1, 1992, and semiannually thereafter on the first days of each May and November. Both principal of and interest on this bond are payable in lawful money of the United States of America. Interest shall be paid by mailing a check or draft to the Registered Owner or assigns at the address shown on the Bond Register on the 15th day of the month prior to the interest payment date (or, if this bond is held in fully immobilized form or otherwise if agreed to by the Port, by wire transfer). Principal shall be paid to the Registered Owner or assigns upon presentation and surrender of this bond at the principal office of the fiscal agency of the State of Washington in either Seattle, Washington, or New York, New York (collectively the "Registrar"). Capitalized terms used in this bond which are not specifically defined have the meanings given such terms in the Bond Resolution.

This bond is one of a series of bonds of the Port in the aggregate principal amount of \$25,450,000, of like date, tenor and effect, except as to number, amount, rate of interest and date of maturity and is issued pursuant to the Bond Resolution to acquire, construct and install improvements to Port facilities.

The Port has reserved the right, at its option, to redeem the bonds of this series maturing on and after November 1, 2003, exclusive of the bonds maturing on November 1, 2017, on and after November 1, 2002 in whole on any date or in part and if in part on any interest payment date, with maturities to be selected by the Port and by lot within a maturity, at the following prices, expressed as a percentage of the principal amount of the bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Prices</u>
November 1, 2002 through October 31, 2003	102%
November 1, 2003 through October 31, 2004	101%
November 1, 2004 and thereafter	100%

The Port has reserved the right, at its option, to redeem the bonds of this series maturing on November 1, 2017 on and after November 1, 2002 in whole on any date or in part and if in part on any interest payment date, by lot within the maturity, at the following prices, expressed as a percentage of the principal amount of the bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Prices</u>
November 1, 2002 through October 31, 2003	101%
November 1, 2003 and thereafter	100%

The Port has obligated and bound itself to redeem bonds maturing on November 1, 2010, by lot (in such manner as shall be determined by the Registrar), at par plus accrued interest in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
2007	\$ 840,000
2008	895,000
2009	950,000
2010	1,015,000*

* Final Maturity

The Port has obligated and bound itself to redeem bonds maturing on November 1, 2017, by lot (in such manner as shall be determined by the Registrar), at par plus accrued interest in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
2011	\$1,015,000
2012	1,075,000
2013	1,140,000
2014	1,215,000
2015	1,280,000
2016	1,365,000
2017	1,445,000*

* Final Maturity

Notice of any such intended redemption shall be given as provided in the Letter of Representations, dated as of April 28, 1992 among the Port, the Registrar and The Depository Trust Company.

The bonds of this issue are not private activity bonds and are not "qualified tax exempt obligations" eligible for investment by financial institutions within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.

This bond is transferable only on the records maintained by the Registrar for that purpose upon the surrender of this bond by the registered owner hereof or his/her duly authorized agent and only if endorsed in the manner provided hereon, and thereupon a new fully registered bond of like principal amount, series, maturity and interest rate shall be issued to the transferee in exchange therefor. Such exchange or transfer shall be without cost to the registered owner or transferee. The Port and Registrar may deem the person in whose name this bond is registered to be the absolute owner hereof for the purpose of receiving payment of the principal of and interest on the bond and for any and all other purposes whatsoever.

The Registrar is not required to issue, register, transfer or exchange any of the bonds during a period beginning at the opening of business on the 15th day of the month next preceding any interest payment date and ending at the close of business on the interest payment date, or, in the case of any proposed redemption of the bonds, after the mailing of notice of the call of such bonds for redemption.

The Port hereby covenants and agrees with the owner and holder of this bond that it will keep and perform all the covenants of this bond and the Bond Resolution.

The Port does hereby pledge and bind itself to set aside from such Gross Revenue, and to pay into said Bond Fund and the Reserve Account created therein the various amounts required by the Bond Resolution to be paid into and maintained in said Fund and Account, all within the times provided by said Bond Resolution.

Said amounts so pledged to be paid out of Gross Revenue into said Bond Fund and Reserve Account are hereby declared to be a first and prior lien and charge upon the Gross Revenue, subject to the lien thereon of the Senior Lien Bonds and subject further to the Operating Expenses of the Port and equal in rank to the lien and charge upon such Gross Revenue of the amounts required to pay and secure the payment of the Outstanding Bonds, the Series 1992B Bonds of the Port being issued on this same date,

pursuant to the Bond Resolution and any revenue bonds of the Port hereafter issued on a parity with the bonds of this issue.

The Port has further bound itself to maintain all of its properties and facilities which contribute in some measure to such Gross Revenue in good repair, working order and condition, to operate the same in an efficient manner and at a reasonable cost, and to establish, maintain and collect rentals, tariffs, rates and charges in the operation of all of its business for as long as any bonds of this issue are outstanding that it will make available, for the payment of the principal thereof and interest thereon as the same shall become due, Net Revenues (as the same are defined in the Bond Resolution) in an amount equal to or greater than the Rate Covenant.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Registrar.

It is hereby certified and declared that this bond and the bonds of this issue are issued pursuant to and in strict compliance with the Constitution and laws of the State of Washington and resolutions of the Port and that all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, been done and performed.

IN WITNESS WHEREOF, the Port of Seattle, Washington, has caused this bond to be executed by the manual or facsimile signatures of the President and Secretary of the Port Commission, and a facsimile corporate seal of the Port to be impressed or a facsimile thereof imprinted hereon as of the 1st day of April, 1992.

PORT OF SEATTLE, WASHINGTON

By /s/
President, Port Commission

ATTEST:

/s/
Secretary, Port Commission

King County Comptroller's Reference No. _____

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This bond is one of the bonds described in the within mentioned Bond Resolution and is one of the Revenue Bonds, Series 1992A of the Port of Seattle, Washington, dated April 1, 1992.

WASHINGTON STATE FISCAL
AGENCY, Registrar

By _____
Authorized Signer

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations.

Principal Amount:

THE PORT OF SEATTLE, a municipal corporation organized and existing under and by virtue of the laws of the State of Washington (the "Port"), promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, solely from the special fund of the Port known as the "Port of Seattle Revenue Bond Fund, Series 1992" (the "Bond Fund") created by Resolution No. 3111, as amended, of the Port Commission (together with Resolution No. 3059, as amended, hereinafter collectively referred to as the "Bond Resolution") the Principal Amount indicated above and to pay interest thereon from the Bond Fund from April 1, 1992, or the most recent date to which interest has been paid or duly provided for or until payment of this bond at the Interest Rate set forth above, payable on November 1, 1992, and semiannually thereafter on the first days of each May and November. Both principal of and interest on this bond are payable in lawful money of the United States of America. Interest shall be paid by mailing a check or draft to the Registered Owner or assigns at the address shown on the Bond Register on the 15th day of the month prior to the interest payment date (or, if this bond is held in fully immobilized form or otherwise if agreed to by the Port, by wire transfer). Principal shall be paid to the Registered Owner or assigns upon presentation and surrender of this bond at the principal office of the fiscal agency of the State of Washington in either Seattle, Washington, or New York, New York (collectively the "Registrar"). Capitalized terms used in this bond which are not specifically defined have the meanings given such terms in the Bond Resolution.

This bond is one of a series of bonds of the Port in the aggregate principal amount of \$115,440,000 of like date, tenor and effect, except as to number, amount, rate of interest and date of maturity and is issued pursuant to the Bond Resolution to acquire, construct and install improvements to Port facilities.

The Port has reserved the right, at its option, to redeem the bonds maturing on and after November 1, 2003, exclusive of the bonds maturing November 1, 2017, on and after November 1, 2002 in whole on any date or in part and if in part on any interest payment date, with maturities to be selected by the Port and by lot within a maturity, at the following prices, expressed as a percentage of the principal amount of the bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Prices</u>
November 1, 2002 through October 31, 2003	102%
November 1, 2003 through October 31, 2004	101%
November 1, 2004 and thereafter	100%

The Port has reserved the right, at its option, to redeem the bonds maturing on November 1, 2017 on and after November 1, 2002 in whole on any date or in part and if in part on any interest payment date, by lot within the maturity, at a price of par, plus accrued interest to the date fixed for redemption.

The Port has obligated and bound itself to redeem bonds maturing on November 1, 2010, by lot (in such manner as shall be determined by the Registrar), at par plus accrued interest in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
2007	\$3,640,000
2008	3,885,000
2009	4,140,000
2010	4,430,000

* Final Maturity

The Port has obligated and bound itself to redeem bonds maturing on November 1, 2010, by lot (in such manner as shall be determined by the Registrar), at par plus accrued interest in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
2011	\$4,780,000
2012	5,075,000
2013	5,385,000
2014	5,715,000
2015	6,060,000
2016	6,425,000
2017	6,825,000*

*Final Maturity

Notice of any such intended redemption shall be given as provided in the Letter of Representations, dated as of April 28, 1992 among the Port, the Registrar and The Depository Trust Company.

The bonds of this issue are private activity bonds and are not "qualified tax exempt obligations" eligible for investment by financial institutions within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.

This bond is transferable only on the records maintained by the Registrar for that purpose upon the surrender of this bond by the registered owner hereof or his/her duly authorized agent and only if endorsed in the manner provided hereon, and thereupon a new fully registered bond of like principal amount, maturity and interest rate shall be issued to the transferee in exchange therefor. Such exchange or transfer shall be without cost to the registered owner or transferee. The Port and Registrar may deem the person in whose name this bond is registered to be the absolute owner hereof for the purpose of receiving payment of the principal of and interest on the bond and for any and all other purposes whatsoever.

The Registrar is not required to issue, register, transfer or exchange any of the bonds during a period beginning at the opening of business on the 15th day of the month next preceding any interest payment date and ending at the close of business on the interest payment date, or, in the case of any proposed redemption of the bonds, after the mailing of notice of the call of such bonds for redemption.

The Port hereby covenants and agrees with the owner and holder of this bond that it will keep and perform all the covenants of this bond and the Bond Resolution.

The Port does hereby pledge and bind itself to set aside from such Gross Revenue, and to pay into said Bond Fund and the Reserve Account created therein the various amounts required by the Bond Resolution to be paid into and maintained in said Fund and Account, all within the times provided by said Bond Resolution.

Said amounts so pledged to be paid out of Gross Revenue into said Bond Fund and Reserve Account are hereby declared to be a first and prior lien and charge upon the Gross Revenue, subject to the lien thereon of the Senior Lien Bonds and subject further to the Operating Expenses of the Port and equal in rank to the lien and charge upon such Gross Revenue of the amounts required to pay and secure the payment of the Outstanding Bonds, the Series 1992A Revenue Bonds of the Port issued on this date, pursuant to the Bond Resolution, and any revenue bonds of the Port hereafter issued on a parity with the bonds of this issue.

The Port has further bound itself to maintain all of its properties and facilities which contribute in some measure to such Gross Revenue in good repair, working order and condition, to operate the same in an efficient manner and at a reasonable cost, and to establish, maintain and collect rentals, tariffs, rates and charges in the operation of all of its business for as long as any bonds of this issue are outstanding that it will make available, for the payment of the principal thereof and interest thereon as the same shall become due, Net Revenues (as the same is defined in the Bond Resolution) in an amount equal to or greater than the Rate Covenant.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Registrar.

It is hereby certified and declared that this bond and the bonds of this issue are issued pursuant to and in strict compliance with the Constitution and laws of the State of Washington and resolutions of the Port and that all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, been done and performed.

IN WITNESS WHEREOF, the Port of Seattle, Washington, has caused this bond to be executed by the manual or facsimile signatures of the President and Secretary of the Port Commission, and a facsimile corporate seal of the Port to be impressed or a facsimile thereof imprinted hereon as of the 1st day of April, 1992.

PORT OF SEATTLE, WASHINGTON

By /s/
President, Port Commission

ATTEST:

/s/
Secretary, Port Commission

King County Comptroller's Reference No. _____

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This bond is one of the bonds described in the within mentioned Bond Resolution and is one of the Revenue Bonds, Series 1992B of the Port of Seattle, Washington, dated April 1, 1992.

WASHINGTON STATE FISCAL AGENCY, Registrar

By _____ Authorized Signer

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common
UNIF GIFT (TRANSFER)
MIN ACT - _____ Custodian _____
(Cust) (Minor)
under Uniform Gifts (Transfer) to Minors Act _____
(State)

Additional abbreviations may also be used although not listed above.

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER OF TRANSFEREE
/ _____ /

(Please print or typewrite name and address, including zip code of transferee)

the within bond and all rights thereunder and does hereby irrevocably constitute and appoint _____ of _____, or its successor, as Agent to transfer said bond on the books kept by the Registrar for registration thereof, with full power of substitution in the premises.

DATED: _____, 19 ____.

SIGNATURE GUARANTEED: _____

NOTE: The signature of this Assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

(c) Series 1992 Bonds in Certificated Form. In the event the Series 1992 Bonds are no longer in fully immobilized form, the form of Series 1992 Bonds may be modified to conform to printing requirements and the terms of this Series Resolution.

Section 13. Execution. The Series 1992 Bonds shall be executed on behalf of the Port with the manual or facsimile signature of the President of its Commission, shall be attested by the manual or facsimile signature of the Secretary thereof and shall have the seal of the Port impressed or a facsimile thereof imprinted thereon.

Only such Series 1992 Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this Series Resolution. Such Certificate of Authentication shall be conclusive evidence that the Series 1992 Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Series Resolution.

In case either of the officers of the Port who shall have executed the Series 1992 Bonds shall cease to be such officer or officers of the Port before the Series 1992 Bonds so signed shall have been authenticated or delivered by the Registrar, or issued by the Port, such Series 1992 Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the Port as though those who signed the same had continued to be such officers of the Port. Any Series 1992 Bond may also be signed and attested on behalf of the Port by such persons as at the actual date of execution of such Series 1992 Bond shall be the proper officers of the Port although at the original date of such Series 1992 Bond any such person shall not have been such officer.

Section 14. Registrar. The Registrar shall keep, or cause to be kept, at its principal corporate trust office, sufficient

records for the registration and transfer of the Series 1992 Bonds which shall at all times be open to inspection by the Port. The Registrar is authorized, on behalf of the Port, to authenticate and deliver Series 1992 Bonds transferred or exchanged in accordance with the provisions of such Series 1992 Bonds and this Series Resolution and to carry out all of the Registrar's powers and duties under this Series Resolution.

The Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Series 1992 Bonds. The Registrar may become the owner of Series 1992 Bonds with the same rights it would have if it were not the Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Registered Owners of the Series 1992 Bonds.

Section 15. Defaults and Remedies. The Port hereby finds and determines that the failure or refusal of the Port or any of its officers to perform the covenants and obligations of this Series Resolution will endanger the operation of the Facilities and the application of Gross Revenue and such other moneys, funds and securities to the purposes herein set forth. Any one or more of the following shall constitute a Default under this Series Resolution:

(a) The Port shall fail to make payment of the principal of any Series 1992 Bonds when the same shall become due and payable whether by maturity or scheduled redemption prior to maturity;

(b) The Port shall fail to make payments of any installment of interest on any Series 1992 Bonds when the same shall become due and payable;

(c) The Port shall default in the observance or performance of any other covenants, conditions, or agreements on the part of the Port contained in this Series Resolution, and such default shall have continued for a period of 90 days.

Upon the occurrence and continuation of any Default, the Registered Owners of the Bonds shall be entitled to exercise the remedies specified in Section 22 of the Master Resolution.

Section 16. Compliance with Parity Conditions. The Commission hereby finds and determines as required by Section 7 of the Master Resolution, as follows:

First: The Port has not been in default of its covenant under Section 9(a) of the Master Resolution for the immediately preceding fiscal year (1991); and

Second: This Commission has been assured that prior to the issuance and delivery of the Series 1992 Bonds, it will have on file a certificate from the Designated Port Representative or, if required under the Master Resolution, Aviation Planning Associates, Inc. and TAMS Consultants, Inc. (prepared as described in subsection 7(b) or 7(c) of the Master Resolution) demonstrating fulfillment of the Coverage Requirement, commencing with the first full fiscal year following the later of (1) the Date of Commercial Operation of the Facilities to be financed with the proceeds of the Series 1992 Bonds or (2) the date on which any portion of interest on the Series 1992 Bonds no longer will be paid from the proceeds thereof and for the following two fiscal years.

The limitations contained in the conditions provided in Section 7 of the Master Resolution having been complied with or assured, the payments required herein to be made out of the Net Revenues to pay and secure the payment of the principal of and interest on the Series 1992 Bonds shall constitute a lien and charge upon such Net Revenues equal in rank to the lien and charge thereon of the Outstanding Bonds.

Section 17. Sale of Series 1992 Bonds. The Series 1992 Bonds shall be sold at negotiated sale to an underwriting group consisting of PaineWebber Incorporated, Lehman Brothers, Goldman, Sachs & Co., M.R. Beal & Company and Artemis Capital Group, Inc. under the terms of a Bond Purchase Contract dated this date. The

Bond Purchase Contract is hereby approved, and the Designated Port Representative is hereby authorized and directed to execute the Bond Purchase Contract. Upon the adoption of this Series Resolution, the proper officials of the Port are authorized and directed to undertake all action necessary for the prompt execution and delivery of the Series 1992 Bonds to the purchaser thereof.

The Designated Port Representative is authorized to review and to approve for purposes of Rule 15c2-12 of the Securities and Exchange Commission, on behalf of the Port, the Official Statement (and any Preliminary Official Statement) relating to the issuance and sale of the Series 1992 Bonds and the distribution of the Series 1992 Bonds pursuant thereto with such changes, if any, as may be deemed by him/her to be appropriate

Section 18. Severability. If any one or more of the covenants or agreements provided in this Series Resolution to be performed on the part of the Port shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this Series Resolution and shall in no way affect the validity of the other provisions of this Series Resolution or of any Parity Bonds.

Section 19. Effective Date. This Series Resolution shall be effective immediately upon its adoption.

ADOPTED by the Port Commission of the Port of Seattle at a meeting thereof, held this 14th day of April, 1992, and duly authenticated in open session by the signatures of the Commissioners voting in favor thereof and the seal of the Commission duly affixed.

PORT OF SEATTLE, WASHINGTON

Paige R Miller
Gary Grant
Paul Seely
Patricia Davis
J. B. [unclear]
Commissioners

EXHIBIT A

The following are the capital projects, all or part of the Costs of Construction of which may be paid from the proceeds of the Series 1992A Bonds:

Completion of the improvements to the parking terminal, including expansion of the parking terminal at Seattle-Tacoma International Airport, relocation of car rental agencies, development of additional curbside plaza and major maintenance improvements of the existing Airport parking garage.

EXHIBIT B

The following are the capital projects, all or part of the Costs of Construction of which may be paid from the proceeds of the Series 1992B Bonds:

Seattle-Tacoma International Airport

1. Improvements to the parking terminal to include expansion of the parking terminal at Seattle-Tacoma International Airport, relocation of car rental agencies, development of additional curbside plaza and major maintenance improvements of the existing Airport parking garage at an estimated cost of \$38,310,000.
2. Concourse improvements and expansions at an estimated cost of \$49,692,000, including, but not limited to,
 - (1) Concourse B Access and Widening project consists of construction of a new stairway, a new elevator and a new gate node. It also involves widening of Concourse B.
 - (ii) Expansion of Concourse C involves expansion of the end node of Concourse C and the widening of Concourse C and renovation at the concourse and mezzanine level and portions of the ramp level.
 - (iii) Expansion of Concourse D consists of demolition of the United Airlines Hangar; expansion at the end of Concourse D; widening and renovation of the existing concourse; renovation of the existing concourse to match the new building; addition of six new aircraft gates; construction of a new pier sort bag handling system; and new apron paving.
3. Airport terminal improvements, including, but not limited to:
 - (1) Baggage system modifications, including, but not limited to, enhancements to conveyors, carousels, outbound baggage systems and baggage claim counters for an estimated cost of \$4,668,000;
 - (ii) Asbestos abatement projects, including, but not limited to, abatement in cable trays, bridge mechanical areas and other terminal and concourse areas for an estimated cost of \$1,095,000;
 - (iii) Utility system modifications, including, but not limited to, electrical upgrades, utility plan updates, IWS drain systems, chiller upgrades and other projects for an estimated cost of \$17,421,000;
 - (iv) Satellite transit system enhancements including, but not limited to, power systems, operating systems and radio systems for an estimated cost of \$500,000; and
 - (v) Soil, water, and other environmental remediation projects, including, but not limited to, contaminated soils, retrofitting of storage tanks, trench drain repairs and others for an estimated cost of \$18,711,000.
4. Site preparation for future development in the South Aviation Support Area, including, but not limited to, the

acquisition of land, preliminary planning and development and site preparation for an estimated cost of \$85,350,000. The South Aviation Support Area includes an area approximately bounded by South 188th St. on the north, South 200th St. on the south, 28th Avenue South on the east and 18th Avenue South on the west.

5. Land Acquisition/Noise Remedy

The Land Acquisition/Noise Remedy Program, as approved by the Port Commission in January 1985, for the period 1990-1994 will be continued by the acquisition of property within the areas described in the Seattle-Tacoma International Airport Part 150 Airport Noise Compatibility Program including areas bordered approximately by First Avenue South and Military Road South and South 100th Street and South 244th Street for an estimated cost of \$5,150,000.

