

RESOLUTION NO. 2746

A RESOLUTION of the Port Commission of the Port of Seattle, Washington, providing for the issuance and sale from time to time of second lien revenue warrants of the port district in the aggregate principal amount of \$25,000,000 for the purpose of providing interim financing to acquire, construct, install, equip and make certain improvements to the facilities of the district; providing the form, terms and maturities of said warrants; providing that such warrants be issued on a parity with certain second lien revenue bonds of the port district; providing for the payment of the principal of and interest on said warrants out of the Second Lien Revenue Bond Redemption Fund of the port district created by Resolution No. 2363 of the Port Commission; providing and adopting certain covenants safeguarding the payment of such principal and interest; authorizing the execution of a loan agreement; confirming the sale of such warrants; and authorizing the delivery of Warrant No. 1 in the principal amount of \$10,000,000.

WHEREAS, the Port Commission of the Port of Seattle (the "Port") at its regular meeting of July 25, 1978 approved a thirty-month capital expenditure program in the amount of \$127,000,000 to acquire, construct, install, improve and equip terminal, storage and airport facilities; and

WHEREAS, the Port Commission also authorized the Port Administration to negotiate with banks up to \$25,000,000 in interim financing for such authorized capital improvements; and

WHEREAS, pursuant to such negotiation a proposed loan agreement providing for the purchase of second lien revenue warrants to be authorized by the Port from time to time up to an aggregate principal amount of \$25,000,000 has been submitted this day to the Port for its acceptance; and

WHEREAS, the Port has found the proposed loan agreement acceptable; and

WHEREAS, it is deemed necessary and advisable and to the best interests of the Port that the issuance from time to time of such warrants be authorized and that the form, maturities and total amount

of such warrants be now fixed; and

WHEREAS, it is further deemed necessary that the Port now issue \$10,000,000 of such \$25,000,000 of warrants in order to meet present construction cost requirements;

NOW, THEREFORE, BE IT RESOLVED by the Port Commission of the Port of Seattle, Washington, as follows:

Section 1. Definitions. As used in this resolution, unless a different meaning clearly appears from context:

(a) "Port" means the Port of Seattle, a municipal corporation duly organized and existing as a port district under and by virtue of the laws of the State of Washington.

(b) "Commission" means the Commission of the Port as the same shall be duly and regularly constituted from time to time.

(c) "Comprehensive Scheme" means the original comprehensive scheme of harbor improvement of the Port (Resolution No. 17) as such original comprehensive scheme has been amended and added to from the date of the adoption of said Resolution No. 17 to and including the date hereof.

(d) "Prior Lien Bonds" means the revenue bonds of the Port issued pursuant to the following Resolutions under the following dates:

<u>Resolution No.</u>	<u>Date of Bonds</u>
2143	November 1, 1963
2242	November 1, 1966
2264	November 1, 1967
2272	July 1, 1968
2286	February 1, 1969
2397	November 1, 1971
2504	November 1, 1973
2653	October 1, 1976

"Prior Lien Bonds" shall also mean all revenue bonds of the Port hereafter issued on a parity with the bonds described above in this subsection (d).

(e) "Outstanding Parity Bonds" means the presently outstanding Second Lien Revenue Bonds of the Port issued pursuant to

Resolution No. 2363.

(f) "Bond Redemption Fund" means the Port of Seattle Second Lien Revenue Bond Redemption Fund created by Section 7 of Resolution No. 2363 for the purpose of paying the principal of and interest on the Outstanding Parity Bonds and all bonds and warrants issued on a parity therewith.

(g) "Warrants" means the 1978 Second Lien Revenue Warrants issued pursuant to and for the purpose provided in this resolution.

(h) "Facilities" means all property, real and personal, or any interest therein, and whether improved or unimproved, now or hereafter (for as long as any of the Prior Lien Bonds, the Outstanding Parity Bonds, the Warrants and any Future Parity Bonds are outstanding) owned, operated, used, leased or managed by the Port which contribute in some measure to its Gross Revenue.

(i) "Gross Revenue" means all operating and nonoperating income and revenue derived by the Port from time to time from any source whatsoever, except that income and revenue which may not be pledged legally for revenue bond or revenue warrant debt service.

(j) "Net Revenue" means Gross Revenue less any part thereof that must be used to pay (after deducting the amount of taxes collected) the normal costs of maintenance and operation of the Facilities of the Port and normal costs of administration of the business of the Port, but before depreciation.

(k) "Future Parity Bonds" means any revenue bonds or revenue warrants of the Port issued after the date of issuance of the Warrants which will have a lien upon the Gross Revenue for the payment of the principal thereof and interest thereon equal to the lien created upon such Gross Revenue for the payment of the principal of and interest on the Outstanding Parity Bonds and the Warrants.

(l) "Lender" means the banks with which the loan agree-

ment shall be executed as herein provided and which, pursuant to such agreement, become holders of the Warrants.

Section 2. Authorization of Projects. The Port shall acquire, construct, install, equip and make the improvements to the Facilities of the Port described in the thirty-month capital expenditure program approved by the Commission on July 25, 1978.

Section 3. Loan Agreement. The Port Commission hereby approves and accepts the Loan Agreement dated September 12, 1978 by and between the Port and Rainier National Bank, Seattle-First National Bank, Peoples National Bank of Washington, Pacific National Bank of Washington, Seattle Trust and Savings Bank, Bank of California and Old National Bank of Washington. The proper officials of the Port are hereby authorized and directed to execute said agreement.

Section 4. Authorization of Warrants. For the purpose of providing interim financing to pay part of the cost of acquiring, constructing, installing, equipping and making the improvements described in Section 2 above, the Port shall borrow money and in evidence thereof issue the Warrants in the total principal amount of \$25,000,000.

The Warrants, other than Warrant No. 1 which is hereby authorized to be issued under date of September 15, 1978 in the principal amount of \$10,000,000, shall be issued from time to time as determined by motion of the Commission of the Port and in such denominations as the borrowings under the loan agreement require. The Warrants shall be dated as of the date of delivery thereof.

Section 5. Description of Warrants. The Warrants shall be issued in denominations which are even multiples of \$100,000, shall be numbered consecutively from 1 up, may be registered, at the option of the holder, only as to both principal and interest in the manner and upon the terms and conditions set forth under the heading "Provisions for Registration" appearing on the Warrants,

shall bear interest at the rate of 5.5% per annum payable December 15, 1978 and thereafter on the 15th days of each March, June, September and December, and shall mature on the 15th day of September, 1981.

Both principal of and interest on the Warrants shall be payable in lawful money of the United States of America at the office of the King County Comptroller and ex officio Treasurer of the Port in Seattle, Washington, or, at the option of the holder, at either of the fiscal agencies of the State of Washington in Seattle, Washington, and New York, New York, and shall be obligations only of the Bond Redemption Fund.

Section 6. Right of Prior Redemption. The Port hereby reserves the right prepay without premium any or all of the Warrants outstanding in numerical order at par plus accrued interest to the date of redemption at any time. Provided there shall be no partial prepayment of any single Warrant.

Notice of any such intended prepayment shall be given in writing to the holder(s) of the Warrants to be prepaid at its or their main office or offices at least 10 days prior to the prepayment date. Interest on any Warrant or Warrants so prepaid shall cease on such date unless the same are not paid upon presentation made pursuant to such notice.