Marine Facilities

The Marine projects include the following, but are not limited to:

6. Terminal 3 which is situated at the intersection of 26th S.W. and S.W. Florida, Seattle, Washington 98106, shall be improved by the acquisition of land and the undertaking of environmental work and preliminary development, for an estimated cost of \$4,285,000.
7. Terminal 5 which is situated at 3200 West Marginal Way S.W., Seattle, Washington 98106, shall be improved by additional ramp container expansion and yard development for an estimated cost of \$6,540,000.
8. Terminal 18 which is situated at 2400 to 2900 - 11th Avenue S.W., Seattle, Washington 98134, shall be improved with the following projects: miscellaneous yard improvements and container crane upgrade, for an estimated cost of \$2,075,000.
9. Terminal 30 which is situated at 2715 East Marginal Way South, Seattle, Washington 98134, shall be improved by container yard development for an estimated cost of \$3,110,000.
10. Terminal 91, which is situated at 2001 West Garfield, Seattle, Washington 98119, shall undergo miscellaneous improvements including roof replacement and rehabilitation of timber apron for an estimated cost of \$23,120,000.
11. Terminal 46, which is situated at 401 Alaskan Way South shall be improved through upgrades of container cranes and improvements to container yard space and other miscellaneous improvements to fencing, utilities and gates for an estimated cost of \$3,251,000.
12. Container crane modernization and replacement including various crane improvement projects and acquisitions at various Port terminals for an estimated cost of \$18,866,000.
13. Terminal 108, which is situated at East Marginal Way at Diagonal Way South shall be expanded and improved through the acquisition of unimproved land located in the 4500 Block of Diagonal Way South and preliminary planning and development for an estimated cost of \$5,000,000.

EXHIBIT C

Form of Letter of Representations

Attention: General Counsel's Office
The Depository Trust Company
55 Water Street; 49th Floor
New York, NY 10041-0099

Re: Port of Seattle, Washington
Revenue Bonds, Series 1992A and Series 1992B

Ladies and Gentlemen:

This letter sets forth our understanding with respect to certain matters relating to the above-referenced issue (the "Bonds"). Agent will act as trustee, paying agent, fiscal agent, or other agent of Issuer with respect to the Bonds. The Bonds will be issued pursuant to a trust indenture, bond resolution, or other such document authorizing the issuance of the Bonds dated _____, 1992 (the "Document"). _____ is distributing the Bonds through the Depository Trust Company ("DTC").

To induce DTC to accept the Bonds as eligible for deposit at DTC, and to act in accordance with its Rules with respect to the Bonds, Issuer and Agent, if any, make the following representations to DTC:

1. Prior to closing on the Bonds on _____, 1992, there shall be deposited with DTC one Bond certificate registered in the name of DTC's nominee, Cede & Co., for each stated maturity of the Bonds in the face amounts set forth on Schedule A hereto, the total of which represents 100% of the principal amount of such Bonds. If, however, the aggregate principal amount of any maturity exceeds \$150 million, one certificate will be issued with respect to each \$150 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount. Each \$150 million Bond certificate shall bear the following legend:

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

2. In the event of any solicitation of consents from or voting by holders of the Bonds, Issuer or Agent

shall establish a record date for such purposes (with no provision for revocation of consents or votes by subsequent holders) and shall, to the extent possible, send notice of such record date to DTC not less than 15 calendar days in advance of such record date.

3. In the event of a full or partial redemption or an advance refunding of part of the outstanding Bonds, Issuer or Agent shall send a notice to DTC specifying: (a) the amount of the redemption or refunding; (b) in the case of a refunding, the maturity date(s) established under the refunding; and (c) the date such notice is to be mailed to beneficial owners or published (the "Publication Date"). Such notice shall be sent to DTC by a secure means (e.g., legible telecopy, registered or certified mail, overnight delivery) in a timely manner designed to assure that such notice is in DTC's possession no later than the close of business on the business day before the Publication Date. Issuer or Agent shall forward such notice either in a separate secure transmission for each CUSIP number or in a secure transmission for multiple CUSIP numbers (if applicable) which includes a manifest or list of each CUSIP submitted in that transmission. (The party sending such notice shall have a method to verify subsequently the use of such means and the timeliness of such notice.) The Publication Date shall be not less than 30 days nor more than 60 days prior to the redemption date or, in the case of an advance refunding, the date that the proceeds are deposited in escrow.

4. In the event of an invitation to tender the Bonds, notice by Issuer or Agent to Bondholders specifying the terms of the tender and the Publication Date of such notice shall be sent to DTC by a secure means in the manner set forth in the preceding paragraph.

5. All notices and payment advices sent to DTC shall contain the CUSIP number of the Bonds.

6. Notices to DTC pursuant to paragraph 2 by telecopy shall be sent to DTC's Reorganization Department at (212) 709-6896 or (212) 709-6897, and receipt of such notices shall be confirmed by telephoning (212) 709-6870. Notices to DTC pursuant to Paragraph 2 by mail or by any other means shall be sent to:

Supervisor; Proxy
Reorganization Department
The Depository Trust Company
7 Hanover Square; 23rd Floor
New York, NY 10004-2695

7. Notices to DTC pursuant to Paragraph 3 by telecopy shall be sent to DTC's Call Notification Department at (516) 227-4164 or (516) 227-4190. If the party sending the notice does not receive a telecopy receipt from DTC confirming that the notice has been received, such party shall telephone (516) 227-4070. Notices to DTC pursuant to Paragraph 3 by mail or by any other means shall be sent to:

Call Notification Department
The Depository Trust Company
711 Stewart Avenue
Garden City, NY 11530-4719

8. Notices to DTC pursuant to Paragraph 4 and notices of other actions (including mandatory tenders, exchanges, and capital changes) by telecopy shall be sent to DTC's Reorganization Department at (212) 709-1093 or (212) 709-1094, and receipt of such notices shall be confirmed by telephoning (212) 709-6884. Notices to DTC pursuant to the above by mail or by any other means shall be sent to:

Manager, Reorganization Department
Reorganization Window
The Depository Trust Company
7 Hanover Square: 23rd Floor
New York, NY 10004-2695

9. Transactions in the Bonds shall be eligible for next-day funds settlement in DTC's Next-Day Funds Settlement ("NDFS") system.

A. Interest payments shall be received by Cede and Co., as nominee of DTC, or its registered assigns in next-day funds on each payment date (or the equivalent in accordance with existing arrangements between Issuer or Agent and DTC). Such payments shall be made payable to the order of Cede & Co. Absent any other existing arrangements such payments shall be addressed as follows:

Manager; Cash Receipts
Dividend Department
The Depository Trust Company
7 Hanover Square; 24th Floor
New York, NY 10004-2695

B. Principal payments shall be received by Cede & Co., as nominee of DTC, or its registered assigns in next-day funds on each payment date (or the equivalent in accordance with existing arrangements between Issuer or Agent and DTC). Such payments shall be made payable to the order of Cede & Co., and shall be addressed as follows:

NDFS Redemption Department
The Depository Trust Company
55 Water Street; 50th Floor
New York, NY 10041-0099

10. DTC may direct Issuer or Agent to use any other telephone number or address as the number or address to which notices of payments of interest or principal may be sent.

11. In the event of a redemption, acceleration, or any other similar transaction (e.g., tender made and accepted in response to Issuer's or Agent's invitation) necessitating a reduction in the aggregate principal amount of Bonds outstanding or an advance refunding of part of the Bonds outstanding, DTC, in its discretion: (a) may request Issuer or Agent to issue and authenticate a new Bond certificate, or (b) may make an

appropriate notation on the Bond certificate indicating the date and amount of such reduction in principal except in the case of final maturity, in which case the certificate will be presented to Issuer or Agent prior to payment if required.

12. In the event that Issuer determines that beneficial owners of Bonds shall be able to obtain certificated Bonds, Issuer or Agent shall notify DTC of the availability of Bond certificates. In such event, Issuer or Agent shall issue, transfer, and exchange Bond certificates in appropriate amounts as required by DTC and others.

13. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to Issuer or Agent (at which time DTC will confirm with Issuer or Agent the aggregate principal amount of Bonds outstanding). Under such circumstances, at DTC's request Issuer and Agent shall cooperate fully with DTC by taking appropriate action to make available one or more separate certificates evidencing Bonds to any DTC Participant having Bonds credited to its DTC accounts.

14. Nothing herein shall be deemed to require Agent to advance funds on behalf of Issuer.

Very truly yours,

(Issuer)

By _____
(Authorized Officer's Signature)

(Agent)

By _____
(Authorized Officer's Signature)

Notes:

A. If there is an Agent (as defined in this Letter of Letter of Representations). Agent as well as Issuer must sign this Letter. If there is no Agent, in signing this Letter Issuer itself undertakes to perform all of the obligations set forth herein.

B. Under Rules of the Municipal Securities Rulemaking Board relating to "good delivery", a municipal securities dealer must be able to determine the date that a notice of a partial call or of an advance refunding of a part of an issue is published (the "publication date"). The establishment of such a publication date is addressed in Paragraph 3 of the Letter.

C. Schedule B contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Received and Accepted:
THE DEPOSITORY TRUST COMPANY

By: _____
(Authorized Officer)

cc: Underwriter

SCHEDULE A

(Describe Issue)

<u>USIP</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
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SCHEDULE B

Sample Official Statement Language Describing Book-Entry-Only Issuance

(Prepared by DTC--bracketed material may be applicable only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Security certificate will be issued for [each issue of] the Securities [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$150 million, one certificate will be issued with respect to each \$150 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants ("Participants") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of Securities with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the

actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

[6. Redemption notices shall be sent to Cede & Co., if less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]

7. Neither DTC nor Cede & Co. will consent or vote with respect to Securities. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Principal and interest payments on the Securities will be made to DTC. DTC's practice is to credit Direct Participants' accounts on payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on payable date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer or the Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to the [Tender, Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records to the [Tender Remarketing] Agent. The requirement for physical delivery of Securities in connection with a demand for purchase or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records.]

10. DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to the Issuer or the Agent. Under such circumstances, in the event that a successor securities depository is not obtained. Security certificates are required to be printed and delivered.

11. The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

EXHIBIT D

GUARANTY AGREEMENT (for Reserve Account Surety Bond)

FINANCIAL GUARANTY AGREEMENT made as of April 28, 1992 by and between the PORT OF SEATTLE, WASHINGTON (the "Port") and MUNICIPAL BOND INVESTORS ASSURANCE CORPORATION (the "Insurer"), organized under the laws of the state of New York.

W I T N E S S E T H:

WHEREAS, the Port has or will issue its Revenue Bonds, Series 1992A and Revenue Bonds, Series 1992B (collectively, the "Bonds") pursuant to Resolution No. 3059, as amended, and Resolution No. 3111, as amended (collectively, the "Resolution"); and

WHEREAS, pursuant to the terms of the Resolution the Port agrees to make certain payments on the Bonds; and

WHEREAS, the Insurer will issue its Surety Bond, substantially in the form set forth in Annex A to this Agreement, guaranteeing certain payments by the Port subject to the term and limitations of the Surety Bond; and

WHEREAS, to induce the Insurer to issue the Surety Bond, the Port has agreed to pay the premium for the Surety Bond and to reimburse the Insurer for all payments made by the Insurer under the Surety Bond, all as more fully set forth in this Agreement; and

WHEREAS, the Port understands that the Insurer expressly requires the delivery of this Agreement as part of the consideration for the execution by the Insurer of the Surety Bond; and

NOW, THEREFORE, in consideration of the premises and of the agreements herein contained and of the execution of the Surety Bond, the Insurer and Port agree as follows.

ARTICLE I

DEFINITIONS; SURETY BOND

Section 1.01. Definitions. The terms which are capitalized herein shall have the meanings specified in Annex B hereto.

Section 1.02. Surety Bond.

(a) The Insurer will issue the Surety Bond in accordance with and subject to the terms and conditions of the Commitment.

(b) The maximum liability of the Insurer under the Surety Bond and the coverage and term thereof shall be subject to and limited by the terms and conditions of the Surety Bond.

Section 1.03. Premium. In consideration of the Insurer agreeing to issue the Insurer hereunder, the Port hereby agrees to pay or cause to be paid the Premium set forth in the Annex B hereto. The Premium on the Surety Bond is not refundable for any reason.

Section 1.04. Certain Other Expenses. The Port will pay all reasonable fees and disbursements of the Insurer's special

counsel related to any modification of this Agreement or the Surety Bond.

ARTICLE II

REIMBURSEMENT AND INDEMNIFICATION BONDS OF Port AND SECURITY THEREFOR

Section 2.01. Reimbursement for Payments Under the Surety Bond and Expenses; Indemnification.

(a) The Port will reimburse the Insurer, within the Reimbursement Period, without demand or notice by the Insurer to the Port or any other person, to the extent of each Surety Bond Payment with interest on each Surety Bond Payment from and including the date made to the date of the reimbursement at the lesser of the Reimbursement Rate or the maximum rate of interest permitted by then applicable law.

(b) The Port also agrees to reimburse the Insurer immediately and unconditionally upon demand, to the extent permitted by state law, for all reasonable expenses incurred by the Insurer in connection with the enforcement by the Insurer of the Port's Bond under this Agreement, the Resolution, and any other document executed in connection with the issuance of the Bonds, together with interest on all such expenses from and including the date incurred to the date of payment at the rate set forth in subsection (a) of this Section 2.01.

(c) The Port agrees that all amounts owing to the Insurer pursuant to Section 1.03 hereof and this Section 2.01 must be paid in full prior to any optional redemption or refunding of the Bonds.

(d) All payments made to the Insurer under this Agreement shall be paid in lawful currency of the United States in immediately available funds at the Insurer's office at 113 King Street, Armonk, New York 10504, Attention: Accounting and Surveillance Departments, or at such other place as shall be designated by the Insurer.

Section 2.02. Allocation of Payments. The Insurer and the Port hereby agree that each payment received by the Insurer from or on behalf of the Port as a reimbursement to the Insurer as required by Section 2.01 hereof shall be applied by the Insurer first, toward payment of any unpaid premium; second, toward repayment of which will reinstate all or a portion of the Surety Bond Coverage to the extent of such repayment (but not to exceed the Surety Bond Limit); and third, upon full reimbursement of the Surety Bond Coverage to the Surety Bond Limit, toward other amounts, including, without limitations, any interest payable with respect to any Surety Bond Payments then due to the Insurer.

Section 2.03. Security for Payments; Instruments of Further Assurance. To the extent, but only to the extent, that the Resolution, or any related indenture, trust agreement, ordinance, resolution, mortgage, security agreement or similar instrument, if any, pledges to the Owners or any trustee therefor, or grants a security interest or lien in or on any collateral, property, revenue or other payments ("Collateral and Revenues") in order to secure the Bonds or provide a source of payment for the Bonds, the Port hereby grants to the Insurer a lien on Net Revenues, as described in the Resolution. The Port agrees that it will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, any and all financing statements, if applicable, and all other further instruments as may be required by law or as shall

reasonably be requested by the Insurer for the perfection of the security interest, if any, granted under this Section 2.03 and for the preservation and protection of all rights of the Insurer under this Section 2.03.

Section 2.04. Unconditional Bond. The Bonds hereunder are absolute and unconditional and will be paid or performed strictly in accordance with this Agreement, subject to the limitations of the Resolution, irrespective of:

(a) any lack of validity or enforceability of, or any amendment or other modification of, or waiver with respect to the Bonds, the Resolution or any other document executed in connection with the issuance of the Bonds; or

(b) any exchange, release or nonperfection of any security interest in property securing the Bonds or this Agreement or any Bonds hereunder; or

(c) any circumstances that might otherwise constitute a defense available to, or discharge of, the Port with respect to the Bonds, the Resolution or any other document executed in connection with the issuance of the Bonds; or

(d) whether or not such Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated.

Section 2.05. On-Going Information Obligations of Port.

(a) Quarterly Reports. The Port will provide to the Insurer within 45 days of the close of each quarter interim financial statements covering all fund balances under the document, a statement of operations (income statement), balance sheet and changes in fund balances. These statements need not be audited by an independent certified public accountant, but if any audited statements are produced, they must be provided to the Insurer;

(b) Annual Reports. The Port will provide to the Insurer annual financial statements audited by an independent certified public accountant within 90 days of the end of each fiscal year;

(c) Access to Facilities, Books and Records. The Port will grant the Insurer reasonable access to the project financed by the Bonds and will make available to the Insurer, at reasonable times and upon reasonable notice all books and records relative to the project financed by the Bonds; and

(d) Compliance Certificate. On an annual basis the Port will provide to the Insurer a certificate confirming compliance with all covenants and Bonds hereunder and under the Resolution or any other document executed in connection with the issuance of the Bonds.

ARTICLE III

AMENDMENTS TO RESOLUTION

So long as this Agreement is in effect, the Port agrees that it will not agree to amend the Resolution or any other document executed in connection with the issuance of the Bonds, without the prior written consent of the Insurer.

ARTICLE IV

EVENTS OF DEFAULT; REMEDIES

Section 4.01. Events of Default. The following events shall constitute Events of Default hereunder:

(a) The Port shall fail to pay to the Insurer when due any amount payable under Sections 1.03; or

(b) The Port shall fail to pay to the Insurer any amount payable under Sections 1.04 and 2.01 hereof and such failure shall have continued for a period in excess of the Reimbursement Period; or

(c) Any material representations or warranty made by the Port under the document or hereunder or any statement in the application for the Surety Bond or any report, certificate, financial statement, document or other instrument provided in connection with the Commitment, the Surety Bond, the Bonds, or herewith shall have been materially false at the time when made; or

(d) Except as otherwise provided in this Section 4.01, the Port shall fail to perform any of its other Bonds under the Resolution, or any other document executed in connection with the issuance of the Bonds, or hereunder, provided that such failure continues for more than 30 days after receipt by the Port of written notice of such failure to perform; or

(e) The Port shall (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of, or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, (vi) become unable, admit in writing its inability or fail generally to pay its debts as they become due or (vii) take action for the purpose of effecting any of the foregoing; or

(f) An involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking (i) relief in respect of the Port, or of a substantial part of its property, under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law or (ii) the appointment of a receiver, trustee, custodian, sequestrator or similar official for the Port or for a substantial part of its property; and such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall continue unstayed and in effect for 30 days.

Section 4.02. Remedies. If an Event of Default shall occur and be continuing, then the Insurer may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due under this Agreement or to enforce performance of any Bond of the Port to the Insurer under the Resolution or any related instrument, and any Bond, agreement or covenant of the Port under this

Agreement; provided, however, that the Insurer may not take any action to direct or require the rights of the Owners. In addition, if an Event of Default shall occur due to the failure to pay to the Insurer the amounts due under Section 1.03 hereof, the Insurer shall have the right to cancel the Surety Bond in accordance with its terms. All rights and remedies of the Insurer under this Section 4.02 are cumulative and the exercise of any one remedy does not preclude the exercise of one or more of the other available remedies.

ARTICLE V

SETTLEMENT

The Insurer shall have the exclusive right to decide and determine whether any claim, liability, suit or judgment made or brought against the Insurer, the Port or any other party on the Surety Bond shall or shall not be paid, compromised, resisted, defended, tried or appealed, and the Insurer's decision thereon, if made in good faith, shall be final and binding upon the Insurer, the Port and any other party on the Surety Bond. An itemized statement of payments made by the Insurer, certified by an officer of the Insurer, or the voucher or vouchers for such payments, shall be prima facie evidence of the liability of the Port, and if the Port fails to immediately reimburse the Insurer upon the receipt of such statement of payments, interest shall be computed on such amount from the date of any payment made by the Insurer at the rate set forth in subsection (a) of Section 2.01 hereof.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Interest Computations. All computations of interest due hereunder shall be made on the basis of the actual number of days elapsed over a year of 360 days.

Section 6.02 Exercise of Rights. No failure or delay on the part of the Insurer to exercise any right, power or privilege under this Agreement and no course of dealing between the Insurer and the Port or any other party shall operate as a waiver of any such right, power or privilege, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein expressly provided are cumulative and not exclusive of any rights or remedies herein expressly provided are cumulative and not exclusive of any rights or remedies which the Insurer would otherwise have pursuant to law or equity. No notice to or demand on any party in any case shall entitle such party to any other or further notice or demand in similar or other circumstances, or constitute a waiver of the right of the other party to any other or further action in any circumstances without notice or demand.

Section 6.03. Amendment and Waiver. Any provision of this Agreement may be amended, waived, supplemented, discharged or terminated only with the prior written consent of the Port and the Insurer. The Port hereby agrees that upon the written request of the Paying Agent, the Insurer may make or consent to issue any substitute for the Surety Bond to cure any ambiguity or formal defect or omission in the Surety Bond which does not materially change the terms of the Surety Bond nor adversely affect the rights of the Owners, and this Agreement shall apply to such substituted surety bond. The Insurer agrees to deliver to the Port and to the company or companies, if any, rating the Bonds, a copy of such substituted surety bond.

Section 6.04. Successors and Assigns; Descriptive Headings.

(a) This Agreement shall bind, and the benefits thereof shall inure to, the Port and the Insurer and their respective successors and assigns; provided, that the Port may not transfer or assign any or all of its rights and Bonds hereunder without the prior written consent of the Insurer.

(b) The descriptive headings of the various provisions of this Agreement are inserted for convenience of reference only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

Section 6.05. Other Sureties. If the Insurer shall procure any other surety to reinsure the Surety Bond, this Agreement shall inure to the benefit of such other surety, its successors and assigns, so as to give it a direct right of action against the Port to enforce this Agreement, and "the Insurer," wherever used herein, shall be deemed to include such reinsuring surety, as its respective interests may appear.

Section 6.06. Signature on Bond. The Port's liability shall not be affected by its failure to sign the Surety Bond nor by any claim that other indemnity or security was to have been obtained nor by the release of any indemnity, nor the return or exchange of any collateral that may have been obtained.

Section 6.07. Waiver. The Port waives any defense that this Agreement was executed subsequent to the date of the Surety Bond, admitting and covenanting that such Surety Bond was executed pursuant to the Port's request and in reliance on the Port's promise to execute this Agreement.

Section 6.08. Notices, Requests, Demands. Except as otherwise expressly provided herein, all written notices, requests, demands or otherwise communications to or upon the respective parties hereto shall be deemed to have been given or made when actually received, or in the case of telex or telecopier notice sent over a telex or a telecopier machine owned or operated by a party hereto, when sent, addressed as specified below or at such other address as any of the parties may hereafter specify in writing to the others:

If to the Port: Port of Seattle
Pier 66, 2201 Alaskan Way
P.O. Box 1209
Seattle, Washington 98121
Attention: Chief Financial Officer

If to the Paying Agent: Seattle-First National Bank
1001 Fourth Avenue
11th Floor
Seattle, Washington 98101
Attention: Bond Trustee Services

If to the Insurer: Municipal Bond Investors Assurance Corporation
113 King Street
Armonk, New York 10504
Attention: Surveillance Department

Section 6.09. Survival of Representations and Warranties. All representations, warranties and Bonds contained herein shall

survive the execution and delivery of this Agreement and the Surety Bond.

Section 6.10. Governing Law. This Agreement and the rights and Bonds of the parties under this Agreement shall be governed by and construed and interpreted in accordance with the laws of the State.

Section 6.11. Counterparts. This Agreement may be executed in any number of copies and by the different parties hereto on the same or separate counterparts, each of which shall be deemed to be an original instrument. Complete counterparts of this Agreement shall be lodged with the Port and the Insurer.

Section 6.12. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 6.13. Survival of Bonds. Notwithstanding anything to the contrary in this Agreement, the Bond of the Port to pay all amounts due hereunder and the rights of the Insurer to pursue all remedies shall survive the expiration, terminate or substitution of the Surety Bond and this Agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

PORT OF SEATTLE

By _____

Title _____

MUNICIPAL BOND INVESTORS ASSURANCE CORPORATION

[TITLE]

[TITLE]

ANNEX A
SURETY BOND

DEBT SERVICE RESERVE
SURETY BOND

Municipal Bond Investors Assurance Corporation
Armonk, New York 10504

Surety Bond No. _____

Municipal Bond Investors Assurance Corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this Surety Bond, hereby unconditionally and irrevocably guarantees the full and complete payments that are to be applied to payment of principal of and interest on the Bonds (as hereinafter defined) and that are required to be made by or on behalf of Port of Seattle, Washington (the "Port") under Resolution No. 3111, as amended (the "Resolution") to the fiscal agency of the State of Washington (the "Paying Agent"), as such payments are due but shall not be so paid, in connection with the issuance by the Port of the Port of Seattle, Washington Revenue Bonds, Series 1992A and the Port of Seattle, Washington Revenue Bonds, Series 1992B [if parity "together with any bonds issued on a parity therewith,"] (the "Bonds"), provided, that the amount available hereunder for payment pursuant to any one Demand for Payment (as hereinafter defined) shall not exceed \$10,600,000 (the "Surety Bond Limit"); provided, further, that the amount available at any particular time to be paid to the Paying Agent under the terms hereof (the "Surety Bond Coverage") shall be reduced and may be reinstated from time to time as set forth herein.

1. As used herein, the term "Owner" shall mean the registered owner of any Bond as indicated in the books maintained by the applicable paying agent, the Port or any designee of the Port for such purpose. The term "Owner" shall not include the Port or any person or entity whose Bond or Bonds by agreement constitute the underlying security or source of payment for the Bonds.

2. Upon the later of: (1) three (3) days after receipt by the Insurer of a demand for payment in the form attached hereto as Attachment 1 (the "Demand for Payment"), duly executed by the Paying Agent; or (11) the payment date of the Bonds as specified in the Demand for Payment presented by the Paying Agent to the Insurer, the Insurer will make a deposit of funds in an account with Citibank, N.A., in New York, New York, or its successor, sufficient for the payment to the Paying Agent, of amounts that are then due to the Paying Agent (as specified in the Demand for Payment) subject to the Surety Bond Coverage.

3. Demand for Payment hereunder may be made by prepaid telecopy, telex, TWX or telegram of the executed Demand for Payment c/o the Insurer. If a Demand for Payment made hereunder does not, in any instance, conform to the terms and conditions of this Surety Bond, the Insurer shall give notice to the Paying Agent, as promptly as reasonably practicable, that such Demand for Payment was not effected in accordance with the terms and conditions of this Surety Bond and briefly state the reason(s) therefor. Upon being notified that such Demand for Payment was not effected in accordance with this Surety Bond, the Paying Agent may attempt to correct any such nonconforming Demand for Payment if, and to the extent that, the Paying Agent is entitled and able to do so.

4. The amount payable by the Insurer under this Surety Bond pursuant to a particular Demand for Payment shall be limited to the Surety Bond Coverage. The Surety Bond Coverage shall be reduced automatically to the extent of each payment made by the Insurer hereunder and will be reinstated to the extent of each reimbursement of the Insurer pursuant to the provisions of Article II of the Financial Guaranty Agreement dated the date thereof between the Insurer and the Port of Seattle (the "Financial Guaranty Agreement"); provided, that in no event shall such reinstatement exceed the Surety Bond Limit. The Insurer will notify the Paying Agent, in writing within five (5) days of such reimbursement, that the Surety Bond Coverage has been reinstated to the extent of such reimbursement pursuant to the Financial Guaranty Agreement and such reinstatement shall be effective as of the date the Insurer gives such notice. The notice to the Paying Agent will be substantially in the form attached hereto as Attachment 2.

5. Any service of process on the Insurer or notice to the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

6. The term of this Surety Bond shall expire on the earlier of (i) _____ (the maturity date of the Bonds being currently issued), or (ii) the date on which the Port has made all payments required to be made on the Bonds pursuant to the Resolution.

7. The premium payable on this Surety Bond is not refundable for any reason, including the payment prior to maturity of the Bonds.

8. This Surety Bond shall be governed by and interpreted under the laws of the State of Washington. Any suit hereunder in connection with any payment may be brought only by the Paying Agent within [1 or 3 years] after (i) a Demand for Payment, with respect to such payment, is made pursuant to the terms of this Surety Bond and the Insurer has failed to make such payment, or (ii) payment would otherwise have been due hereunder but for the failure on the part of the Paying Agent to deliver to the Insurer a Demand for Payment pursuant to the terms of this Surety Bond, whichever is earlier.

[NOS. 9 and 11 are OPTIONAL]

9. Subject to the terms of the Resolution, the Port shall have the right, upon 30 days prior written notice to the Insurer and the Paying Agent, to terminate this Surety Bond. In the event of a failure by the Port to pay the premium due on this Surety Bond pursuant to the terms of the Financial Guaranty Agreement, the Insurer shall have the right upon [No. of days] prior written notice to the Port and the Paying Agent to cancel this Surety Bond. No Demand for Payment shall be made subsequent to such notice of cancellation unless payments are due but shall not have been so paid in connection with the Bonds.

10. There shall be no acceleration payment due under this Policy unless such acceleration is at the sole option of the Insurer.

11. This policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Law.

In witness whereof, the Insurer has caused this Surety Policy to be executed in facsimile on its behalf by its duly authorized officers, this 28th day of April, 1992.

MUNICIPAL BOND INVESTORS ASSOCIATION
CORPORATION

President

Assistant Secretary

DEMAND FOR PAYMENT

_____, 19__

Municipal Bond Investors Assurance Corporation
113 King Street
Armonk, New York 10504

Attention: President

Reference is made to the Surety Bond No. _____ (the "Surety Bond") issued by the Municipal Bond Investors Assurance Corporation (the "Insurer"). The terms which are capitalized herein and not otherwise defined have the meanings specified in the Surety Bond unless the context otherwise requires.

The Registrar hereby certifies that:

(a) In accordance with the provisions of the Resolution (attached hereto as Exhibit A), payment is due to the Owners of the Bonds on _____ (the "Due Date") in an amount equal to \$ _____ (the "Amount Due").

(b) The amounts legally available to the Registrar on the Due Date will be \$ _____ less than the Amount Due (the "Deficiency").

(c) The Registrar has not heretofore made demand under the Surety Bond for the Amount Due or any portion thereof.

The Registrar request that payment of the Deficiency (subject to the Surety Bond Coverage) be made by the Insurer under the Surety Bond and directs that payment under the Surety Bond be made to the following account by bank wire transfer of federal or other immediately available funds in Bond:

[Registrar's Account]

[REGISTRAR]

By _____

Its _____

Attachment 2
Surety Bond No. _____

NOTICE OF REINSTATEMENT

[Paying Agent]
[Address]

Reference is made to the Surety Bond No. _____ (the "Surety Bond") issued by the Municipal Bond Investors Assurance Corporation (the "Insurer"). The terms which are capitalized herein and not otherwise defined have the meanings specified in the Surety Bond unless the context otherwise requires.

The Insurer hereby delivers notice that it is in receipt of payment from the Port pursuant to Article II of the Financial Guaranty Agreement and as of the date hereof the Surety Bond Coverage is \$_____.

MUNICIPAL BOND INVESTORS ASSURANCE CORPORATION

President

Assistant Secretary

ANNEX B

DEFINITIONS

For all purposes of this Agreement and the Surety Bond, except as otherwise expressly provided herein or unless the context otherwise requires, all capitalized terms shall have the meaning as set out below, which shall be equally applicable to both the singular and plural forms of such terms.

"Agreement" means this Financial Guaranty Agreement.

"Closing Date" means April 28, 1992.

"Commitment" means the commitment to issue Municipal Bond Guaranty Insurance in the form attached hereto as Annex C.

"Debt Service Payments" means those payments required to be made by or on behalf of the Port which will be applied to payment of principal of and interest on the Bonds.

"Demand for Payment" means the certificate submitted to the Insurer for payment under the Surety Bond substantially in the form attached to the Surety Bond Attachment 1.

"Event of Default" shall mean those events of default set forth in Section 4.01 of the Agreement.

"Insurer" has the same meaning as set forth in the first paragraph of this Agreement.

"Owners" means the registered owner of any Bond as indicated in the books maintained by the Paying Agent, the Port or any designee of the Port for such purpose.

"Paying Agent" means the fiscal agency of the State of Washington.

"Port" means Port of Seattle, Washington.

"Premium" means \$_____ payable to the Insurer on or prior to the Closing Date.

"Reimbursement Period" means, with respect to a particular Surety Bond Payment, the period commencing on the date of such Surety Bond Payment and ending on the earlier of the date of cancellation of the Surety Bond due to nonpayment of Premium when due or on the expiration of [NUMBER OF MONTHS] following such Surety Bond Payment.

"Reimbursement Rate" means Citibank's prime rate plus three (3) percent per annum, as of the date of such Surety Bond Payment, said "prime rate" being the rate of interest announced from time to time by Citibank, N.A., New York, New York, as its prime rate. The rate of interest shall be calculated on the basis of the actual number of days elapsed over a 360-day year.

"State" means the state of Washington.

"Surety Bond" means that surety bond attached hereto as Annex A and issued by the Insurer guaranteeing, subject to the terms and limitations thereof, Debt Service Payments required to be made by the Port under the Resolution.

"Surety Bond Coverage" means the amount available at any particular time to be paid under the terms of the Surety Bond, which amount shall never exceed the Surety Bond Limit.

"Surety Bond Limit" means \$10,600,000.

"Surety Bond Payment" means an amount equal to the Debt Service Payment required to be made by the Port pursuant to the Resolution less (i) that portion of the Debt Service Payment paid by or on behalf of the Port, and (ii) other funds legally available for payment to the Owners, all as certified in a Demand for Payment.

CERTIFICATE

I, the undersigned, Secretary of the Port Commission (the "Commission") of the Port of Seattle, Washington (the "Port"), DO HEREBY CERTIFY:

1. That the attached resolution numbered 3111, as amended (the "Resolution") is a true and correct copy of a resolution of the Port, as finally adopted at a meeting of the Commission held on the ____ day of _____, 1992, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum of the Commission was present throughout the meeting and a legally sufficient number of members of the Commission voted in the proper manner for the adoption of said Resolution; that all other requirements and proceedings incident to the proper adoption of said Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Port this ____ day of _____, 1992.

Secretary

[Port Seal]

his document which is dated 92/04/14 has been marked to show changes since the draft of 92/03/13.

~~xxxx~~ = deletions

xxxx = additions

SERIES RESOLUTION

PORT OF SEATTLE, WASHINGTON

RESOLUTION NO. 3111, AS AMENDED

A RESOLUTION OF THE PORT COMMISSION OF THE PORT OF SEATTLE, WASHINGTON, AUTHORIZING THE SALE AND ISSUANCE OF REVENUE BONDS, SERIES 1992A AND SERIES 1992B OF THE PORT IN THE PRINCIPAL AMOUNTS OF \$25,450,000 AND \$115,450,000, RESPECTIVELY, FOR THE PURPOSE OF FINANCING ADDITIONS AND IMPROVEMENTS TO ITS PROPERTIES AND FACILITIES; FIXING THE DATE, FORMS, TERMS, MATURITIES FOR EACH SERIES; AND AUTHORIZING THE APPROVAL OF INTEREST RATES AND SALE OF SUCH BONDS.

ADOPTED: *April 14, 1992*

Prepared by:

PRESTON THORGRIMSON
SHIDLER GATES & ELLIS
Seattle, Washington

PORT OF SEATTLE
 RESOLUTION NO. 3111, AS AMENDED
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* This Table of Contents and the Cover Page are for convenience of reference and are not intended to be a part of this Series Resolution.

SERIES RESOLUTION

PORT OF SEATTLE, WASHINGTON

RESOLUTION NO. 3111, AS AMENDED

A RESOLUTION of the Port Commission of the Port of Seattle, Washington, authorizing the sale and issuance of Revenue Bonds, Series 1992A and Series 1992B of the Port in the principal amounts of \$25,450,000 and \$115,450,000, respectively, for the purpose of financing additions and improvements to its properties and facilities; fixing the date, forms, terms, maturities for each series; and authorizing the approval of interest rates and sale of such bonds.

WHEREAS, the Port of Seattle (the "Port"), a municipal corporation of the State of Washington, owns and operates Seattle-Tacoma International Airport and a system of marine terminals and properties; and

WHEREAS, the airport and marine facilities of the Port are in need of capital expansion and improvement; and

WHEREAS, the Port has issued and there are currently outstanding the following series of senior lien revenue bonds:

<u>Resolution Number</u>	<u>Date of Issue</u>	<u>Original Principal Amt.</u>	<u>Currently Outstanding (4/1/92)</u>	<u>Final Maturity Dates</u>
2286	Feb. 1, 1969	\$ 20,000,000	\$10,770,000	Feb 1, 1999
2397	Nov. 1, 1971	22,300,000	13,030,000	Nov 1, 2001
2504	Nov 1, 1973	111,000,000	65,320,000	Nov 1, 2001
2653	Oct 1, 1976	55,000,000	24,655,000	Apr 1, 2000
2764	July 1, 1979	55,000,000	42,150,000	July 1, 2009
2919	Jan 1, 1984	26,900,000	16,880,000	Jan 1, 1999
2983	Dec 1, 1985	40,800,000	32,485,000	Dec 1, 2001

; and

WHEREAS, the Port has authorized the issuance of revenue bonds in one or more series pursuant to Resolution No. 3059, as amended, adopted on February 28, 1990 (the "Master Resolution"); and

WHEREAS, the Port has issued and currently has outstanding three series of revenue bonds pursuant to the Master Resolution, as follows:

<u>Resolution Number</u>	<u>Date of Issue</u>	<u>Original Principal Amt.</u>	<u>Currently Outstanding (4/1/92)</u>	<u>Final Maturity Dates</u>
3060	2/1/90	(A) \$66,240,492 05	\$65,660,492 05	12/1/14
3060	2/1/90	(B) 59,969 771 35	59,444,771 35	12/1/14
3060	2/1/90	(C) 24,805,000 00	22,875,000 00	12/1/05

(the "Outstanding Bonds"); and

WHEREAS, the bonds authorized under the Master Resolution, including the Outstanding Bonds, are payable from Net Revenues (as such term is defined in the Master Resolution) and have a lien subordinate to the lien of the Senior Lien Bonds; and

WHEREAS, it is now deemed necessary that two series of bonds be issued under authority of the Master Resolution to finance necessary capital improvements; and

WHEREAS, the Port Commission has held a public hearing on the issuance of one series of such bonds as required by Section 147(f) of the Internal Revenue Code of 1986, as amended; and

WHEREAS, it is necessary that the date, form, terms and maturities of each series of such revenue bonds be fixed; and

WHEREAS, it is deemed necessary and desirable that such revenue bonds of both series be sold pursuant to negotiated sale as herein provided;

NOW, THEREFORE, BE IT RESOLVED BY THE PORT COMMISSION OF THE PORT OF SEATTLE, WASHINGTON, as follows:

Section 1. Definitions. Unless otherwise defined herein, the terms used in this Series Resolution, including the preamble hereto, which are defined in the Master Resolution shall have the meanings set forth in the Master Resolution. In addition, the following terms shall have the following meanings in this Series Resolution:

"Bond Year" means each one year period (or shorter period from the date of issue) that ends at the close of business on the date specified in the Tax Exemption Agreement and Arbitrage Certification ~~each~~ ~~following the issuance and delivery of the Series 1992 Bonds.~~

"Code" means the Internal Revenue Code of 1986, as amended, and shall include all applicable regulations and rulings relating thereto.

"Construction Fund-1992A, Airport" means the account or fund by that name maintained in the office of the Treasurer for the purpose of holding the proceeds of the Series 1992A Bonds to be used for airport purposes.

"Construction Fund-1992B, Airport" means the account or fund by that name maintained in the office of the Treasurer for the purpose of holding a portion of the proceeds of the Series 1992B Bonds to be used for airport purposes.

"Construction Fund-1992B, Marine" means the account or fund by that name maintained in the office of the Treasurer for the purpose of holding a portion of the proceeds of the Series 1992B Bonds to be used for marine division purposes.

"Co-Paying Agents" means the Registrar appointed for purposes of paying the principal of and interest and premium, if any, on the Series 1992 Bonds.

"DTC" means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Series 1992 Bonds pursuant to Section 3 hereof.

"Future Parity Bonds" means those revenue bonds or other revenue obligations which will be issued by the Port in the future as Parity Bonds.

"Insurer" means MBIA, the municipal bond insurance company issuing the Surety Bond.

"Letter of Representations" means the letter of representations from the Registrar and the Port to DTC, in substantially the form of Exhibit C attached hereto and made a part hereof by this reference.

"MBIA" means Municipal Bond Investors Assurance Corporation, a stock insurance corporation incorporated under the laws of the State of New York.

"Net Proceeds," when used with reference to the Series 1992A Bonds, means the face amount of the Series 1992A Bonds, plus accrued interest and original issue premium, if any, and less original issue discount and proceeds, if any, deposited into the Series 1992 Reserve Account.

"Outstanding Bonds" means the Port's Revenue Bonds, Series 1990A, Revenue Bonds, Series 1990B and Revenue Bonds, Series 1990C, issued pursuant to Resolution No. 3060, as amended, and as further described in the recitals to this Series Resolution.

"Parity Bonds" means any revenue obligations issued by the Port pursuant to Section 7 of the Master Resolution, which Parity Bonds have a lien upon the Net Revenues for the payment of the principal thereof and interest thereon equal to the lien created upon Net Revenues for the payment of the principal of and interest on the Outstanding Bonds and the Series 1992 Bonds, and the term "Parity Bonds" shall mean and include the Outstanding Bonds, the Series 1992 Bonds and any Future Parity Bonds.

"Private Person" means any natural person engaged in a trade or business or any trust, estate, partnership, association, company or corporation.

"Private Person Use" means the use of property in a trade or business by a private person if such use is other than as a member of the general public. Private Person Use includes ownership of the property by the private person as well as other arrangements that transfer to the private person the actual or beneficial use of the property (such as a lease, management or incentive payment contract or other special arrangement) in such a manner as to set the private person apart from the general public. Use of property as a member of the general public includes attendance by the private person at municipal meetings or business rental of property to the private person on a day-to-day basis if the rental paid by such private person is the same as the rental paid by any private person who desires to rent the property. Use of property by nonprofit community groups or com-

munity recreational groups is not treated as Private Person Use if such use is incidental to the governmental uses of property, the property is made available for such use by all such community groups on an equal basis and such community groups are charged only a de minimis fee to cover custodial expenses.

"Qualified Insurance" means any non-cancellable municipal bond insurance policy or surety bond issued by any insurance company licensed to conduct an insurance business in any state of the United States (or by a service corporation acting on behalf of one or more such insurance companies) (i) which insurance company or companies, as of the time of issuance of such policy or surety bond, are rated in one of the two highest Rating Categories by one or more of the Rating Agencies for unsecured debt or insurance underwriting or claims paying ability or (ii) by issuing its policies causes obligations insured thereby to be rated in one of the two highest Rating Categories.

"Qualified Letter of Credit" means any irrevocable letter of credit issued by a financial institution, which institution maintains an office, agency or branch in the United States and as of the time of issuance of such letter of credit, is rated in one of the two highest Rating Categories by one or more of the Rating Agencies.

"Rating Category" means the generic rating categories of the Rating Agency, without regard to any refinement or gradation of such rating category by a numerical modifier or otherwise.

"Rebatable Arbitrage" means the amount computed from time to time pursuant to Section 10(a) of this Series Resolution.

"Registered Owner" means the person named as the registered owner of a Series 1992 Bond in the Bond Register.

"Registrar" means, collectively, the fiscal agency of the State of Washington in Seattle, Washington, and New York, New York, appointed by this Series Resolution for the purposes of registering and authenticating the Series 1992 Bonds, maintaining

the Bond Register, and effecting transfer of ownership of the Series 1992 Bonds.

"Series 1992 Bond Fund" means the Port of Seattle Revenue Bond Fund, Series 1992 created in the office of the Treasurer of the Port by Section 7 of this Series Resolution.

"Series 1992 Bonds" means, collectively, the Series 1992A Bonds and the Series 1992B Bonds.

"Series 1992 Debt Service Account" means the account of that name created in the Series 1992 Bond Fund by Section 7(a) of this Series Resolution.