Section 7. Warrant Proceeds. There has heretofore been created by Section 11 of Resolution No. 2564 a special fund of the Port known as "Port of Seattle Construction Fund, 1975" into which shall be paid the proceeds of the borrowings and any and all other moneys which may be necessary to pay the cost of the acquisition, construction and installation of the improvements for which the Warrants are issued. The Construction Fund shall be drawn upon for the purpose of paying the cost of the improvements authorized in Section 2 hereof and for paying all expenses incidental thereto, and to the issuance of the

Warrants. Warrant proceeds in the Construction Fund to be used to finance the acquisition, construction, installation or making of harbor improvements shall be expended only after such improvements have been properly included in the Comprehensive Scheme. Warrant proceeds shall not be expended for any specific improvement until the Port has complied with applicable Washington State and United States statutes and regulations relating to the acquisition, construction, installation or making of such improvement, including, but not limited to, statutes and regulations relating to environmental protection and shoreline management; nor shall such moneys be expended for any purpose which would result in interest on the Warrants becoming taxable income to the holder of the Warrants under Section 103 of the Internal Revenue Code.

Any moneys remaining in the Construction Fund 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 or may be transferred to the Bond Redemption Fund for the uses and purposes herein provided.

Section 8. Bond Redemption Fund. Another special fund of the Port known as the "Port of Seattle Second Lien Revenue Bond Redemption Fund" has heretofore been created in the office of the King County Comptroller by Resolution No. 2363 for the sole purpose of paying the principal of, and interest on, the Outstanding Parity Bonds, the Warrants, and any Future Parity Bonds.

From and after the time of issuance and delivery of the Warrants and as long thereafter as any of the same remain outstanding, the Port hereby irrevocably obligates and binds itself to set aside and pay into the Bond Redemption Fund out of the Gross Revenue, at least 45 days prior to the respective dates on which the interest on or principal of the Warrants shall become due, the amounts necessary with other available funds to pay such interest or prin-

principal and interest next coming due on the Warrants outstanding.

Said amounts so pledged to be paid into the Bond Redemption Fund are hereby declared to be a lien and charge upon the Gross Revenue superior to all other charges of any kind or nature whatsoever, except the charges on such Gross Revenue required to pay and secure the payment of the principal of and interest on the Prior Lien Bonds and except that they are of equal lien to the charges on such Gross Revenue required to pay and secure the payment of principal of and interest on the Outstanding Parity Bonds and to any charges which may hereafter be made thereon to pay and secure the payment of the principal of and interest on any future Parity Bonds.

In the event that money and/or direct obligations of the United States of America, maturing at such time or times and bearing interest to be earned thereon in amounts sufficient to repay and retire the Warrants (or any one thereof) in accordance with their terms, are hereafter set aside in the Bond Redemption Fund to effect such prepayment and retirement, then no further payments need be made into the Bond Redemption Fund for the payment of the principal of and interest on the Warrants so provided for and the Warrants so provided for shall then cease to be entitled to any lien, benefits or security of this resolution, except the right to receive the funds so set aside and pledged, and the Warrants so provided for shall be deemed not to be outstanding hereunder, or under any resolution authorizing the issuance of the Outstanding Parity Bonds or Future Parity Bonds.

It is contemplated by the Port that the funds required to pay the principal of the Warrants at or before maturity will be provided from the proceeds of the issuance and sale of revenue bonds.

Section 9. Specific Covenants. The Port hereby covenants and agrees with the owners and holders of each of the Warrants for as long as any of the same remain outstanding as follows:

(a) That it will at all times establish, maintain and collect rentals, tariffs, rates and charges in the operation of all of its business for as long as any of the Outstanding Parity Bonds and the Warrants are outstanding that will produce Net Revenue in an amount sufficient to pay when due the principal of and interest on the Outstanding Parity Bonds and the Warrants which has not been paid or provided for from other sources.

(b) That it will duly and punctually pay or cause to be paid out of the Bond Redemption Fund the principal of and interest on the Warrants at the times and places as herein and in said Warrants provided; that it will faithfully do and perform and at all times observe any and all covenants, undertakings and provisions contained in this resolution and in the Warrants.

(c) That it will forthwith provide for the acquisition, construction and installation of the improvements authorized in Section 2 of this resolution for which the Warrant proceeds shall be allocated by the Port Commission.