"Series 1992 Reserve Account" means the account of that name created in the Series 1992 Bond Fund by Section 7(b) of this Series Resolution.

"Series 1992 Reserve Account Requirement" means the lesser of (i) \$10,600,000 or (ii) average Annual Debt Service with respect to the Series 1992 Bonds.

"Series 1992A Bonds" means the Port of Seattle, Washington, Revenue Bonds, Series 1992A, authorized to be issued by Section 2(a) of this Series Resolution.

"Series 1992B Bonds" means the Port of Seattle, Washington, Revenue Bonds, Series 1992B, authorized to be issued by Section 2(b) of this Series Resolution.

"Surety Bond" means the surety bond issued by the Insurer on the date of issuance and delivery of the Series 1992 Bonds for the purpose of satisfying the Series 1992 Reserve Account Requirement.

"Surety Bond Agreement" means the Guaranty Agreement between the Port and the Insurer, in substantially the form of Exhibit D attached hereto and made a part hereof by this reference.

"Tax Exemption Agreement and Arbitrage Certification" means the certificate executed by the Port at the time of closing and delivery of the Series 1992 Bonds that sets forth the methodology for computation of Rebutable Arbitrage.

Section 2. Authorization of Series 1992 Bonds.

(a) Series 1992A Bonds. The Port shall issue the Series 1992A Bonds in the principal amount of \$25,450,000 for the purpose of providing part of the funds necessary to (i) pay the Costs of Construction of any or all of the projects described on Exhibit A attached hereto and (ii) pay all costs incidental to the foregoing and to the issuance of the Series 1992A Bonds.

(b) Series 1992B Bonds. The Port shall issue the Series 1992B Bonds in the principal amount of \$115,440,000 for the purpose of providing all or part of the funds necessary to (i) pay the Costs of Construction of any or all of the projects described on Exhibit B attached hereto and (ii) pay all costs incidental to the foregoing and to the issuance of the Series 1992B Bonds.

Section 3. Series 1992 Bond Details.

(a) Series 1992A Bonds. The Series 1992A Bonds shall be designated as "Port of Seattle, Washington, Revenue Bonds, Series 1992A," shall be registered as to both principal and interest and shall be numbered separately in the manner and with any additional designation as the Registrar deems necessary for purposes of identification, shall be dated April 1, 1992, shall be in the denomination of \$5,000 each or any integral multiple of \$5,000, provided no Series 1992A Bond shall represent more than one maturity, shall bear interest from April 1, 1992 until the Series 1992A Bond bearing such interest has been paid or its payment duly provided for, payable on November 1, 1992, and semiannually on the first days of each May and November thereafter, and shall mature on November 1 of the following years in the following amounts and bear interest at the following rates per annum:

<u>Maturity Year</u> <u>(November 1)</u>	<u>Principal Amount</u>	<u>Interest Rates</u>
1992	\$ 185,000	<u>3.10%</u>
1993	765,000	<u>3.80</u>
1994	920,000	<u>4.60</u>
1995	960,000	<u>4.90</u>
1996	1,010,000	<u>5.10</u>
1997	1,065,000	<u>5.40</u>
1998	1,125,000	<u>5.60</u>
1999	1,190,000	<u>5.75</u>
2000	1,260,000	<u>5.90</u>
<u>2001</u>	1,335,000	<u>6.00</u>
<u>2002</u>	600,000	<u>6.10</u>
2003	635,000	<u>6.20</u>
<u>2004</u>	675,000	<u>6.30</u>
<u>2005</u>	720,000	<u>6.40</u>
<u>2006</u>	770,000	<u>6.40</u>
2010 1	3,700,000	<u>6.25</u>
2017 4	8,535,000	<u>6.25</u>

(b) Series 1992B Bonds. The Series 1992B Bonds shall be designated as "Port of Seattle, Washington, Revenue Bonds, Series 1992B," shall be registered as to both principal and interest and shall be numbered separately in the manner and with any additional designation as the Registrar deems necessary for purposes of identification, shall be dated April 1, 1992, shall be in the denomination of \$5,000 each or any integral multiple of \$5,000, provided no Series 1992B Bond shall represent more than one maturity, shall bear interest from April 1, 1992 until the Series 1992B Bond bearing such interest has been paid or its payment duly provided for, payable on November 1, 1992, and semiannually on the first days of each May and November thereafter, and shall mature on November 1 of the following years in the following amounts and bear interest at the following rates per annum:

<u>Maturity Year</u> <u>(November 1)</u>	<u>Principal Amount</u>	<u>Interest Rates</u>
1992	\$ 825,000	<u>3.20%</u>
1993	3,415,000	<u>3.90</u>
1994	4,105,000	<u>4.70</u>
1995	4,305,000	<u>5.00</u>
1996	4,520,000	<u>5.30</u>
1997	4,760,000	<u>5.50</u>
1998	5,030,000	<u>5.70</u>
1999	5,310,000	<u>5.90</u>
2000	5,630,000	<u>6.00</u>
<u>2001</u>	5,970,000	<u>6.10</u>
<u>2002</u>	2,675,000	<u>6.30</u>
2003	2,850,000	<u>6.40</u>
<u>2004</u>	3,025,000	<u>6.50</u>
<u>2005</u>	3,230,000	<u>6.50</u>
2006 9	3,430,000	<u>6.50</u>
2010 ±	16,0 ⁹⁵ 00 ,000	<u>6.70</u>
2017 4	40,2 ⁶⁵ 50 ,000	<u>6.00</u>

(c) Series 1992 Bonds Not A General Obligation. The Series 1992 Bonds are not a general obligation of the Port, and no tax revenues of the Port may be used to pay the principal of and interest on the Series 1992 Bonds.

Section 4. Right of Prior Redemption and Purchase.

(a) Mandatory Redemption.

(1) The Series 1992A Bonds maturing on November 1, 2010~~—~~, unless previously redeemed pursuant to optional redemption provisions of Section 4(b)(1) hereof, shall be redeemed by lot at par plus accrued interest to the date of redemption in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
<u>2007</u>	\$ 840,000
<u>2008</u>	895,000
<u>2009</u>	950,000
<u>2010</u>	1,015,000*

* Final Maturity

(2) The Series 1992A Bonds maturing on November 1, 2017~~—~~, unless previously redeemed pursuant to optional redemption provisions of Section 4(b)(2~~±~~) hereof, shall be redeemed by lot at par plus accrued interest to the date of redemption in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
<u>2011</u>	<u>\$1,015,000</u>
<u>2012</u>	<u>1,075,000</u>
<u>2013</u>	<u>1,140,000</u>
<u>2014</u>	<u>1,215,000</u>
<u>2015</u>	<u>1,280,000</u>
<u>2016</u>	<u>1,365,000</u>
<u>2017</u>	<u>1,445,000*</u>

***Final Maturity**

~~(3) The Series 1992A Bonds maturing on November 1, 20__ , unless previously redeemed pursuant to optional redemption provisions of Section 4(b)(1) hereof, shall be redeemed by lot at par plus accrued interest to the date of redemption in the following amounts on November 1 of the following years:~~

<u>Year</u>	<u>Amount</u>
<u>20__</u>	<u>\$</u>
<u>20__</u>	<u>*</u>

***Final Maturity**

~~(4) The Series 1992A Bonds maturing on November 1, 20__ , unless previously redeemed pursuant to optional redemption provisions of Section 4(b)(1) hereof, shall be redeemed by lot at par plus accrued interest to the date of redemption in the following amounts on November 1 of the following years:~~

<u>Year</u>	<u>Amount</u>
<u>20__</u>	<u>\$</u>
<u>20__</u>	<u></u>
<u>20__</u>	<u>*</u>

***Final Maturity**

(35) The Series 1992B Bonds maturing on November 1, 2010__ , unless previously redeemed pursuant to optional redemption provisions of Section 4(b)(31) hereof, shall be redeemed by lot at par plus accrued interest to the date of

redemption in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
2007	\$3,640,000
2008	3,885,000
2009	4,185,000
2010	4,425,000*

* Final Maturity

(46) The Series 1992B Bonds maturing on November 1, 2017, unless previously redeemed pursuant to optional redemption provisions of Section 4(b)(41) hereof, shall be redeemed by lot at par plus accrued interest to the date of redemption in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
2011	\$4,775,000 ⁸⁰
2012	5,075,000
2013	5,385,000
2014	5,715,000
2015	6,055,000
2016	6,425,000
2017	6,820,000*

*Final Maturity

~~(7) The Series 1992B Bonds maturing on November 1, 20__, unless previously redeemed pursuant to optional redemption provisions of Section 4(b)(1) hereof, shall be redeemed by lot at par plus accrued interest to the date of redemption in the following amounts on November 1 of the following years:~~

<u>Year</u>	<u>Amount</u>
20__	\$
20__	*

~~*Final Maturity~~

~~(8) The Series 1992B Bonds maturing on November 1, 20__, unless previously redeemed pursuant to optional redemption provisions of Section 4(b)(1) hereof, shall be redeemed by lot at par plus accrued interest to the date of redemption in the following amounts on November 1 of the following years:~~

<u>Year</u>	<u>Amount</u>
20__	\$
20__	
20__	*

*Final Maturity

(59) To the extent that the Port shall have optionally redeemed or purchased the Series 1992 Bonds pursuant to subsection (b) or (f) of this Section 4 since the last scheduled mandatory redemption of the Series 1992 Bonds, the Port may reduce the principal amount of Series 1992 Bonds to be redeemed in like principal amount. Such reduction may be applied in the year specified by the Designated Port Representative.

(b) Optional Redemption.

~~(1) The Port hereby reserves the right, at its option, to redeem the Series 1992A Bonds and/or the Series 1992B Bonds which mature on November 1, 20__ on and after November 1, 20__ in whole on any date or in part and if in part by lot on any interest payment date at a price of par plus accrued interest to the date of redemption.~~

(1) The Port hereby reserves the right, at its option, to redeem the Outstanding Series 1992A Bonds maturing on and after November 1, 2003, exclusive of the Series 1992A Bonds maturing on November 1, 2017, on and after November 1, 2002 in whole on any date or in part and if in part on any interest payment date, with maturities to be selected by the Port and by lot within a maturity, at the following prices, expressed as a percentage of the principal amount of the Series 1992A Bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Prices</u>
November 1, 2002 through October 31, 2003	102½
November 1, 2003 through October 31, 2004	101½
November 1, 2004 and thereafter	100½

~~(2) In addition to the optional redemption provisions of subsection (1) above, the Port hereby reserves the~~

right, at its option, to redeem the Outstanding Series 1992A Bonds maturing on ~~after~~ November 1, 2017~~—~~ on and after November 1, 2002~~—~~ in whole on any date or in part and if in part on any interest payment date, ~~with maturities to be selected by the Port and by~~ lot within the ~~a~~ maturity, at the following prices, expressed as a percentage of the principal amount of the Series 1992A Bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Prices</u>
November 1, 2002 through October 31, 2003	101%
November 1, 20— through October 31, 20—	%
November 1, 2003 and thereafter	100%

(3) The Port hereby reserves the right, at its option, to redeem the Outstanding Series 1992B Bonds maturing on and after November 1, 2003, exclusive of the Series 1992B Bonds maturing November 1, 2017, on and after November 1, 2002, in whole on any date or in part and if in part on any interest payment date, with maturities to be selected by the Port and by lot within a maturity, at the following prices, expressed as a percentage of the principal amount of the Series 1992B Bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Prices</u>
November 1, 2002 through October 31, 2003	102%
November 1, 2003 through October 31, 2004	101%
November 1, 2004 and thereafter	100%

~~(4) In addition to the optional redemption provisions of subsection (1) above,~~ The Port hereby reserves the right, at its option, to redeem the Outstanding Series 1992B Bonds maturing on after November 1, 2017~~—~~ on and after November 1, 2002~~—~~ in whole on any date or in part and if in part on any interest payment date, ~~with maturities to be selected by the Port and by~~ lot within ~~the~~ a maturity, at a price of par, ~~the following prices, expressed as a percentage of the principal amount of the Series 1992B Bonds~~

~~to be redeemed,~~ plus accrued interest to the date fixed for redemption.

Redemption Date	Redemption Prices
November 1, 20__ through October 31, 20__	§
November 1, 20__ through October 31, 20__	§
November 1, 20__ and thereafter	§

(c) Selection of Series 1992 Bonds for Redemption. If the Port redeems at any one time fewer than all of the Series 1992 Bonds having the same maturity date, the particular Series 1992 Bonds or portions of Series 1992 Bonds of such maturity to be redeemed shall be selected by lot within the series being redeemed (or in such manner determined by the Registrar) in increments of \$5,000; provided, however, as long as the Series 1992 Bonds are in fully immobilized form, the selection of Series 1992 Bonds for redemption shall be made as provided in the Letter of Representations. In the case of a Series 1992 Bond of a denomination greater than \$5,000, the Port and Registrar shall treat each Series 1992 Bond as representing such number of separate Series 1992 Bonds each of the denomination of \$5,000 as is obtained by dividing the actual principal amount of such Series 1992 Bond by \$5,000 of actual principal amount. In the event that only a portion of the principal sum of a Series 1992 Bond is redeemed, upon surrender of the Series 1992 Bond at the principal office of the Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof, at the option of the Registered Owner, a Series 1992 Bond or Series 1992 Bonds of like maturity and interest rate in any of the denominations herein authorized.

(d) Notice of Redemption. For so long as all Outstanding Series 1992 Bonds are in fully immobilized form, notice of redemption shall be given as provided in the Letter of Representations.

In the event that the Series 1992 Bonds are no longer in fully immobilized form, notice of any such intended redemption

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 any Series 1992 Bond to be redeemed at the address appearing on the Bond Register. The requirements of this section shall be deemed to be complied with when notice is mailed as herein provided, regardless of whether it is actually received by the Registered Owner of any Series 1992 Bond. Notice shall also be mailed within the same time period, postage prepaid, to PaineWebber Incorporated, Goldman, Sachs & Co., Lehman Brothers, M.R. Beal & Company and Artemis Capital Group, Inc. or to their respective business successors, if any, but mailing of the notice shall not be a condition precedent to the call of any Series 1992 Bonds for redemption.

All official notices of redemption shall be dated and shall state:

(1) the redemption date;

(2) the redemption price;

(3) if fewer than all outstanding Series 1992 Bonds are to be redeemed the identification (and, in the case of partial redemption, the respective principal amounts) of the Series 1992 Bonds to be redeemed;

(4) that on the redemption date the redemption price will become due and payable upon each such Series 1992 Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date;

(5) the place where such Series 1992 Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Registrar; and

(6) that the notice of redemption may be withdrawn and the proposed redemption of Series 1992 Bonds cancelled if for any reason funds will not be available on the date fixed for redemption.

On or prior to any redemption date, the Port shall deposit with the Registrar from money available therefor an amount of money sufficient to pay the redemption price of all the Series 1992 Bonds or portions of Series 1992 Bonds which are to be redeemed on that date.

Any notice of redemption may be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for payment in full of the Series 1992 Bonds then called for redemption.

Official notice of redemption having been given as aforesaid, the Series 1992 Bonds or portions of Series 1992 Bonds which are to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Port shall default in the payment of the redemption price) such Series 1992 Bonds or portions of Series 1992 Bonds shall cease to bear interest. If said funds shall not be so available on the redemption date, such Series 1992 Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption. Upon surrender of such Series 1992 Bonds for redemption in accordance with said notice, such Series 1992 Bonds shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Series 1992 Bond, there shall be prepared for the Registered Owner a new Series 1992 Bond or Series 1992 Bonds of the same maturity in the amount of the unpaid principal. All Series 1992 Bonds which have been redeemed shall be cancelled and destroyed by the Registrar and shall not be reissued.

In addition to the foregoing notice, further notice shall be given by the Registrar as set out below, but no defect in said further notice nor failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a

call for redemption if notice thereof is given as above prescribed.

Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus: (i) the CUSIP numbers of all Series 1992 Bonds being redeemed; (ii) the date of issue of the Series 1992 Bonds as originally issued; (iii) the rate of interest borne by each Series 1992 Bond being redeemed; (iv) the maturity date of each Series 1992 Bond being redeemed; and (v) any other descriptive information needed to identify accurately the Series 1992 Bonds being redeemed.

Each further notice of redemption shall be sent at least 35 days before the redemption date by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Series 1992 Bonds (such depositories now being DTC, Midwest Securities Trust Company of Chicago, Illinois, and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania).

Upon the payment of the redemption price of the Series 1992 Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue or maturity, the Series 1992 Bonds being redeemed with the proceeds of such check or other transfer.

(e) Effect of Call. Interest on any Series 1992 Bonds so called for redemption shall cease on such redemption date unless the same shall not be redeemed upon presentation made pursuant to such call.

(f) Purchase of Series 1992 Bonds for Retirement. The Port further reserves the right to use at any time any surplus Gross Revenue available after providing for the payment required by paragraph First through Sixth of Section 4(a) of the Master Resolution to purchase any of the Series 1992 Bonds in the open market for retirement.

(g) Source of Funds for Series 1992 Bond Redemption.

Redemption of the Series 1992 Bonds, pursuant to this Section 4, other than mandatory redemption pursuant to subsection (a) hereof, shall be made only from and to the extent of funds deposited with the Treasurer of the Port and available for such purpose.

Section 5. Place and Medium of Payment. Both principal of and interest on the Series 1992 Bonds shall be payable in lawful money of the United States of America. For so long as all Outstanding Series 1992 Bonds are in fully immobilized form, payments of principal and interest thereon shall be made as provided in the Letter of Representations.

In the event that the Series 1992 Bonds are no longer in fully immobilized form, interest on the Series 1992 Bonds shall be paid by check or draft mailed (or by wire transfer to a Registered Owner of Series 1992 Bonds in aggregate principal amount of \$1,000,000 or more who so requests) to the Registered Owners of the Series 1992 Bonds at the addresses for such Registered Owners appearing on the Bond Register on the 15th day of the month preceding the interest payment date. Principal of the Series 1992 Bonds shall be payable upon presentation and surrender of the Series 1992 Bonds by the Registered Owners at the principal office of the Registrar.

Section 6. Registration.

(a) Bond Register. The Port hereby appoints the fiscal agency of the State of Washington as the Registrar. The Port shall cause a bond register to be maintained by the Registrar. So long as any Series 1992 Bonds remain Outstanding, the Registrar shall make all necessary provisions to permit the exchange or registration or transfer of Series 1992 Bonds at its principal office.

(b) Registered Ownership. The Port and the Registrar, each in its discretion, may deem and treat the Registered Owner of each Series 1992 Bond as the absolute owner thereof for all

purposes, and neither the Port nor the Registrar shall be affected by any notice to the contrary. Payment of any such Series 1992 Bond shall be made only as described in Section 5 hereof, but such registration may be transferred as herein provided. All such payments made as described in Section 5 shall be valid and shall satisfy and discharge the liability of the Port upon such Series 1992 Bond to the extent of the amount or amounts so paid.

(c) DTC Acceptance/Letter of Representations. To induce DTC to accept the Series 1992 Bonds as eligible for deposit at DTC, the Port shall execute and deliver the Letter of Representations. The Designated Port Representative is hereby authorized to execute the Letter of Representations with such changes as may hereafter be approved by the Designated Port Representative, and such approval shall be conclusively presumed by the Designated Port Representative's execution thereof. The Series 1992 Bonds initially issued shall be held in fully immobilized form by DTC acting as depository pursuant to the terms and conditions set forth in Exhibit C attached hereto; shall be issued in denominations equal to the aggregate principal amount of each maturity and initially shall be registered in the name of Cede & Co., as the nominee of DTC.

Neither the Port nor the Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees with respect to the Series 1992 Bonds in respect of the accuracy of any records maintained by DTC or any DTC participant, the payment by DTC or any DTC participant of any amount in respect of the principal or redemption price of or interest on the Series 1992 Bonds, any notice which is permitted or required to be given to Registered Owners under this resolution (except such notices as shall be required to be given by the Port to the Registrar or to DTC), the selection by DTC or any DTC participant of any person to receive payment in the event of a partial redemption of the Series 1992 Bonds or any consent given

or other action taken by DTC as the Registered Owner. For so long as any Series 1992 Bonds are held in fully immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes hereunder, and all references herein to the Registered Owners shall mean DTC or its nominee and shall not mean the owners of any beneficial interest in the Series 1992 Bonds.

If any Series 1992 Bond shall be duly presented for payment and funds have not been duly provided by the Port on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Series 1992 Bond until it is paid.

(d) Use of Depository.

(1) The Series 1992 Bonds shall be registered initially in the name of "Cede & Co.," as nominee of DTC, with one Series 1992 Bond maturing on each of the maturity dates for the Series 1992 Bonds of each series in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such immobilized Series 1992 Bonds, or any portions thereof, may not thereafter be transferred except (i) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (ii) to any substitute depository appointed by the Commission pursuant to subsection (2) below or such substitute depository's successor; or (iii) to any person as provided in subsection (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Commission that it is no longer in the best interests of owners of beneficial interests of the Series 1992 Bonds to continue the system of book entry transfers through DTC or its

successor (or any substitute depository or its successor), the Commission may hereafter appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provided the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (i) or (ii) of subsection (1) above, the Registrar shall, upon receipt of all Outstanding Bonds, together with a written request on behalf of the Commission, issue a single new Series 1992 Bond for each maturity of such Series 1992 Bonds then Outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the Commission.

(4) In the event that (i) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (ii) the Commission determines that it is in the best interest of the beneficial owners of the Series 1992 Bonds that they be able to obtain Series 1992 Bond certificates, the ownership of Series 1992 Bonds may then be transferred to any person or entity as herein provided, and the Series 1992 Bonds shall no longer be held in fully immobilized form. The Commission shall deliver a written request to the Registrar, together with a supply of definitive Series 1992 Bonds, to issue Series 1992 Bonds as herein provided in any authorized denomination. Upon receipt of all then outstanding Series 1992 Bonds by the Registrar together with a written request on behalf of the Commission to the Registrar, new Series 1992 Bonds shall be issued in such denominations and registered in the names of such persons as are requested in such written request.

(5) The Port and the Registrar shall be entitled to treat the person in whose name any Series 1992 Bond is

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registered as the absolute owner thereof for all purposes of this resolution and any applicable laws, notwithstanding any notice to the contrary received by the Registrar or the Port. Neither the Port nor the Registrar will have any responsibility or obligations, legal or otherwise, to any other party including DTC or its successor (or substitute depository or its successor), except for the Registered Owners of the Series 1992 Bonds.

(e) Transfer or Exchange of Registered Ownership; Change in Denominations. The registered ownership of any Series 1992 Bond may be transferred or exchanged, but no transfer of any Series 1992 Bond shall be valid unless it is surrendered to the Registrar with the assignment form appearing on such Series 1992 Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered Series 1992 Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Series 1992 Bond (or Series 1992 Bonds at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same series, aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Series 1992 Bond, in exchange for such surrendered and cancelled Series 1992 Bond. Any Series 1992 Bond may be surrendered to the Registrar and exchanged, without charge, for an equal aggregate principal amount of Series 1992 Bonds of the same series, date, maturity and interest rate, in any authorized denomination. The Registrar shall not be obligated to transfer or exchange any Series 1992 Bond during the 15 days preceding any interest payment or principal payment date or following any publication of notice of redemption.

(f) Registrar's Ownership of Series 1992 Bonds. The Registrar may become the Registered Owner of any Series 1992 Bond with

the same rights it would have if it were not the Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the right of the Registered Owners of the Series 1992 Bonds.

(g) Registration Covenant. The Port covenants that, until all Series 1992 Bonds have been surrendered and cancelled, it will maintain a system for recording the ownership of each Series 1992 Bond that complies with the provisions of Section 149 of the Code.

(h) Series 1992 Bonds Payable from Series 1992 Bond Fund. The Series 1992 Bonds shall be obligations only of the Series 1992 Bond Fund and shall be payable and secured as provided herein. The Series 1992 Bonds are not general obligations of the Port. The Series 1992 Bonds do not constitute an indebtedness of the Port within the meaning of the constitutional provisions and limitations of the State of Washington.

Section 7. Series 1992 Bond Fund. A special fund of the Port designated the "Port of Seattle Revenue Bond Fund, Series 1992" (the "Series 1992 Bond Fund") is hereby authorized to be created in the office of the Treasurer of the Port for the purpose of paying and securing the payment of the Series 1992 Bonds. The Series 1992 Bond Fund shall be held separate and apart from all other funds and accounts of the Port and shall be a trust fund for the owners, from time to time, of the Series 1992 Bonds.

(a) Series 1992 Debt Service Account. A Series 1992 Debt Service Account is hereby authorized to be created in the Series 1992 Bond Fund for the purpose of paying the principal, of, premium, if any, and interest on the Series 1992 Bonds.

The Port hereby irrevocably obligates and binds itself for as long as any Series 1992 Bonds remain Outstanding to set aside and pay into the Series 1992 Debt Service Account from Net

Revenues or money in the Revenue Fund, on or prior to the respective dates the same become due:

(1) Such amounts as are required to pay the interest scheduled to become due on Outstanding Series 1992 Bonds; and

(2) Such amounts with respect to Outstanding Series 1992 Bonds as are required (A) to pay maturing principal, (B) to make required sinking fund payments, and (C) to redeem Outstanding Series 1992 Bonds in accordance with any mandatory redemption provisions.

(b) Series 1992 Reserve Account. A Series 1992 Bond Reserve Account (the "Series 1992 Reserve Account") is hereby authorized to be created in the Series 1992 Bond Fund for the purpose of securing the payment of the principal of and interest on Series 1992 Bonds.

The Port hereby covenants and agrees that on the date of issuance of the Series 1992 Bonds, it will purchase the Surety Bond, as Qualified Insurance, in the aggregate total policy amount of \$10,600,000, in satisfaction of the Series 1992 Reserve Account Requirement for deposit in the Series 1992 Reserve Account. At the time of issuance of the Surety Bond, the Port shall enter into, and the Designated Port Representative is hereby authorized to execute, a Surety Bond Agreement, substantially in the form attached hereto as Exhibit D, incorporated by this reference herein. The Designated Port Representative may negotiate such modifications of said Surety Bond Agreement on his/her discretion, and the terms of said Surety Bond Agreement shall be deemed approved conclusively by the Port upon the execution of the Surety Bond Agreement by the Designated Port Representative.

In consideration of the issuance and maintenance of the Surety Bond, the covenants of the Port in this Series Resolution and in the Master Resolution are hereby declared to be for the

further benefit of the Insurer as issuer of the Surety Bond, and said corporation shall be a beneficiary of all said covenants.

In addition, the Port hereby covenants and agrees that any provision of this Series Resolution which expressly recognizes or grants rights in or to the Insurer may not be amended in any manner which affects the rights of the Insurer hereunder without the prior written consent of the Insurer. The consent of the Insurer shall be required in addition to the consent of the Registered Owners, when required, for the following purposes: (i) adoption of supplemental resolutions and (ii) the initiation or approval of any other action which requires the consent of the Registered Owners. The Designated Port Representative may provide such additional information and/or notices to the Insurer as he/she shall determine in his/her discretion.

The Port further covenants and agrees that it will maintain the Surety Bond or equivalent thereof (as provided in the following sentence) in the Series 1992 Reserve Account in an amount at least equal to the Series 1992 Reserve Account Requirement. The Series 1992 Reserve Account Requirement may be maintained by deposits of cash, a Qualified Letter of Credit or Qualified Insurance, or a combination of the foregoing. In computing the amount on hand in the Series 1992 Reserve Account, Qualified Insurance and/or a Qualified Letter of Credit shall be valued at the face amount thereof, and all other obligations purchased as an investment of moneys therein shall be valued at cost.

If the balance on hand in the Series 1992 Reserve Account is sufficient to satisfy the Series 1992 Reserve Account Requirement, and prior to the completion of the projects authorized in Section 2 hereof, interest earnings thereon shall be transferred to the construction fund designated by the Designated Port Representative and used to pay the Costs of Construction of the projects payable from such fund and thereafter such interest earnings shall be applied as provided in the following sentences. Whenever there is a sufficient amount in the Series 1992 Bond

Fund, including the Series 1992 Reserve Account and the Series 1992 Debt Service Account to pay the principal of, premium, if any, and interest on all outstanding Series 1992 Bonds, the money in the Series 1992 Reserve Account may be used to pay such principal, premium, if any, and interest. As long as the moneys left remaining on deposit in the Series 1992 Reserve Account are equal to the Series 1992 Reserve Account Requirement, money in the Series 1992 Reserve Account may be transferred to the Series 1992 Debt Service Account and used to pay the principal of and interest on Series 1992 Bonds as the same becomes due and payable or to redeem and retire, and to pay the interest due to such date of redemption and premium, if any, on any Outstanding Series 1992 Bonds. The Port may also transfer out of the Series 1992 Reserve Account any moneys required in order to prevent any Series 1992 Bonds from becoming "arbitrage bonds" under the Code.

If a deficiency in the Series 1992 Debt Service Account shall occur, such deficiency shall be made up from the Series 1992 Reserve Account by the withdrawal of cash therefrom for that purpose and by the sale or redemption of obligations held in the Series 1992 Reserve Account, if necessary, in such amounts as will provide cash in the Series 1992 Reserve Account sufficient to make up any such deficiency, and if a deficiency still exists immediately prior to an interest payment date and after the withdrawal of cash, the Port shall then draw from the Surety Bond or any other Qualified Letter of Credit or Qualified Insurance in sufficient amount to make up the deficiency. Such draw shall be made at such times and under such conditions as the Surety Bond Agreement or the agreement for such Qualified Letter of Credit or such Qualified Insurance shall provide. Reimbursement shall be made to the issuer of the Surety Bond in accordance with the terms of the Surety Bond Agreement, and after making necessary provision for the payments required to be made in paragraph First through Third of Section 4(a) of the Master Resolution. Any deficiency created in the Series 1992 Reserve Account by reason

of any such withdrawal shall be made up within one year from Qualified Insurance or a Qualified Letter of Credit or out of Net Revenues (or out of any other moneys on hand legally available for such purpose) (in 12 equal installments) after making necessary provision for the payments required to be made into the Series 1992 Debt Service Account within such year.

In making the payments and credits to the Series 1992 Reserve Account required by this Section 7(b), to the extent that the Port has obtained Qualified Insurance or a Qualified Letter of Credit for specific amounts required pursuant to this section to be paid out of the Series 1992 Reserve Account, such amounts so covered by Qualified Insurance or a Qualified Letter of Credit shall be credited against the amounts required to be maintained in the Series 1992 Reserve Account by this Section 7(b) to the extent that such payments and credits to be made are insured by an insurance company, or guaranteed by a letter of credit from a financial institution. Such Qualified Letter of Credit or Qualified Insurance shall not be cancellable on less than one year's notice. In the event of any cancellation or if the issuer of the Qualified Insurance or the Qualified Letter of Credit shall be insolvent, the Reserve Account Requirement shall be satisfied (i) within one year of the insolvency but in any event no later than the date of cancellation with Qualified Insurance or another Qualified Letter of Credit, or (ii) within one year (in 12 equal installments) of the insolvency or cancellation out of Net Revenues (or out of moneys on hand legally available for such purpose) after making necessary provisions for the payments required to be made into the Series 1992 Debt Service Account.

(c) Said amounts so pledged to be paid into the Series 1992 Debt Service Account and Series 1992 Reserve Account with respect to the Series 1992 Bonds are hereby declared to be an equal and prior lien and charge upon the Gross Revenue superior to all other charges of any kind or nature whatsoever, except for the lien and charge thereon of the Senior Lien Bonds and except for

Operating Expenses and except that the amounts so pledged are of equal lien to the lien and charge thereon of the Outstanding Bonds and to any lien and charge thereon which may hereafter be made to pay and secure the payment of the principal of and interest on any Future Parity Bonds.

(d) Use of Excess Money. Money in the Series 1992 Bond Fund not needed to pay the interest or principal and interest next coming due on any Outstanding Series 1992 Bonds or to maintain required reserves therefor may be used to purchase or redeem and retire Series 1992 Bonds. Money in the Series 1992 Debt Service Account and the Series 1992 Reserve Account may be invested in any investments legal for port districts.

Section 8. Defeasance. In the event that money and/or Government Obligations (as defined in RCW ch. 39.53) maturing or having guaranteed redemption prices at the option of the owner at such time or times and bearing interest to be earned thereon in amounts (together with such money, if any) sufficient to redeem and retire part or all of the Series 1992 Bonds in accordance with their terms, are hereafter irrevocably set aside in a special account and pledged to effect such redemption and retirement, then no further payments need be made into the Series 1992 Bond Fund or any account therein for the payment of the principal of and interest on the certain Series 1992 Bonds so provided for and such Series 1992 Bonds shall then cease to be entitled to any lien, benefit or security of this Series Resolution, except the right to receive the funds so set aside and pledged and notices of early redemption, if any, and such Series 1992 Bonds shall no longer be deemed to be Outstanding hereunder, or under any resolution authorizing the issuance of bonds or other indebtedness of the Port.

Section 9. Disposition of the Proceeds of Sale of Series 1992 Bonds.

(a) Series 1992A Bonds. The proceeds of the Series 1992A Bonds shall be applied as follows:

(1) All interest on the Series 1992A Bonds accrued from their date to the date of delivery shall be paid into the Series 1992 Debt Service Account;

(2) An allocable portion of the premium cost for the Surety Bond designated by the Designated Port Representative, shall be paid from the proceeds of the Series 1992A Bonds on the date of issuance and delivery of the Series 1992A Bonds; and

(3) The remainder of the proceeds of the Series 1992A Bonds shall be paid into the Construction Fund-1992A, Airport (hereinafter authorized to be created).

The Treasurer of the Port is hereby authorized and directed to create a special fund or account of the Port, designated as the "Port of Seattle Construction Fund, 1992A, Airport" (the "Construction Fund-1992A, Airport"). The money on deposit in the Construction Fund-1992A, Airport, shall be utilized to pay Costs of Construction of the projects identified on Exhibit A and costs incidental thereto, and costs incurred in connection with the issuance and sale of the Series 1992A Bonds, to the extent designated by the Port.

All or part of the proceeds of the Series 1992A Bonds may be temporarily invested in or with such institutions or in such obligations as may now or hereafter be permitted to port districts of the State of Washington by law which will mature prior to the date on which such money shall be needed provided however, such proceeds shall not be invested in the obligations of any municipality with a credit rating lower than that of the Port.

In the event that it shall not be possible or practicable to accomplish all of the improvements specified in Section 2(a), the Port may apply the proceeds of the Series 1992A Bonds to pay the Costs of Construction of such portion thereof or such other projects as the Port Commission shall determine to be in the best

interests of the Port, subject to the limitations of Section 10 of this Series Resolution.

Any part of the proceeds of the Series 1992A Bonds remaining in the Construction Fund-1992A, Airport, after all costs referred to in this Section have been paid may be used to acquire, construct, equip and make other improvements to the Facilities of the Port subject to the limitations of Section 10(c) hereof or may be transferred to the Series 1992 Bond Fund for the uses and purposes therein provided.

(b) Series 1992B Bonds. The proceeds of the Series 1992B Bonds shall be applied as follows:

(1) All interest on the Series 1992B Bonds accrued from their date to the date of delivery shall be paid into the Series 1992 Debt Service Account;

(2) An allocable portion of the premium cost for the Surety Bond designated by the Designated Port Representative, shall be paid from the proceeds of the Series 1992B Bonds on the date of issuance and delivery of the Series 1992B Bonds; and

(3) The remainder of the proceeds of the Series 1992B Bonds shall be paid into the Construction Fund-1992B, Airport, and the Construction Fund-1992B, Marine, in amounts designated by the Designated Port Representative to the Treasurer.

The Treasurer of the Port is hereby authorized and directed to create two special funds or accounts of the Port, to be designated as the "Port of Seattle Construction Fund-1992B, Airport" (the "Construction Fund-1992B, Airport") and the "Port of Seattle Construction Fund-1992B, Marine" (the "Construction Fund-1992B, Marine"). The proceeds on deposit in the Construction Fund-1992B, Airport, shall be utilized to pay Costs of Construction of the Facilities identified on Exhibit B, items (1) through (5) and costs incidental thereto, and costs incurred in connection with the issuance and sale of the Series 1992B

Bonds, in amounts designated by the Designated Port Representative. The proceeds on deposit in the Construction Fund-1992B, Marine, shall be utilized to pay Costs of Construction of the Facilities identified on Exhibit B, items (6) through (13) and costs incidental thereto, and costs incurred in connection with the issuance and sale of the Series 1992B Bonds, to the extent designated by the Port.

All or part of the proceeds of the Series 1992B Bonds may be temporarily invested in or with such institutions or in such obligations as may now or hereafter be permitted to port districts of the State of Washington by law which will mature prior to the date on which such money shall be needed; provided however, such proceeds shall not be invested in the obligations of any municipality with a credit rating lower than that of the Port.

In the event that it shall not be possible or practicable to accomplish all of the improvements specified in Section 2(b), the Port may apply the proceeds of the Series 1992B Bonds to pay the Costs of Construction of such portion thereof or such other projects as the Port Commission shall determine to be in the best interests of the Port, subject to the limitations of Section 10 of this Series Resolution.

Any part of the proceeds of the Series 1992B Bonds remaining in the Construction Fund-1992B, Airport, and the Construction Fund-1992B, Marine, after all costs referred to in this Section have been paid may be used to acquire, construct, equip and make other improvements to the Facilities of the Port subject to the limitations of Section 10(d) hereof or may be transferred to the Series 1992 Bond Fund for the uses and purposes therein provided.

Section 10. Tax Covenants/Rebate.

(a) Arbitrage Covenant. The Port hereby covenants that it will not make any use of the proceeds of sale of the Series 1992 Bonds or any other funds of the Port which may be deemed to be proceeds of such Series 1992 Bonds pursuant to Section 148 of the

Code, as amended, and the applicable regulations thereunder which, if such use had been reasonably expected on the date of delivery of the Series 1992 Bonds to the initial purchasers thereof, would have caused the Series 1992 Bonds to be "arbitrage bonds" within the meaning of said section and said regulations. The Port will comply with the requirements of Section 148 of the Code and the applicable regulations thereunder throughout the term of the Series 1992 Bonds.

(b) Rebate.

(1) The Port will pay Rebatable Arbitrage to the United States of America in accordance with the provisions of the Tax Exemption Agreement and Arbitrage Certification.

(2) Each payment of Rebatable Arbitrage will be made to the Internal Revenue Service Center, Philadelphia, Pennsylvania 19225 and will be accompanied by IRS Form 8038-T.

(c) Private Person Use Limitation for Series 1992A Bonds.

The Port covenants that for as long as the Series 1992A Bonds are outstanding, it will not permit:

(1) More than 10% of the Net Proceeds of the Series 1992A Bonds to be used for any Private Person Use; and

(2) More than 10% of the principal or interest payments on the Series 1992A Bonds in a Bond Year to be (under the terms of this Series Resolution or any underlying arrangement) directly or indirectly: (i) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (ii) derived from payments (whether or not made to the Port) in respect of property, or borrowed money, used or to be used for any Private Person Use.

The Port further covenants that, if:

(3) More than 5% of the Net Proceeds of the Series 1992A Bonds are to be used for any Private Person Use; and

(4) More than 5% of the principal or interest payments on the Series 1992A Bonds in a Bond Year are (under the terms of this Series Resolution or any underlying arrangement) directly or indirectly: (i) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (ii) derived from payments (whether or not made to the Port) in respect of property, or borrowed money, used or to be used for any Private Person Use.

then, (1) any Private Person Use of the projects financed with the Series 1992A Bonds or Private Person Use payments described in subsection (4) hereof that is in excess of the 5% limitations described in such subsections (3) or (4) will be for a Private Person Use that is related to the state or local governmental use of such projects, and (ii) any Private Person Use will not exceed the amount of Net Proceeds of the Series 1992A Bonds used for the state or local governmental use portion of the projects financed with the Series 1992A Bonds to which the Private Person Use of such portion of such projects relates. The Port further covenants that it will comply with any limitations on the use of such projects by other than state and local governmental users that are necessary, in the opinion of its bond counsel, to preserve the tax exemption of the interest on the Series 1992A Bonds.

(d) Use of Proceeds of Series 1992B Bonds.

(1) The projects financed with the Series 1992B Bonds (collectively, the "projects") include only facilities that are (i) directly related and essential to (A) servicing aircraft or enabling aircraft to take off and land or (B) transferring passengers or cargo to or from aircraft (the projects referred to in this subsection (d)(i) are hereinafter referred to as the "airport projects") and (ii) (A) docks or wharfs or (B) functionally related and

subordinate to such docks or wharfs (the projects referred to in this subsection (d)(ii) are hereinafter referred to as the "marine projects").

(2) The Port will, at all times while the Series 1992B Bonds are Outstanding be the owner of all elements of the projects financed with the Series 1992B Bonds. If any portion of the projects is the subject of a lease or management contract with an entity other than a governmental unit, then the lease or management contract must meet the requirements of Section 142(b)(1)(B) of the Code.

(3) The projects shall not include any:

(i) lodging facility,

(ii) retail facility (including food and beverage facilities) in excess of a size necessary to serve passengers and employees,

(iii) retail facility (other than parking) for passengers or the general public located outside the airport (in the case of an airport project) or the marine terminal (in the case of a marine project),

(iv) office building for persons who are not employees of a governmental unit or the Port,

(v) industrial park or manufacturing facility, that is to be used for any private business use (within the meaning of Section 141(b)(6) of the Code).

(4) Any element of any project that is an office must be located at the airport (in the case of any airport project) or the marine terminal (in the case of a marine project) and no more than a de minimis amount of the functions performed at such office may not be directly related to day-to-day operations of the airport (in the case of an airport project) or the marine terminal (in the case of a marine project). Any storage or training facilities included in any project must be located at the airport (in the case of an airport project) or the marine terminal (in

the case of a marine project) and must be of a character and size commensurate with the character and size of the airport (in the case of an airport project) or the marine terminal (in the case of a marine project).

(5) All elements of the airport projects need to be located at or in close proximity to the take-off and landing area in order to perform their functions.

(6) Any land acquired by the Port as a part of the airport projects will be (i) acquired solely to mitigate damages attributable to airport noise or (ii) land that is adjacent to the airport, impaired by a significant level of airport noise and (A) in the case of improved land, use of the land and improvements before acquisition is incompatible with the airport noise level, use after acquisition is compatible with the airport noise level and the post-acquisition use is essentially different from the pre-acquisition use or (B) in the case of unimproved land (including agricultural land), use of the land after its acquisition will not be incompatible with the level of airport noise.

(7) Any elements of the marine projects that are functionally related and subordinate to the dock and wharf will be of a character and size commensurate with the character and size of the marine terminal and include only equipment needed to receive and discharge cargo and passengers from a vessel, related storage, handling, office and passenger areas.

(e) Modification of Tax Covenants. The covenants of this Section 10 are specified solely to assure the continued exemption from regular income taxation of the interest on the Series 1992 Bonds. To that end, the provisions of this Section 10 may be modified or eliminated without any requirement for formal amendment thereof upon receipt of an opinion of the Port's bond counsel that such modification or elimination will not adversely

affect the tax exemption of interest on the Series 1992 Bonds of either series.

Section 11. Lost, Stolen or Destroyed Series 1992 Bonds.