(d) That it will at all times keep and maintain all of the Facilities in good repair, working order and condition, and will at all times operate the same and the business or businesses in connection therewith in an efficient manner and at a reasonable cost.

(e) That in the event any Facility or part thereof which contributes in some measure to the Gross Revenue is sold by the Port or is condemned pursuant to the power of eminent domain, the Port will apply the net proceeds of such sale or condemnation to capital expenditures upon or for Facilities which will contribute in some measure to the Gross Revenue or to the retirement of the Outstanding Parity Bonds, the Warrants or the Prior Lien Bonds.

(f) That it will keep all Facilities insured, if such insurance is obtainable at reasonable rates and upon reasonable conditions, against such risks, in such amounts, and with such

deductibles as the Commission of the Port shall deem necessary for the protection of the Port and of the holders of the Warrants.

That it will at all times keep or arrange to keep in full force and effect policies of public liability and property damage insurance which will protect the Port against anyone claiming damages of any kind or nature if such insurance is obtainable at reasonable rates and upon reasonable conditions, in such amounts and with such deductibles as the Commission of the Port shall deem necessary for the protection of the Port and of the holders of the Warrants.

(g) That it will keep and maintain proper books of account and accurate records of all of its revenue, including tax receipts, received from any source whatsoever, and of all costs of administration and maintenance and operation of all of its business that are in accordance with proper and legal accounting procedure. That on or before one hundred and twenty days after each calendar year it will prepare or cause to be prepared an operating statement of all of the business of the Port for such preceding calendar year. Each such statement shall contain a statement in detail of the Gross Revenue, tax receipts, expenses of administration, expenses of normal operation, expenses of normal and extraordinary maintenance and repairs, and expenditures for capital purposes of the Port for such calendar year, and shall contain a statement as of the end of such year showing the status of all the funds and accounts of the Port pertaining to the operation of its business and the status of all the funds and accounts created by various resolutions of the Commission of the Port authorizing the issuance of outstanding bonds and warrants payable from the Gross Revenue. Copies of such statement and of such other like statements as may be from time to time prepared, whether audited or not, shall be placed on file in the main office of the

Port and shall be open to inspection at any reasonable time by any holder of any of the Warrants.

(h) That if the Warrants are not paid at maturity, or a deficiency at any time exists in the Bond Redemption Fund, it will extend its best efforts to refund the Warrants utilizing revenues and other sources of moneys which are legally available for the payment of the Warrants.

Section 10. Additional Bonds and Warrants. The Port hereby further covenants and agrees with the owners and holders of each of the Warrants for as long as any of the same remain outstanding as follows:

That it will not issue any bonds or warrants (other than Prior Lien Bonds) having a greater or equal lien upon the Gross Revenue to pay or secure the payment of the principal of and interest on such bonds or warrants than the lien created on such Gross Revenue to pay or secure the payment of the principal of and interest on the Outstanding Parity Bonds and the Warrants, except that so long as there is no default in the payment of the Warrants or with respect to any other covenant or obligation of the Port hereunder,

(a) It reserves the right, for

First, the purpose of providing funds to acquire, construct, reconstruct, maintain, install, repair or replace any equipment, additions, betterments or improvements to the Facilities of the Port for which it is authorized by law to issue revenue bonds or warrants, or

Second, the purpose of refunding by exchange, call or purchase, at or prior to their maturity, any outstanding revenue bonds or revenue warrants of the Port that have a lien on the Gross Revenue for the payment of the principal thereof and interest thereon junior and inferior to the lien on such Gross Revenue for the payment of the principal of and interest on the Warrants,

to issue parity bonds or warrants (hereinbefore defined as "Future Parity Bonds) and to pledge that payments will be made out of the Gross Revenue into the Bond Redemption Fund to pay and secure the payment of the principal of and interest on such Future Parity Bonds on a parity with the payments required herein to be made out of such Gross Revenue into such fund to pay and secure the payment of the principal of and interest on the Outstanding Parity Bonds and the Warrants, upon compliance with the following further conditions:

1. That at the time of the issuance of such Future Parity Bonds there is no deficiency in the Bond Redemption Fund.

2. That each resolution authorizing the issuance of Future Parity Bonds will make applicable to such Future Parity Bonds all of the covenants herein contained that are applicable to the Outstanding Parity Bonds and the Warrants and that may be made applicable to such Future Parity Bonds.