In case any Series 1992 Bond or Series 1992 Bonds shall be lost, stolen or destroyed, the Registrar may execute and deliver a new Series 1992 Bond or Series 1992 Bonds of like series, date, number and tenor to the Registered Owner thereof upon the owner's paying the expenses and charges of the Port in connection therewith and upon his/her filing with the Port evidence satisfactory to the Port that such Series 1992 Bond was actually lost, stolen or destroyed and of his/her ownership thereof, and upon furnishing the Port with indemnity satisfactory to the Port.

Section 12. Form of Series 1992 Bonds and Registration Certificates.

(a) Series 1992A Bonds. The Series 1992A Bonds shall be in substantially the following form:

NO. _____ UNITED STATES OF AMERICA \$ _____
STATE OF WASHINGTON
PORT OF SEATTLE
REVENUE BOND, SERIES 1992A
Maturity Date: CUSIP No.
Interest Rate:
Registered Owner:
Principal Amount:

THE PORT OF SEATTLE, a municipal corporation organized and existing under and by virtue of the laws of the State of Washington (the "Port"), promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, solely from the special fund of the Port known as the "Port of Seattle Revenue Bond Fund, Series 1992" (the "Bond Fund") created by Resolution No. 3111, as amended, of the Port Commission (together with Resolution No. 3059, as amended, hereinafter collectively referred to as the "Bond Resolution") the Principal Amount indicated above and to pay interest thereon from the Bond Fund from April 1, 1992, or the most recent date to which interest has been paid or duly provided for or until payment of this bond at the Interest Rate set forth above, payable on November 1, 1992, and semiannually thereafter on the first days of each May and November. Both principal of and interest on this bond are payable in lawful money of the United States of America. Interest shall be paid by mailing a check or draft to the Registered Owner or assigns at the address shown on the Bond Register on the 15th day of the month prior to the

interest payment date (or, if this bond is held in fully immobilized form or otherwise if agreed to by the Port, by wire transfer). Principal shall be paid to the Registered Owner or assigns upon presentation and surrender of this bond at the principal office of the fiscal agency of the State of Washington in either Seattle, Washington, or New York, New York (collectively the "Registrar"). Capitalized terms used in this bond which are not specifically defined have the meanings given such terms in the Bond Resolution.

This bond is one of an series-issue of bonds of the Port in the aggregate principal amount of \$25,450,000, of like date, tenor and effect, except as to number, amount, rate of interest and date of maturity and is issued pursuant to the Bond Resolution to acquire, construct and install improvements to Port facilities.

The Port has reserved the right, at its option, to redeem the bonds of this series maturing on and after November 1, 2003, exclusive of the bonds maturing on November 1, 2017, on and after November 1, 2002 in whole on any date or in part and if in part on any interest payment date, with maturities to be selected by the Port and by lot within a maturity, at the following prices, expressed as a percentage of the principal amount of the bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Prices</u>
<u>November 1, 2002 through October 31, 2003</u>	<u>102%</u>
<u>November 1, 2003 through October 31, 2004</u>	<u>101%</u>
<u>November 1, 2004 and thereafter</u>	<u>100%</u>

The Port has reserved the right, at its option, to redeem the bonds of this series maturing on November 1, 2017 on and after November 1, 2002 in whole on any date or in part and if in part on any interest payment date, by lot within the maturity, at the following prices, expressed as a percentage of the principal amount of the bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Prices</u>
<u>November 1, 2002 through October 31, 2003</u>	<u>101%</u>
<u>November 1, 2003 and thereafter</u>	<u>100%</u>

The Port has obligated and bound itself to redeem bonds maturing on November 1, 2010, by lot (in such manner as shall be determined by the Registrar), at par plus accrued interest in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
<u>2007</u>	<u>\$ 840,000</u>
<u>2008</u>	<u>895,000</u>
<u>2009</u>	<u>950,000</u>
<u>2010</u>	<u>1,015,000*</u>

• Final Maturity

The Port has obligated and bound itself to redeem bonds maturing on November 1, 2017, by lot (in such manner as shall be determined by the Registrar), at par plus accrued interest in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>
<u>2011</u>	<u>\$1,015,000</u>
<u>2012</u>	<u>1,075,000</u>
<u>2013</u>	<u>1,140,000</u>
<u>2014</u>	<u>1,215,000</u>
<u>2015</u>	<u>1,280,000</u>
<u>2016</u>	<u>1,365,000</u>
<u>2017</u>	<u>1,445,000*</u>

• Final Maturity

Notice of any such intended redemption shall be given as provided in the Letter of Representations, dated as of April 28, 1992 among the Port, the Registrar and The Depository Trust Company.

The bonds of this issue are not private activity bonds and are not "qualified tax exempt obligations" eligible for investment by financial institutions within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.

This bond is transferable only on the records maintained by the Registrar for that purpose upon the surrender of this bond by the registered owner hereof or his/her duly authorized agent and only if endorsed in the manner provided hereon, and thereupon a new fully registered bond of like principal amount, series, maturity and interest rate shall be issued to the transferee in exchange therefor. Such exchange or transfer shall be without cost to the registered owner or transferee. The Port and Registrar may deem the person in whose name this bond is registered to be the absolute owner hereof for the purpose of receiving payment of the principal of and interest on the bond and for any and all other purposes whatsoever.

The Registrar is not required to issue, register, transfer or exchange any of the bonds during a period beginning at the opening of business on the 15th day of the month next preceding any interest payment date and ending at the close of business on the interest payment date, or, in the case of any proposed redemption of the bonds, after the mailing of notice of the call of such bonds for redemption.

The Port hereby covenants and agrees with the owner and holder of this bond that it will keep and perform all the covenants of this bond and the Bond Resolution.

The Port does hereby pledge and bind itself to set aside from such Gross Revenue, and to pay into said Bond Fund and the Reserve Account created therein the various amounts required by the Bond Resolution to be paid into and maintained in said Fund and Account, all within the times provided by said Bond Resolution.

Said amounts so pledged to be paid out of Gross Revenue into said Bond Fund and Reserve Account are hereby declared to be a first and prior lien and charge upon the Gross Revenue, subject to the lien thereon of the Senior Lien Bonds and subject further to the Operating Expenses of the Port and equal in rank to the lien and charge upon such Gross Revenue of the amounts required to pay and secure the payment of the Outstanding Bonds, the Series 1992B Bonds of the Port being issued on this same date, pursuant to the Bond Resolution and any revenue bonds of the Port hereafter issued on a parity with the bonds of this issue.

The Port has further bound itself to maintain all of its properties and facilities which contribute in some measure to such Gross Revenue in good repair, working order and condition, to operate the same in an efficient manner and at a reasonable

cost, and to establish, maintain and collect rentals, tariffs, rates and charges in the operation of all of its business for as long as any bonds of this issue are outstanding that it will make available, for the payment of the principal thereof and interest thereon as the same shall become due, Net Revenues (as the same is defined in the Bond Resolution) in an amount equal to or greater than the Rate Covenant.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Registrar.

It is hereby certified and declared that this bond and the bonds of this issue are issued pursuant to and in strict compliance with the Constitution and laws of the State of Washington and resolutions of the Port and that all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, been done and performed.

IN WITNESS WHEREOF, the Port of Seattle, Washington, has caused this bond to be executed by the manual or facsimile signatures of the President and Secretary of the Port Commission, and a facsimile corporate seal of the Port to be impressed or a facsimile thereof imprinted hereon as of the 1st day of April, 1992.

PORT OF SEATTLE, WASHINGTON

By /s/
President, Port Commission

ATTEST:

/s/
Secretary, Port Commission

King County Comptroller's Reference No. _____

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This bond is one of the bonds described in the within mentioned Bond Resolution and is one of the Revenue Bonds, Series 1992A of the Port of Seattle, Washington, dated April 1, 1992.

WASHINGTON STATE FISCAL
AGENCY, Registrar

By _____
Authorized Signer

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common
 TEN ENT - as tenants by the entireties
 JT TEN - as joint tenants with right of survivorship and not as
 tenants in common
 UNIF GIFT (TRANSFER)
 MIN ACT - _____ Custodian _____
 (Cust) (Minor)
 under Uniform Gifts (Transfer) to Minors Act _____
 (State)

Additional abbreviations may also be used although not listed above.
 (Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER OF TRANSFEREE
 / _____ /

(Please print or typewrite name and address, including zip code of transferee)

the within bond and all rights thereunder and does hereby irrevocably constitute and appoint _____ of _____, or its successor, as Agent to transfer said bond on the books kept by the Registrar for registration thereof, with full power of substitution in the premises.

DATED: _____, 19 ____.

SIGNATURE GUARANTEED:

NOTE: The signature of this Assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

(b) Series 1992B Bonds. The Series 1992B Bonds shall be in substantially the following form:

NO. _____ UNITED STATES OF AMERICA \$ _____
 STATE OF WASHINGTON
 PORT OF SEATTLE
 REVENUE BOND, SERIES 1992B

Maturity Date: _____ CUSIP No. _____
 Interest Rate: _____
 Registered Owner: _____
 Principal Amount: _____

THE PORT OF SEATTLE, a municipal corporation organized and existing under and by virtue of the laws of the State of Washington (the "Port"), promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, solely from the special fund of the Port known as the "Port of Seattle Revenue Bond Fund, Series 1992" (the "Bond Fund") created by Resolution No. 3111, as amended, of the Port Commission (together with Resolution No. 3059, as amended, hereinafter collectively referred to as the "Bond Resolution") the Principal Amount indicated above and to pay interest thereon from the Bond Fund from April 1, 1992, or the most recent date to which interest has been paid or duly provided for or until payment of this bond at the Interest Rate set forth above, payable on November 1, 1992, and semiannually thereafter on the first days of each May and November. Both principal of and interest on this bond are payable in lawful money of the United States of America. Interest shall be paid by mailing a check or draft to the Registered Owner or assigns at the address shown on the Bond Register on the 15th day of the month prior to the interest payment date (or, if this bond is held in fully immobilized form or otherwise if agreed to by the Port, by wire transfer). Principal shall be paid to the Registered Owner or assigns upon presentation and surrender of this bond at the principal office of the fiscal agency of the State of Washington in either Seattle, Washington, or New York, New York (collectively the "Registrar"). Capitalized terms used in this bond which are not specifically defined have the meanings given such terms in the Bond Resolution.

This bond is one of an series-issue of bonds of the Port in the aggregate principal amount of \$115,410,000 of like date, tenor and effect, except as to number, amount, rate of interest and date of maturity and is issued pursuant to the Bond Resolution to acquire, construct and install improvements to Port facilities.

The Port has reserved the right, at its option, to redeem the bonds maturing on and after November 1, 2002, exclusive of the bonds maturing November 1, 2017, in whole on any date or in part and if in part on any interest payment date, with maturities to be selected by the Port and by lot within a maturity, at the following prices, expressed as a percentage of the principal amount of the bonds to be redeemed, plus accrued interest to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Prices</u>
<u>November 1, 2002 through October 31, 2003</u>	<u>102%</u>
<u>November 1, 2003 through October 31, 2004</u>	<u>101%</u>
<u>November 1, 2004 and thereafter</u>	<u>100%</u>

The Port has reserved the right, at its option, to redeem the bonds maturing on November 1, 2017 on and after November 1, 2002 in whole on any date or in part and if in part on any interest payment date, by lot within the maturity, at a price of par, plus accrued interest to the date fixed for redemption.

The Port has obligated and bound itself to redeem bonds maturing on November 1, 2010, by lot (in such manner as shall be determined by the Registrar), at par plus accrued interest in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>	
<u>2007</u>	<u>\$3,640,000</u>	5
<u>2008</u>	<u>3,880,000</u>	
<u>2009</u>	<u>4,125,000</u>	40
<u>2010</u>	<u>4,425,000</u>	30

• Final Maturity

The Port has obligated and bound itself to redeem bonds maturing on November 1, 2010, by lot (in such manner as shall be determined by the Registrar), at par plus accrued interest in the following amounts on November 1 of the following years:

<u>Year</u>	<u>Amount</u>	
<u>2011</u>	<u>\$4,775,000</u>	80
<u>2012</u>	<u>5,075,000</u>	
<u>2013</u>	<u>5,385,000</u>	
<u>2014</u>	<u>5,715,000</u>	
<u>2015</u>	<u>6,055,000</u>	60
<u>2016</u>	<u>6,425,000</u>	
<u>2017</u>	<u>6,820,000</u>	

• Final Maturity

Notice of any such intended redemption shall be given as provided in the Letter of Representations, dated as of April 28, 1992 among the Port, the Registrar and The Depository Trust Company.

The bonds of this issue are private activity bonds and are not "qualified tax exempt obligations" eligible for investment by financial institutions within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.

This bond is transferable only on the records maintained by the Registrar for that purpose upon the surrender of this bond by the registered owner hereof or his/her duly authorized agent and only if endorsed in the manner provided hereon, and thereupon a new fully registered bond of like principal amount, maturity and interest rate shall be issued to the transferee in exchange therefor. Such exchange or transfer shall be without cost to the registered owner or transferee. The Port and Registrar may deem the person in whose name this bond is registered to be the absolute owner hereof for the purpose of receiving payment of the principal of and interest on the bond and for any and all other purposes whatsoever.

The Registrar is not required to issue, register, transfer or exchange any of the bonds during a period beginning at the opening of business on the 15th day of the month next preceding any interest payment date and ending at the close of business on the interest payment date, or, in the case of any proposed redemption of the bonds, after the mailing of notice of the call of such bonds for redemption.

The Port hereby covenants and agrees with the owner and holder of this bond that it will keep and perform all the covenants of this bond and the Bond Resolution.

The Port does hereby pledge and bind itself to set aside from such Gross Revenue, and to pay into said Bond Fund and the Reserve Account created therein the various amounts required by the Bond Resolution to be paid into and maintained in said Fund and Account, all within the times provided by said Bond Resolution.

Said amounts so pledged to be paid out of Gross Revenue into said Bond Fund and Reserve Account are hereby declared to be a first and prior lien and charge upon the Gross Revenue, subject to the lien thereon of the Senior Lien Bonds and subject further to the Operating Expenses of the Port and equal in rank to the lien and charge upon such Gross Revenue of the amounts required to pay and secure the payment of the Outstanding Bonds, the Series 1992A Revenue Bonds of the Port issued on this date, pursuant to the Bond Resolution, and any revenue bonds of the Port hereafter issued on a parity with the bonds of this issue.

The Port has further bound itself to maintain all of its properties and facilities which contribute in some measure to such Gross Revenue in good repair, working order and condition, to operate the same in an efficient manner and at a reasonable cost, and to establish, maintain and collect rentals, tariffs, rates and charges in the operation of all of its business for as long as any bonds of this issue are outstanding that it will make available, for the payment of the principal thereof and interest thereon as the same shall become due, Net Revenues (as the same is defined in the Bond Resolution) in an amount equal to or greater than the Rate Covenant.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Registrar.

It is hereby certified and declared that this bond and the bonds of this issue are issued pursuant to and in strict compliance with the Constitution and laws of the State of Washington and resolutions of the Port and that all acts, conditions and things required to be done precedent to and in the issuance of this bond have happened, been done and performed.

IN WITNESS WHEREOF, the Port of Seattle, Washington, has caused this bond to be executed by the manual or facsimile signatures of the President and Secretary of the Port Commission, and a facsimile corporate seal of the Port to be impressed or a facsimile thereof imprinted hereon as of the 1st day of April, 1992.

PORT OF SEATTLE, WASHINGTON

By /s/
President, Port Commission

ATTEST:

/s/
Secretary, Port Commission

King County Comptroller's Reference No. _____

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This bond is one of the bonds described in the within mentioned Bond Resolution and is one of the Revenue Bonds, Series 1992B of the Port of Seattle, Washington, dated April 1, 1992.

WASHINGTON STATE FISCAL AGENCY, Registrar

By _____ Authorized Signer

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations.

- TEN COM - as tenants in common
 - TEN ENT - as tenants by the entireties
 - JT TEN - as joint tenants with right of survivorship and not as tenants in common
 - UNIF GIFT (TRANSFER)
 - MIN ACT - _____ Custodian _____ (Cust) _____ (Minor) _____ (State)
- under Uniform Gifts (Transfer) to Minors Act _____

Additional abbreviations may also be used although not listed above.

(Form of Assignment)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER OF TRANSFEREE / _____ /

(Please print or typewrite name and address, including zip code of Transferee)

the within bond and all rights thereunder and does hereby irrevocably constitute and appoint _____ of _____, or its successor, as Agent to transfer said bond on the books kept by the Registrar for registration thereof, with full power of substitution in the premises.

DATED: _____, 19 ____.

SIGNATURE GUARANTEED: _____

NOTE: The signature of this Assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

(c) Series 1992 Bonds in Certificated Form. In the event the Series 1992 Bonds are no longer in fully immobilized form, the form of Series 1992 Bonds may be modified to conform to printing requirements and the terms of this Series Resolution.

Section 13. Execution. The Series 1992 Bonds shall be executed on behalf of the Port with the manual or facsimile signature of the President of its Commission, shall be attested by the manual or facsimile signature of the Secretary thereof and shall have the seal of the Port impressed or a facsimile thereof imprinted thereon.

Only such Series 1992 Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this Series Resolution. Such Certificate of Authentication shall be conclusive evidence that the Series 1992 Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this Series Resolution.

In case either of the officers of the Port who shall have executed the Series 1992 Bonds shall cease to be such officer or officers of the Port before the Series 1992 Bonds so signed shall have been authenticated or delivered by the Registrar, or issued by the Port, such Series 1992 Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the Port as though those who signed the same had continued to be such officers of the Port. Any Series 1992 Bond may also be signed and attested on behalf of the Port by such persons as at the actual date of execution of such Series 1992 Bond shall be the proper officers of the Port although at the original date of such Series 1992 Bond any such person shall not have been such officer.

Section 14. Registrar. The Registrar shall keep, or cause to be kept, at its principal corporate trust office, sufficient

records for the registration and transfer of the Series 1992 Bonds which shall at all times be open to inspection by the Port. The Registrar is authorized, on behalf of the Port, to authenticate and deliver Series 1992 Bonds transferred or exchanged in accordance with the provisions of such Series 1992 Bonds and this Series Resolution and to carry out all of the Registrar's powers and duties under this Series Resolution.

The Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Series 1992 Bonds. The Registrar may become the owner of Series 1992 Bonds with the same rights it would have if it were not the Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Registered Owners of the Series 1992 Bonds.

Section 15. Defaults and Remedies. The Port hereby finds and determines that the failure or refusal of the Port or any of its officers to perform the covenants and obligations of this Series Resolution will endanger the operation of the Facilities and the application of Gross Revenue and such other moneys, funds and securities to the purposes herein set forth. Any one or more of the following shall constitute a Default under this Series Resolution:

(a) The Port shall fail to make payment of the principal of any Series 1992 Bonds when the same shall become due and payable whether by maturity or scheduled redemption prior to maturity;

(b) The Port shall fail to make payments of any installment of interest on any Series 1992 Bonds when the same shall become due and payable;

(c) The Port shall default in the observance or performance of any other covenants, conditions, or agreements on the part of the Port contained in this Series Resolution, and such default shall have continued for a period of 90 days.

Upon the occurrence and continuation of any Default, the Registered Owners of the Bonds shall be entitled to exercise the remedies specified in Section 22 of the Master Resolution.

Section 16. Compliance with Parity Conditions. The Commission hereby finds and determines as required by Section 7 of the Master Resolution, as follows:

First: The Port has not been in default of its covenant under Section 9(a) of the Master Resolution for the immediately preceding fiscal year (1991); and

Second: This Commission has been assured that prior to the issuance and delivery of the Series 1992 Bonds, it will have on file a certificate from the Designated Port Representative or, if required under the Master Resolution, Aviation Planning Associates, Inc. and TAMS Consultants, Inc. (prepared as described in subsection 7(b) or 7(c) of the Master Resolution) demonstrating fulfillment of the Coverage Requirement, commencing with the first full fiscal year following the later of (1) the Date of Commercial Operation of the Facilities to be financed with the proceeds of the Series 1992 Bonds or (2) the date on which any portion of interest on the Series 1992 Bonds no longer will be paid from the proceeds thereof and for the following two fiscal years.

The limitations contained in the conditions provided in Section 7 of the Master Resolution having been complied with or assured, the payments required herein to be made out of the Net Revenues to pay and secure the payment of the principal of and interest on the Series 1992 Bonds shall constitute a lien and charge upon such Net Revenues equal in rank to the lien and charge thereon of the Outstanding Bonds.

Section 17. Sale of Series 1992 Bonds. The Series 1992 Bonds shall be sold at negotiated sale to an underwriting group consisting of PaineWebber Incorporated, Lehman Brothers, Goldman, Sachs & Co., M.R. Beal & Company and Artemis Capital Group, Inc. under the terms of a Bond Purchase Contract dated this date. The

Bond Purchase Contract is hereby approved, and the Designated Port Representative is hereby authorized and directed to execute the Bond Purchase Contract. Upon the adoption of this Series Resolution, the proper officials of the Port are authorized and directed to undertake all action necessary for the prompt execution and delivery of the Series 1992 Bonds to the purchaser thereof.

The Designated Port Representative is authorized to review and to approve for purposes of Rule 15c2-12 of the Securities and Exchange Commission, on behalf of the Port, the Official Statement (and any Preliminary Official Statement) relating to the issuance and sale of the Series 1992 Bonds and the distribution of the Series 1992 Bonds pursuant thereto with such changes, if any, as may be deemed by him/her to be appropriate

Section 18. Severability. If any one or more of the covenants or agreements provided in this Series Resolution to be performed on the part of the Port shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements in this Series Resolution and shall in no way affect the validity of the other provisions of this Series Resolution or of any Parity Bonds.

Section 19. Effective Date. This Series Resolution shall be effective immediately upon its adoption.