3. That the "net revenue available for revenue bond debt service," computed as hereinafter provided for each calendar year after the year of issuance of such Future Parity Bonds, will equal at least 1.35 times the maximum amount required in any such calendar year to pay the principal of and interest on all then outstanding Prior Lien Bonds.

Such "net income available for revenue bond debt service" shall be the Net Revenue of the Port for a period of any twelve consecutive months out of the twenty-four months immediately preceding the date of delivery of such Future Parity Bonds as determined by a certificate from a certified public accountant. If desirable, such consecutive twelve-month Net Revenue may be adjusted to include the following:

a. Such twelve months' Net Revenue may be adjusted for the full twelve-month period to reflect any changes made in the rentals, tariffs, rates and charges of the Port during such twelve-month period; and may also be adjusted to reflect any change in such Net Revenue caused by any new Facilities of the Port having been put into use and operation subsequent to the date of such certificate.

b. The estimated Net Revenue to be derived by the Port from the lease, use and/or operation of the additions, improvements, betterments, etc., to the Facilities of the Port actually under construction but which will not be put into use and operation until after the date of the herein-required certificate, as determined by a certified statement from an independent consulting professional engineer experienced in the design and operation of facilities of port districts.

4. Future Parity Bonds issued to refund junior lien bonds or warrants shall not mature or be called for redemption prior to the payment of the principal of and interest on the Warrants.

(b) That it may issue Future Parity Bonds for the purpose of refunding by exchange or purchasing or calling and retiring at or prior to their maturity any part or all of the then outstanding Prior Lien Bonds, or bonds or warrants payable out of the Bond Redemption Fund, if the issuance of such refunding Future Parity Bonds does not require a greater amount to be paid out of the Gross Revenue for principal of and interest on such refunding Future Parity Bonds over their life than is required to be paid out of such Gross Revenue for the principal of and interest on the bonds or warrants being refunded over their life, and if the condi-

tions required in subsections (a)1 and (a)2 of this Section are complied with.

(c) Nothing herein contained shall prevent the Port from issuing revenue bonds or revenue warrants (coupon or otherwise) which are a charge upon the Gross Revenue junior or inferior to the payments required by this resolution to be made out of such Gross Revenue into the Bond Redemption Fund and Reserve Account, or from issuing revenue bonds to refund maturing bonds or warrants for the payment of which moneys are not otherwise available.

Section 11. Form of Warrants. The Warrants shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. _____ \$ _____

STATE OF WASHINGTON

PORT OF SEATTLE

SECOND LIEN REVENUE WARRANT

SERIES 1978

THE PORT OF SEATTLE, a municipal corporation organized and existing under and by virtue of the laws of the State of Washington, hereby acknowledges itself indebted and for value received promises to pay to bearer or, if registered, to the registered holder hereof, the principal sum of

_____ DOLLARS

on the fifteenth day of September, 1981, with interest thereon from the date hereof at the rate of 5.5% per annum until such principal sum is paid or payment has been duly provided for, payable December 15, 1978 and quarterly thereafter on the fifteenth days of each March, June, September and December. Payment of the interest on this warrant shall be made only upon presentation and surrender of the coupons representing such interest as the same respectively fall due, or if this warrant shall

be registered, to the registered holder.

Both principal of and interest on this warrant are payable in lawful money of the United States of America at the office of the King County Comptroller and ex officio Treasurer of the Port, in Seattle, Washington, or, at the option of the holder, at the fiscal agencies of the State of Washington in the Cities of Seattle, Washington, or New York, New York, solely out of the special fund of the port district known as the "Port of Seattle Second Lien Revenue Bond Redemption Fund" created by Resolution No. 2363 of the Commission of the port district.