ADOPTED by the Port Commission of the Port of Seattle at a meeting thereof, held this ____ day of _____, 1992, and duly authenticated in open session by the signatures of the Commissioners ~~present and voting in favor thereof~~ and the seal of the Commission duly affixed.

PORT OF SEATTLE, WASHINGTON

Commissioners

EXHIBIT A

The following are the capital projects, all or part of the Costs of Construction of which may be paid from the proceeds of the Series 1992A Bonds:

Completion of the improvements to the parking terminal, including expansion of the parking terminal at Seattle-Tacoma International Airport, relocation of car rental agencies, development of additional curbside plaza and major maintenance improvements of the existing Airport parking garage.

EXHIBIT B

The following are the capital projects, all or part of the Costs of Construction of which may be paid from the proceeds of the Series 1992B Bonds:

Seattle-Tacoma International Airport

1. Improvements to the parking terminal to include expansion of the parking terminal at Seattle-Tacoma International Airport, relocation of car rental agencies, development of additional curbside plaza and major maintenance improvements of the existing Airport parking garage at an estimated cost of \$38,310,000.
2. Concourse improvements and expansions at an estimated cost of \$49,692,000, including, but not limited to,
 - (i) Concourse B Access and Widening project consists of construction of a new stairway, a new elevator and a new gate node. It also involves widening of Concourse B.
 - (ii) Expansion of Concourse C involves expansion of the end node of Concourse C and the widening of Concourse C and renovation at the concourse and mezzanine level and portions of the ramp level.
 - (iii) Expansion of Concourse D consists of demolition of the United Airlines Hangar; expansion at the end of Concourse D; widening and renovation of the existing concourse; renovation of the existing concourse to match the new building; addition of six new aircraft gates; construction of a new pier sort bag handling system; and new apron paving.
3. Airport terminal improvements, including, but not limited to:
 - (i) Baggage system modifications, including, but not limited to, enhancements to conveyors, carousels, outbound baggage systems and baggage claim counters for an estimated cost of \$4,668,000;
 - (ii) Asbestos abatement projects, including, but not limited to, abatement in cable trays, bridge mechanical areas and other terminal and concourse areas for an estimated cost of \$1,095,000;
 - (iii) Utility system modifications, including, but not limited to, electrical upgrades, utility plan updates, IWS drain systems, chiller upgrades and other projects for an estimated cost of \$17,421,000;
 - (iv) Satellite transit system enhancements including, but not limited to, power systems, operating systems and radio systems for an estimated cost of \$500,000; and
 - (v) Soil, water, and other environmental remediation projects, including, but not limited to, contaminated soils, retrofitting of storage tanks, trench drain repairs and others for an estimated cost of \$18,711,000.
4. Site preparation for future development in the South Aviation Support Area, including, but not limited to, the

acquisition of land, preliminary planning and development and site preparation for an estimated cost of \$85,350,000. The South Aviation Support Area includes an area approximately bounded by South 188th St. on the north, South 200th St. on the south, 28th Avenue South on the east and 18th Avenue South on the west.

5. Land Acquisition/Noise Remedy

The Land Acquisition/Noise Remedy Program, as approved by the Port Commission in January 1985, for the period 1990-1994 will be continued by the acquisition of property within the areas described in the Seattle-Tacoma International Airport Part 150 Airport Noise Compatibility Program including areas bordered approximately by First Avenue South and Military Road South and South 100th Street and South 244th Street for an estimated cost of \$5,150,000.

Marine Facilities

The Marine projects include the following, but are not limited to:

6. Terminal 3 which is situated at the intersection of 26th S.W. and S.W. Florida, Seattle, Washington 98106, shall be improved by the acquisition of land and the undertaking of environmental work and preliminary development, for an estimated cost of \$4,285,000.
7. Terminal 5 which is situated at 3200 West Marginal Way S.W., Seattle, Washington 98106, shall be improved by additional ramp container expansion and yard development for an estimated cost of \$6,540,000.
8. Terminal 18 which is situated at 2400 to 2900 - 11th Avenue S.W., Seattle, Washington 98134, shall be improved with the following projects: miscellaneous yard improvements and container crane upgrade, for an estimated cost of \$2,075,000.
9. Terminal 30 which is situated at 2715 East Marginal Way South, Seattle, Washington 98134, shall be improved by container yard development for an estimated cost of \$3,110,000.
10. Terminal 91, which is situated at 2001 West Garfield, Seattle, Washington 98119, shall undergo miscellaneous improvements including roof replacement and rehabilitation of timber apron for an estimated cost of \$23,120,000.
11. Terminal 46, which is situated at 401 Alaskan Way South shall be improved through upgrades of container cranes and improvements to container yard space and other miscellaneous improvements to fencing, utilities and gates for an estimated cost of \$3,251,000.
12. Container crane modernization and replacement including various crane improvement projects and acquisitions at various Port terminals for an estimated cost of \$18,866,000.
13. Terminal 108, which is situated at East Marginal Way at Diagonal Way South shall be expanded and improved through the acquisition of unimproved land located in the 4500 Block of Diagonal Way South and preliminary planning and development for an estimated cost of \$5,000,000.

EXHIBIT C

Form of Letter of Representations

Attention: General Counsel's Office
The Depository Trust Company
55 Water Street; 49th Floor
New York, NY 10041-0099

Re: Port of Seattle, Washington
Revenue Bonds, Series 1992A and Series 1992B

Ladies and Gentlemen:

This letter sets forth our understanding with respect to certain matters relating to the above-referenced issue (the "Bonds"). Agent will act as trustee, paying agent, fiscal agent, or other agent of Issuer with respect to the Bonds. The Bonds will be issued pursuant to a trust indenture, bond resolution, or other such document authorizing the issuance of the Bonds dated _____, 1992 (the "Document"). _____ is distributing the Bonds through the Depository Trust Company ("DTC").

To induce DTC to accept the Bonds as eligible for deposit at DTC, and to act in accordance with its Rules with respect to the Bonds, Issuer and Agent, if any, make the following representations to DTC:

1. Prior to closing on the Bonds on _____, 1992, there shall be deposited with DTC one Bond certificate registered in the name of DTC's nominee, Cede & Co., for each stated maturity of the Bonds in the face amounts set forth on Schedule A hereto, the total of which represents 100% of the principal amount of such Bonds. If, however, the aggregate principal amount of any maturity exceeds \$150 million, one certificate will be issued with respect to each \$150 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount. Each \$150 million Bond certificate shall bear the following legend:

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

2. In the event of any solicitation of consents from or voting by holders of the Bonds, Issuer or Agent

shall establish a record date for such purposes (with no provision for revocation of consents or votes by subsequent holders) and shall, to the extent possible, send notice of such record date to DTC not less than 15 calendar days in advance of such record date.

3. In the event of a full or partial redemption or an advance refunding of part of the outstanding Bonds, Issuer or Agent shall send a notice to DTC specifying: (a) the amount of the redemption or refunding; (b) in the case of a refunding, the maturity date(s) established under the refunding; and (c) the date such notice is to be mailed to beneficial owners or published (the "Publication Date"). Such notice shall be sent to DTC by a secure means (e.g., legible telecopy, registered or certified mail, overnight delivery) in a timely manner designed to assure that such notice is in DTC's possession no later than the close of business on the business day before the Publication Date. Issuer or Agent shall forward such notice either in a separate secure transmission for each CUSIP number or in a secure transmission for multiple CUSIP numbers (if applicable) which includes a manifest or list of each CUSIP submitted in that transmission. (The party sending such notice shall have a method to verify subsequently the use of such means and the timeliness of such notice.) The Publication Date shall be not less than 30 days nor more than 60 days prior to the redemption date or, in the case of an advance refunding, the date that the proceeds are deposited in escrow.

4. In the event of an invitation to tender the Bonds, notice by Issuer or Agent to Bondholders specifying the terms of the tender and the Publication Date of such notice shall be sent to DTC by a secure means in the manner set forth in the preceding paragraph.

5. All notices and payment advices sent to DTC shall contain the CUSIP number of the Bonds.

6. Notices to DTC pursuant to paragraph 2 by telecopy shall be sent to DTC's Reorganization Department at (212) 709-6896 or (212) 709-6897, and receipt of such notices shall be confirmed by telephoning (212) 709-6870. Notices to DTC pursuant to Paragraph 2 by mail or by any other means shall be sent to:

Supervisor; Proxy
Reorganization Department
The Depository Trust Company
7 Hanover Square; 23rd Floor
New York, NY 10034-2695

7. Notices to DTC pursuant to Paragraph 3 by telecopy shall be sent to DTC's Call Notification Department at (516) 227-4164 or (516) 227-4190. If the party sending the notice does not receive a telecopy receipt from DTC confirming that the notice has been received, such party shall telephone (516) 227-4070. Notices to DTC pursuant to Paragraph 3 by mail or by any other means shall be sent to:

Call Notification Department
The Depository Trust Company
711 Stewart Avenue
Garden City, NY 11530-4719

8. Notices to DTC pursuant to Paragraph 4 and notices of other actions (including mandatory tenders, exchanges, and capital changes) by telecopy shall be sent to DTC's Reorganization Department at (212) 709-1093 or (212) 709-1094, and receipt of such notices shall be confirmed by telephoning (212) 709-6884. Notices to DTC pursuant to the above by mail or by any other means shall be sent to:

Manager, Reorganization Department
Reorganization Window
The Depository Trust Company
7 Hanover Square: 23rd Floor
New York, NY 10004-2695

9. Transactions in the Bonds shall be eligible for next-day funds settlement in DTC's Next-Day Funds Settlement ("NDFS") system.

A. Interest payments shall be received by Cede and Co., as nominee of DTC, or its registered assigns in next-day funds on each payment date (or the equivalent in accordance with existing arrangements between Issuer or Agent and DTC). Such payments shall be made payable to the order of Cede & Co. Absent any other existing arrangements such payments shall be addressed as follows:

Manager; Cash Receipts
Dividend Department
The Depository Trust Company
7 Hanover Square; 24th Floor
New York, NY 10004-2695

B. Principal payments shall be received by Cede & Co., as nominee of DTC, or its registered assigns in next-day funds on each payment date (or the equivalent in accordance with existing arrangements between Issuer or Agent and DTC). Such payments shall be made payable to the order of Cede & Co., and shall be addressed as follows:

NDFS Redemption Department
The Depository Trust Company
55 Water Street; 50th Floor
New York, NY 10041-0099

10. DTC may direct Issuer or Agent to use any other telephone number or address as the number or address to which notices or payments of interest or principal may be sent.

11. In the event of a redemption, acceleration, or any other similar transaction (e.g., tender made and accepted in response to Issuer's or Agent's invitation) necessitating a reduction in the aggregate principal amount of Bonds outstanding or an advance refunding of part of the Bonds outstanding, DTC, in its discretion: (a) may request Issuer or Agent to issue and authenticate a new Bond certificate, or (b) may make an

appropriate notation on the Bond certificate indicating the date and amount of such reduction in principal except in the case of final maturity, in which case the certificate will be presented to Issuer or Agent prior to payment if required.

12. In the event that Issuer determines that beneficial owners of Bonds shall be able to obtain certificated Bonds, Issuer or Agent shall notify DTC of the availability of Bond certificates. In such event, Issuer or Agent shall issue, transfer, and exchange Bond certificates in appropriate amounts as required by DTC and others.

13. DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to Issuer or Agent (at which time DTC will confirm with Issuer or Agent the aggregate principal amount of Bonds outstanding). Under such circumstances, at DTC's request Issuer and Agent shall cooperate fully with DTC by taking appropriate action to make available one or more separate certificates evidencing Bonds to any DTC Participant having Bonds credited to its DTC accounts.

14. Nothing herein shall be deemed to require Agent to advance funds on behalf of Issuer.

Very truly yours,

(Issuer)

By _____
(Authorized Officer's Signature)

(Agent)

By _____
(Authorized Officer's Signature)

Notes:

A. If there is an Agent (as defined in this Letter of Letter of Representations). Agent as well as Issuer must sign this Letter. If there is no Agent, in signing this Letter Issuer itself undertakes to perform all of the obligations set forth herein.

B. Under Rules of the Municipal Securities Rulemaking Board relating to "good delivery", a municipal securities dealer must be able to determine the date that a notice of a partial call or of an advance refunding of a part of an issue is published (the "publication date"). The establishment of such a publication date is addressed in Paragraph 3 of the Letter.

C. Schedule B contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Received and Accepted:
THE DEPOSITORY TRUST COMPANY

By: _____
(Authorized Officer)

cc: Underwriter

SCHEDULE A

(Describe Issue)

<u>CUSIP</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
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SCHEDULE B

Sample Official Statement Language Describing Book-Entry-Only Issuance

(Prepared by DTC--bracketed material may be applicable only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee). One fully-registered Security certificate will be issued for [each issue of] the Securities [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$150 million, one certificate will be issued with respect to each \$150 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the new York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants ("Participants") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of Securities with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the

actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

[6. Redemption notices shall be sent to Cede & Co., if less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]

7. Neither DTC nor Cede & Co. will consent or vote with respect to Securities. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Principal and interest payments on the Securities will be made to DTC. DTC's practice is to credit Direct Participants' accounts on payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on payable date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer or the Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to the [Tender, Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records to the [Tender Remarketing] Agent. The requirement for physical delivery of Securities in connection with a demand for purchase or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records.]

10. DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to the Issuer or the Agent. Under such circumstances, in the event that a successor securities depository is not obtained. Security certificates are required to be printed and delivered.

11. The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

EXHIBIT D

GUARANTY AGREEMENT (for Reserve Account Surety Bond)

FINANCIAL GUARANTY AGREEMENT made as of April 28, 1992 by and between the PORT OF SEATTLE, WASHINGTON (the "Port") and MUNICIPAL BOND INVESTORS ASSURANCE CORPORATION (the "Insurer"), organized under the laws of the state of New York.

W I T N E S S E T H:

WHEREAS, the Port has or will issue its Revenue Bonds, Series 1992A and Revenue Bonds, Series 1992B (collectively, the "Bonds") pursuant to Resolution No. 3059, as amended, and Resolution No. 3111, as amended (collectively, the "Resolution"); and

WHEREAS, pursuant to the terms of the Resolution the Port agrees to make certain payments on the Bonds; and

WHEREAS, the Insurer will issue its Surety Bond, substantially in the form set forth in Annex A to this Agreement, guaranteeing certain payments by the Port subject to the term and limitations of the Surety Bond; and

WHEREAS, to induce the Insurer to issue the Surety Bond, the Port has agreed to pay the premium for the Surety Bond and to reimburse the Insurer for all payments made by the Insurer under the Surety Bond, all as more fully set forth in this Agreement; and

WHEREAS, the Port understands that the Insurer expressly requires the delivery of this Agreement as part of the consideration for the execution by the Insurer of the Surety Bond; and

NOW, THEREFORE, in consideration of the premises and of the agreements herein contained and of the execution of the Surety Bond, the Insurer and Port and the Insurer agree as follows.

ARTICLE I

DEFINITIONS; SURETY BOND

Section 1.01. Definitions. The terms which are capitalized herein shall have the meanings specified in Annex B hereto.

Section 1.02. Surety Bond.

(a) The Insurer will issue the Surety Bond in accordance with and subject to the terms and conditions of the Commitment.

(b) The maximum liability of the Insurer under the Surety Bond and the coverage and term thereof shall be subject to and limited by the terms and conditions of the Surety Bond.

Section 1.03. Premium. In consideration of the Insurer agreeing to issue the Insurer hereunder, the Port hereby agrees to pay or cause to be paid the Premium set forth in the Annex B hereto. The Premium on the Surety Bond is not refundable for any reason.

Section 1.04. Certain Other Expenses. The Port will pay all reasonable fees and disbursements of the Insurer's special

counsel related to any modification of this Agreement or the Surety Bond.

ARTICLE II

REIMBURSEMENT AND INDEMNIFICATION BONDS OF PORT AND SECURITY THEREFOR

Section 2.01. Reimbursement for Payments Under the Surety Bond and Expenses; Indemnification.

(a) The Port will reimburse the Insurer, within the Reimbursement Period, without demand or notice by the Insurer to the Port or any other person, to the extent of each Surety Bond Payment with interest on each Surety Bond Payment from and including the date made to the date of the reimbursement at the lesser of the Reimbursement Rate or the maximum rate of interest permitted by then applicable law.

(b) The Port also agrees to reimburse the Insurer immediately and unconditionally upon demand, to the extent permitted by state law, for all reasonable expenses incurred by the Insurer in connection with the enforcement by the Insurer of the Port's Bond under this Agreement, the Resolution, and any other document executed in connection with the issuance of the Bonds, together with interest on all such expenses from and including the date incurred to the date of payment at the rate set forth in subsection (a) of this Section 2.01.

(c) The Port agrees that all amounts owing to the Insurer pursuant to Section 1.03 hereof and this Section 2.01 must be paid in full prior to any optional redemption or refunding of the Bonds.

(d) All payments made to the Insurer under this Agreement shall be paid in lawful currency of the United States in immediately available funds at the Insurer's office at 113 King Street, Armonk, New York 10504, Attention: Accounting and Surveillance Departments, or at such other place as shall be designated by the Insurer.

Section 2.02. Allocation of Payments. The Insurer and the Port hereby agree that each payment received by the Insurer from or on behalf of the Port as a reimbursement to the Insurer as required by Section 2.01 hereof shall be applied by the Insurer first, toward payment of any unpaid premium; second, toward repayment of which will reinstate all or a portion of the Surety Bond Coverage to the extent of such repayment (but not to exceed the Surety Bond Limit); and third, upon full reimbursement of the Surety Bond Coverage to the Surety Bond Limit, toward other amounts, including, without limitations, any interest payable with respect to any Surety Bond Payments then due to the Insurer.

Section 2.03. Security for Payments; Instruments of Further Assurance. To the extent, but only to the extent, that the Resolution, or any related indenture, trust agreement, ordinance, resolution, mortgage, security agreement or similar instrument, if any, pledges to the Owners or any trustee therefor, or grants a security interest or lien in or on any collateral, property, revenue or other payments ("Collateral and Revenues") in order to secure the Bonds or provide a source of payment for the Bonds, the Port hereby grants to the Insurer a lien on Net Revenues, as described in the Resolution. The Port agrees that it will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, any and all financing statements, if applicable, and all other further instruments as may be required by law or as shall

reasonably be requested by the Insurer for the perfection of the security interest, if any, granted under this Section 2.03 and for the preservation and protection of all rights of the Insurer under this Section 2.03.

Section 2.04. Unconditional Bond. The Bonds hereunder are absolute and unconditional and will be paid or performed strictly in accordance with this Agreement, subject to the limitations of the Resolution, irrespective of:

(a) any lack of validity or enforceability of, or any amendment or other modification of, or waiver with respect to the Bonds, the Resolution or any other document executed in connection with the issuance of the Bonds; or

(b) any exchange, release or nonperfection of any security interest in property securing the Bonds or this Agreement or any Bonds hereunder; or

(c) any circumstances that might otherwise constitute a defense available to, or discharge of, the Port with respect to the Bonds, the Resolution or any other document executed in connection with the issuance of the Bonds; or

(d) whether or not such Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated.

Section 2.05. On-Going Information Obligations of Port.

(a) Quarterly Reports. The Port will provide to the Insurer within 45 days of the close of each quarter interim financial statements covering all fund balances under the document, a statement of operations (income statement), balance sheet and changes in fund balances. These statements need not be audited by an independent certified public accountant, but if any audited statements are produced, they must be provided to the Insurer;

(b) Annual Reports. The Port will provide to the Insurer annual financial statements audited by an independent certified public accountant within 90 days of the end of each fiscal year;

(c) Access to Facilities, Books and Records. The Port will grant the Insurer reasonable access to the project financed by the Bonds and will make available to the Insurer, at reasonable times and upon reasonable notice all books and records relative to the project financed by the Bonds; and

(d) Compliance Certificate. On an annual basis the Port will provide to the Insurer a certificate confirming compliance with all covenants and Bonds hereunder and under the Resolution or any other document executed in connection with the issuance of the Bonds.

ARTICLE III

AMENDMENTS TO RESOLUTION

So long as this Agreement is in effect, the Port agrees that it will not agree to amend the Resolution or any other document executed in connection with the issuance of the Bonds, without the prior written consent of the Insurer.

ARTICLE IV

EVENTS OF DEFAULT; REMEDIES

Section 4.01. Events of Default. The following events shall constitute Events of Default hereunder:

(a) The Port shall fail to pay to the Insurer when due any amount payable under Sections 1.03; or

(b) The Port shall fail to pay to the Insurer any amount payable under Sections 1.04 and 2.01 hereof and such failure shall have continued for a period in excess of the Reimbursement Period; or

(c) Any material representations or warranty made by the Port under the document or hereunder or any statement in the application for the Surety Bond or any report, certificate, financial statement, document or other instrument provided in connection with the Commitment, the Surety Bond, the Bonds, or herewith shall have been materially false at the time when made; or

(d) Except as otherwise provided in this Section 4.01, the Port shall fail to perform any of its other Bonds under the Resolution, or any other document executed in connection with the issuance of the Bonds, or hereunder, provided that such failure continues for more than 30 days after receipt by the Port of written notice of such failure to perform; or

(e) The Port shall (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of, or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, (vi) become unable, admit in writing its inability or fail generally to pay its debts as they become due or (vii) take action for the purpose of effecting any of the foregoing; or

(f) An involuntary proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking (i) relief in respect of the Port, or of a substantial part of its property, under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law or (ii) the appointment of a receiver, trustee, custodian, sequestrator or similar official for the Port or for a substantial part of its property; and such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall continue unstayed and in effect for 30 days.

Section 4.02. Remedies. If an Event of Default shall occur and be continuing, then the Insurer may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due under this Agreement or to enforce performance of any Bond of the Port to the Insurer under the Resolution or any related instrument, and any Bond, agreement or covenant of the Port under this

Agreement; provided, however, that the Insurer may not take any action to direct or require the rights of the Owners. In addition, if an Event of Default shall occur due to the failure to pay to the Insurer the amounts due under Section 1.03 hereof, the Insurer shall have the right to cancel the Surety Bond in accordance with its terms. All rights and remedies of the Insurer under this Section 4.02 are cumulative and the exercise of any one remedy does not preclude the exercise of one or more of the other available remedies.

ARTICLE V

SETTLEMENT

The Insurer shall have the exclusive right to decide and determine whether any claim, liability, suit or judgment made or brought against the Insurer, the Port or any other party on the Surety Bond shall or shall not be paid, compromised, resisted, defended, tried or appealed, and the Insurer's decision thereon, if made in good faith, shall be final and binding upon the Insurer, the Port and any other party on the Surety Bond. An itemized statement of payments made by the Insurer, certified by an officer of the Insurer, or the voucher or vouchers for such payments, shall be prima facie evidence of the liability of the Port, and if the Port fails to immediately reimburse the Insurer upon the receipt of such statement of payments, interest shall be computed on such amount from the date of any payment made by the Insurer at the rate set forth in subsection (a) of Section 2.01 hereof.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Interest Computations. All computations of interest due hereunder shall be made on the basis of the actual number of days elapsed over a year of 360 days.

Section 6.02 Exercise of Rights. No failure or delay on the part of the Insurer to exercise any right, power or privilege under this Agreement and no course of dealing between the Insurer and the Port or any other party shall operate as a waiver of any such right, power or privilege, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein expressly provided are cumulative and not exclusive of any rights or remedies herein expressly provided are cumulative and not exclusive of any rights or remedies which the Insurer would otherwise have pursuant to law or equity. No notice to or demand on any party in any case shall entitle such party to any other or further notice or demand in similar or other circumstances, or constitute a waiver of the right of the other party to any other or further action in any circumstances without notice or demand.

Section 6.03. Amendment and Waiver. An, provision of this Agreement may be amended, waived, supplemented, discharged or terminated only with the prior written consent of the Port and the Insurer. The Port hereby agrees that upon the written request of the Paying Agent, the Insurer may make or consent to issue any substitute for the Surety Bond to cure any ambiguity or formal defect or omission in the Surety Bond which does not materially change the terms of the Surety Bond nor adversely affect the rights of the Owners, and this Agreement shall apply to such substituted surety bond. The Insurer agrees to deliver to the Port and to the company or companies, if any, rating the Bonds, a copy of such substituted surety bond.

Section 6.04. Successors and Assigns; Descriptive Headings.

(a) This Agreement shall bind, and the benefits thereof shall inure to, the Port and the Insurer and their respective successors and assigns; provided, that the Port may not transfer or assign any or all of its rights and Bonds hereunder without the prior written consent of the Insurer.

(b) The descriptive headings of the various provisions of this Agreement are inserted for convenience of reference only and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

Section 6.05. Other Sureties. If the Insurer shall procure any other surety to reinsure the Surety Bond, this Agreement shall inure to the benefit of such other surety, its successors and assigns, so as to give it a direct right of action against the Port to enforce this Agreement, and "the Insurer," wherever used herein, shall be deemed to include such reinsuring surety, as its respective interests may appear.

Section 6.06. Signature on Bond. The Port's liability shall not be affected by its failure to sign the Surety Bond nor by any claim that other indemnity or security was to have been obtained nor by the release of any indemnity, nor the return or exchange of any collateral that may have been obtained.

Section 6.07. Waiver. The Port waives any defense that this Agreement was executed subsequent to the date of the Surety Bond, admitting and covenanting that such Surety Bond was executed pursuant to the Port's request and in reliance on the Port's promise to execute this Agreement.

Section 6.08. Notices, Requests, Demands. Except as otherwise expressly provided herein, all written notices, requests, demands or otherwise communications to or upon the respective parties hereto shall be deemed to have been given or made when actually received, or in the case of telex or telecopier notice sent over a telex or a telecopier machine owned or operated by a party hereto, when sent, addressed as specified below or at such other address as any of the parties may hereafter specify in writing to the others:

If to the Port: Port of Seattle
Pier 66, 2201 Alaskan Way
P.O. Box 1209
Seattle, Washington 98121

Attention: Chief Financial Officer

If to the Paying Agent: Seattle-First National Bank
1901 Fourth Avenue
11th Floor
Seattle, Washington 98101

Attention: Bond Trustee Services

If to the Insurer: Municipal Bond Investors Assurance
Corporation
113 King Street
Armonk, New York 10504
Attention: Surveillance Department

Section 6.09. Survival of Representations and Warranties. All representations, warranties and Bonds contained herein shall

survive the execution and delivery of this Agreement and the Surety Bond.

Section 6.10. Governing Law. This Agreement and the rights and Bonds of the parties under this Agreement shall be governed by and construed and interpreted in accordance with the laws of the State.

Section 6.11. Counterparts. This Agreement may be executed in any number of copies and by the different parties hereto on the same or separate counterparts, each of which shall be deemed to be an original instrument. Complete counterparts of this Agreement shall be lodged with the Port and the Insurer.

Section 6.12. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 6.13. Survival of Bonds. Notwithstanding anything to the contrary in this Agreement, the Bond of the Port to pay all amounts due hereunder and the rights of the Insurer to pursue all remedies shall survive the expiration, terminate or substitution of the Surety Bond and this Agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

PORT OF SEATTLE

By _____

Title _____

MUNICIPAL BOND INVESTORS ASSURANCE CORPORATION

[TITLE]

[TITLE]

ANNEX A
SURETY BOND

DEBT SERVICE RESERVE
SURETY BOND

Municipal Bond Investors Assurance Corporation
Armonk, New York 10504

Surety Bond No. _____

Municipal Bond Investors Assurance Corporation (the "Insurer"), in consideration of the payment of the premium and subject to the terms of this Surety Bond, hereby unconditionally and irrevocably guarantees the full and complete payments that are to be applied to payment of principal of and interest on the Bonds (as hereinafter defined) and that are required to be made by or on behalf of Port of Seattle, Washington (the "Port") under Resolution No. 3111, as amended (the "Resolution") to the fiscal agency of the State of Washington (the "Paying Agent"), as such payments are due but shall not be so paid, in connection with the issuance by the Port of the Port of Seattle, Washington Revenue Bonds, Series 1992A and the Port of Seattle, Washington Revenue Bonds, Series 1992B [if parity "together with any bonds issued on a parity therewith,"] (the "Bonds"), provided, that the amount available hereunder for payment pursuant to any one Demand for Payment (as hereinafter defined) shall not exceed \$10,600,000 (the "Surety Bond Limit"); provided, further, that the amount available at any particular time to be paid to the Paying Agent under the terms hereof (the "Surety Bond Coverage") shall be reduced and may be reinstated from time to time as set forth herein.

1. As used herein, the term "Owner" shall mean the registered owner of any Bond as indicated in the books maintained by the applicable paying agent, the Port or any designee of the Port for such purpose. The term "Owner" shall not include the Port or any person or entity whose Bond or Bonds by agreement constitute the underlying security or source of payment for the Bonds.

2. Upon the later of: (i) three (3) days after receipt by the Insurer of a demand for payment in the form attached hereto as Attachment 1 (the "Demand for Payment"), duly executed by the Paying Agent; or (ii) the payment date of the Bonds as specified in the Demand for Payment presented by the Paying Agent to the Insurer, the Insurer will make a deposit of funds in an account with Citibank, N.A., in New York, New York, or its successor, sufficient for the payment to the Paying Agent, of amounts that are then due to the Paying Agent (as specified in the Demand for Payment) subject to the Surety Bond Coverage.

3. Demand for Payment hereunder may be made by prepaid telecopy, telex, TWX or telegram of the executed Demand for Payment c/o the Insurer. If a Demand for Payment made hereunder does not, in any instance, conform to the terms and conditions of this Surety Bond, the Insurer shall give notice to the Paying Agent, as promptly as reasonably practicable, that such Demand for Payment was not effected in accordance with the terms and conditions of this Surety Bond and briefly state the reason(s) therefor. Upon being notified that such Demand for Payment was not effected in accordance with this Surety Bond, the Paying Agent may attempt to correct any such nonconforming Demand for Payment if, and to the extent that, the Paying Agent is entitled and able to do so.

4. The amount payable by the Insurer under this Surety Bond pursuant to a particular Demand for Payment shall be limited to the Surety Bond Coverage. The Surety Bond Coverage shall be reduced automatically to the extent of each payment made by the Insurer hereunder and will be reinstated to the extent of each reimbursement of the Insurer pursuant to the provisions of Article II of the Financial Guaranty Agreement dated the date thereof between the Insurer and the Port of Seattle (the "Financial Guaranty Agreement"); provided, that in no event shall such reinstatement exceed the Surety Bond Limit. The Insurer will notify the Paying Agent, in writing within five (5) days of such reimbursement, that the Surety Bond Coverage has been reinstated to the extent of such reimbursement pursuant to the Financial Guaranty Agreement and such reinstatement shall be effective as of the date the Insurer gives such notice. The notice to the Paying Agent will be substantially in the form attached hereto as Attachment 2.

5. Any service of process on the Insurer or notice to the Insurer may be made to the Insurer at its offices located at 113 King Street, Armonk, New York 10504 and such service of process shall be valid and binding.

6. The term of this Surety Bond shall expire on the earlier of (i) _____ (the maturity date of the Bonds being currently issued), or (ii) the date on which the Port has made all payments required to be made on the Bonds pursuant to the Resolution.

7. The premium payable on this Surety Bond is not refundable for any reason, including the payment prior to maturity of the Bonds.

8. This Surety Bond shall be governed by and interpreted under the laws of the State of Washington. Any suit hereunder in connection with any payment may be brought only by the Paying Agent within [1 or 3 years] after (i) a Demand for Payment, with respect to such payment, is made pursuant to the terms of this Surety Bond and the Insurer has failed to make such payment, or (ii) payment would otherwise have been due hereunder but for the failure on the part of the Paying Agent to deliver to the Insurer a Demand for Payment pursuant to the terms of this Surety Bond, whichever is earlier.

[NOS. 9 and 11 are OPTIONAL]

9. Subject to the terms of the Resolution, the Port shall have the right, upon 30 days prior written notice to the Insurer and the Paying Agent, to terminate this Surety Bond. In the event of a failure by the Port to pay the premium due on this Surety Bond pursuant to the terms of the Financial Guaranty Agreement, the Insurer shall have the right upon [No. of days] prior written notice to the Port and the Paying Agent to cancel this Surety Bond. No Demand for Payment shall be made subsequent to such notice of cancellation unless payments are due but shall not have been so paid in connection with the Bonds.

10. There shall be no acceleration payment due under this Policy unless such acceleration is at the sole option of the Insurer.

11. This policy is not covered by the Property/Casualty Insurance Security Fund specified in Article 76 of the New York Insurance Law.

In witness whereof, the Insurer has caused this Surety Bond to be executed in facsimile on its behalf by its duly authorized officers, this 28th day of April, 1992.

MUNICIPAL BOND INVESTORS ASSURANCE CORPORATION

President

Assistant Secretary

Attachment 1
Surety Bond No. _____

DEMAND FOR PAYMENT

_____, 19 _____

Municipal Bond Investors Assurance Corporation
113 King Street
Armonk, New York 10504

Attention: President

Reference is made to the Surety Bond No. _____ (the "Surety Bond") issued by the Municipal Bond Investors Assurance Corporation (the "Insurer"). The terms which are capitalized herein and not otherwise defined have the meanings specified in the Surety Bond unless the context otherwise requires.

The Registrar hereby certifies that:

(a) In accordance with the provisions of the Resolution (attached hereto as Exhibit A), payment is due to the Owners of the Bonds on _____ (the "Due Date") in an amount equal to \$ _____ (the "Amount Due").

(b) The amounts legally available to the Registrar on the Due Date will be \$ _____ less than the Amount Due (the "Deficiency").

(c) The Registrar has not heretofore made demand under the Surety Bond for the Amount Due or any portion thereof.

The Registrar request that payment of the Deficiency (subject to the Surety Bond Coverage) be made by the Insurer under the Surety Bond and directs that payment under the Surety Bond be made to the following account by bank wire transfer of federal or other immediately available funds in Bond:

[Registrar's Account]

[REGISTRARI]

By _____

Its _____

Attachment 2
Surety Bond No. _____

NOTICE OF REINSTATEMENT

[Paying Agent]
[Address]

Reference is made to the Surety Bond No. _____ (the "Surety Bond") issued by the Municipal Bond Investors Assurance Corporation (the "Insurer"). The terms which are capitalized herein and not otherwise defined have the meanings specified in the Surety Bond unless the context otherwise requires.

The Insurer hereby delivers notice that it is in receipt of payment from the Port pursuant to Article II of the Financial Guaranty Agreement and as of the date hereof the Surety Bond Coverage is \$ _____.

MUNICIPAL BOND INVESTORS ASSURANCE CORPORATION

President

Assistant Secretary

ANNEX B

DEFINITIONS

For all purposes of this Agreement and the Surety Bond, except as otherwise expressly provided herein or unless the context otherwise requires, all capitalized terms shall have the meaning as set out below, which shall be equally applicable to both the singular and plural forms of such terms.

"Agreement" means this Financial Guaranty Agreement.

"Closing Date" means April 28, 1992.

"Commitment" means the commitment to issue Municipal Bond Guaranty Insurance in the form attached hereto as Annex C.

"Debt Service Payments" means those payments required to be made by or on behalf of the Port which will be applied to payment of principal of and interest on the Bonds.

"Demand for Payment" means the certificate submitted to the Insurer for payment under the Surety Bond substantially in the form attached to the Surety Bond Attachment 1.

"Event of Default" shall mean those events of default set forth in Section 4.01 of the Agreement.

"Insurer" has the same meaning as set forth in the first paragraph of this Agreement.

"Owners" means the registered owner of any Bond as indicated in the books maintained by the Paying Agent, the Port or any designee of the Port for such purpose.

"Paying Agent" means the fiscal agency of the State of Washington.

"Port" means Port of Seattle, Washington.

"Premium" means \$ _____ payable to the Insurer on or prior to the Closing Date.

"Reimbursement Period" means, with respect to a particular Surety Bond Payment, the period commencing on the date of such Surety Bond Payment and ending on the earlier of the date of cancellation of the Surety Bond due to nonpayment of Premium when due or on the expiration of [NUMBER OF MONTHS] following such Surety Bond Payment.

"Reimbursement Rate" means Citibank's prime rate plus three (3) percent per annum, as of the date of such Surety Bond Payment, said "prime rate" being the rate of interest announced from time to time by Citibank, N.A., New York, New York, as its prime rate. The rate of interest shall be calculated on the basis of the actual number of days elapsed over a 360-day year.

"State" means the state of Washington.

"Surety Bond" means that surety bond attached hereto as Annex A and issued by the Insurer guaranteeing, subject to the terms and limitations thereof, Debt Service Payments required to be made by the Port under the Resolution.

"Surety Bond Coverage" means the amount available at any particular time to be paid under the terms of the Surety Bond, which amount shall never exceed the Surety Bond Limit.

"Surety Bond Limit" means \$10,600,000.

"Surety Bond Payment" means an amount equal to the Debt Service Payment required to be made by the Port pursuant to the Resolution less (i) that portion of the Debt Service Payment paid by or on behalf of the Port, and (ii) other funds legally available for payment to the Owners, all as certified in a Demand for Payment.

CERTIFICATE

I, the undersigned, Secretary of the Port Commission (the "Commission") of the Port of Seattle, Washington (the "Port"), DO HEREBY CERTIFY:

1. That the attached resolution numbered 3111, as amended (the "Resolution") is a true and correct copy of a resolution of the Port, as finally adopted at a meeting of the Commission held on the ____ day of _____, 1992, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a quorum of the Commission was present throughout the meeting and a legally sufficient number of members of the Commission voted in the proper manner for the adoption of said Resolution; that all other requirements and proceedings incident to the proper adoption of said Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Port this ____ day of _____, 1992.

Secretary

[Port Seal]

Affidavit of Publication

STATE OF WASHINGTON,
COUNTY OF KING,

TOM EGAN

being duly sworn, says that he/she is the Principal Clerk of

Seattle Times Company, publisher of THE SEATTLE TIMES and representing the SEATTLE POST-INTELLIGENCER, separate daily newspapers, printed and published in Seattle, King County, State of Washington, that they are newspapers of general circulation in said County and State, that they have been approved as legal newspapers by order of the Superior Court of King County, that the annexed, being a classified advertisement display advertisement, was published in The Seattle Times Seattle Post-Intelligencer _____ and not in a supplement thereof, and is a true copy of the notice as it was printed in the regular and entire issue of said paper or papers on the following day or days March 31, 1992

and that said newspaper or newspapers were regularly distributed to its subscribers during all of said period

NOTICE

NOTICE is hereby given that the Commission of the Port of Seattle will hold an open public hearing during its regularly scheduled meeting on Tuesday, April 14, 1992 starting at approximately 1:00 p.m. in the Port Commission Chambers, 7201 Alaskan Way, Ball Street Terminal, Seattle, Washington, to consider the issuance by the Port of its Revenue Bonds, Series 1992B in the estimated principal amount of \$107,000,000 (Series 1992B Bonds).

The proceeds of the Series 1992B Bonds are anticipated to be used to pay all or part of the costs of construction of the following projects:

Seattle-Tacoma International Airport

- Improvements to the parking terminal to include expansion of the parking terminal at Seattle-Tacoma International Airport, relocation of car rental agencies, development of additional curbside space and major maintenance improvements of the existing Airport parking garage at an estimated cost of \$26,310,000.
- Concourse improvements and expansions of an estimated cost of \$49,492,000, including, but not limited to:
 - Concourse B Access and Widening project consists of construction of a new stairway, a new elevator and a new gate node. It also involves widening of Concourse B.
 - Expansion of Concourse C involves expansion of the end nose of Concourse C and the widening of Concourse C and renovation of the concourse and airplane level and sections of the ramp level.
 - Expansion of Concourse D consists of demolition of the United Airlines Hangar, expansion of the end of Concourse D; widening and renovation of the existing concourse; renovation of the existing concourse to match the new building; addition of six new general aviation construction of a new pier with ramp, taxiway, apron and new apron paving.
- Airport terminal improvements, including, but not limited to:
 - Baggage system modifications, including, but not limited to, enhancements to conveyors, baggage, portland baggage systems and baggage claim conveyors for an estimated cost of \$4,400,000.
 - Accession abatement projects, including, but not limited to, abatement of cable trays, bridge electrical grade and other terminal and concourse areas for an estimated cost of \$1,095,000.
 - Utility system modifications, including, but not limited to, electrical upgrades, utility plan updates, fire, drain systems, chiller upgrades and other projects for an estimated cost of \$17,421,000.
 - Satellite transit system enhancements including, but not limited to, power systems, signaling systems and radio systems for an estimated cost of \$38,600,000.
 - Soil water and other environmental remediation projects, including, but not limited to, contaminated soils, remediation of storage tanks, trench drain repairs and others for an estimated cost of \$18,971,000.
- Site preparation for future development in the South Aviation Support Area, including, but not limited to, the acquisition of land, preliminary planning and development and site preparation for an estimated cost of \$22,200,000. The South Aviation Support Area included an area approximately bounded by South 18th St. on the north, South 200th St. on the south, 18th Avenue South on the east and 18th Avenue South on the west.

Land Acquisition/Noise Remedy

The Land Acquisition/Noise Remedy Program, as approved by the Port Commission in January 1983, for the period 1986-1994 will be continued by the acquisition of property within the areas described in the Seattle-Tacoma International Airport Part 150 Airport Noise Compatibility Program including areas bordered approximately by First Avenue South and Military Road South and South 100th Street and South 24th Street for an estimated cost of \$1,150,000.

Marine Facilities

The Marine projects include the following, but are not limited to:

- Terminal 3 which is situated at the intersection of 26th S.W. and S.W. Pacific, Seattle, Washington 98106, shall be improved by the acquisition of land and the undertaking of environmental work and preliminary development, for an estimated cost of \$4,700,000.
- Terminal 3 which is situated at 3200 West Marginal Way S.W. Seattle, Washington 98146, shall be improved by additional ramp container expansion and yard development for an estimated cost of \$6,540,000.
- Terminal 18 which is situated at 3200 to 3900, 1118 Avenue S.W. Seattle, Washington 98134, shall be improved with the following projects: miscellaneous yard improvements and container crane upgrade for an estimated cost of \$7,075,000.
- Terminal 20 which is situated at 2715 East Marginal Way South, Seattle, Washington 98134, shall be improved by container yard development for an estimated cost of \$2,110,000.
- Terminal #1 which is situated at 2901 West Garfield, Seattle, Washington 98119, shall undergo miscellaneous improvements including roof replacement and rehabilitation of timber apron for an estimated cost of \$22,170,000.
- Terminal 26, which is situated at 401 Alaskan Way South, shall be improved in such upgrades of container cranes and improvements to container yard space and other miscellaneous improvements to fencing, utilities and gates for an estimated cost of \$1,251,000.
- Container crane modernization and replacement including various crane improvement projects and acquisitions at various Port terminals for an estimated cost of \$18,044,000.
- Terminal 103, which is situated at East Marginal Way South, shall be expanded and improved through the acquisition of unimproved land located in the 4500 block of Diagonal Way South and preliminary planning and development for an estimated cost of \$3,000,000.

Comments will be heard from all interested parties attending the hearing. Written comment prior to the hearing may be directed to the Port of Seattle, P.O. Box 1209, Seattle, WA 98111, Attention: Executive Director.

[Signature]
Executive Director
Port of Seattle

Subscribed and sworn to before me this Second day, of April, 1992

[Signature]
Notary Public in and for the State of Washington
residing at SEATTLE