The Port of Seattle has reserved the right to prepay and redeem any or all of the warrants of this issue outstanding, in numerical order at par plus accrued interest to the date of redemption at any time.

Notice of any such intended prepayment shall be given in writing to the original purchaser or purchasers from the port district of the warrants to be redeemed at its or their main office or offices at least 10 days prior to the prepayment date.

This warrant is one of an issue of several warrants of the port district in varying amounts, of like tenor except as to date and number, in the aggregate principal amount not to exceed \$25,000,000 and is issued pursuant to duly adopted resolutions of the Port Commission for the purpose of providing money to pay part of the cost of acquiring, constructing, equipping and making certain improvements to the facilities of the port district, all in conformity with the laws of the State of Washington. This warrant and the warrants of this issue are payable solely out of the Gross Revenue of the port district as such Gross Revenue is defined in Resolution No. 2746 of the Commission of the port district.

The Port of Seattle hereby covenants and agrees with the owner and holder of this warrant that it will keep and perform all the covenants of this warrant and of Resolution No. 2746 to be by it kept and performed.

The Port of Seattle does hereby pledge and bind itself to set aside from such Gross Revenue, and to pay into said Bond Redemption Fund the various amounts required by said Resolution No. 2746 to be paid into and maintained in said Fund, all within the times provided by said resolution.

Said amounts so pledged to be paid out of Gross Revenue into said Bond Redemption Fund are hereby declared to be a first and prior lien and charge upon such Gross Revenue, excepting only the lien and charge upon such Gross Revenue of the amounts required to pay and secure the payment of the revenue bonds of the port district issued under dates of November 1, 1963, November 1, 1966, November 1, 1967, July 1, 1968, February 1, 1969, November 1, 1971, November 1, 1973 and October 1, 1976, and any revenue bonds of the port district issued on a parity with such bonds, and equal in rank to the lien and charge thereon to pay and secure the payment of the revenue bonds of the port district issued pursuant to Resolution No. 2363, and any revenue bonds or warrants of the district hereafter issued on a parity with such bonds and the warrants of this issue.

The Port of Seattle 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 of the warrants of

this issue, and any bonds or warrants issued on a parity therewith, are outstanding that will make available net revenue sufficient to pay the principal of and interest on all of such bonds and warrants outstanding and not paid from other sources.

Unless registered, this warrant, and the warrants of this issue, are hereby declared to be fully negotiable instruments within the provisions and intent of the laws of the State of Washington.

It is hereby certified and declared that this warrant and the warrants 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 Commission of the Port of Seattle, and that all acts, conditions and things required to be done precedent to and in the issuance of this warrant have happened, been done and performed.

IN WITNESS WHEREOF, the Port of Seattle has caused this warrant to be executed in its name by the facsimile or manual signature of the President of its Commission, to be attested by the facsimile or manual signature of the Secretary of its Commission, the corporate seal of the Port of Seattle to be impressed hereon, and the interest coupons attached hereto to be signed with the facsimile signatures of said officials, this _____ day of _____, 1978.

PORT OF SEATTLE, WASHINGTON

By _____
President of its Commission

ATTEST:

Secretary of its Commission

The interest coupons attached to the Warrants shall be in substantially the following form:

KING COUNTY TREASURER'S
REFERENCE NO. _____

\$ _____

On the first day of _____, 19____, the Port of Seattle will pay to bearer at the office of the King County Comptroller and ex officio Treasurer of the Port, in Seattle, Washington, or, at the option of the holder, at the fiscal agencies of the State of Washington, in the Cities of Seattle, Washington, or New York, New York, the amount shown hereon in lawful money of the United States of America, out of the special fund of the port district entitled "Port of Seattle Second Lien Revenue Bond Redemption Fund," said amount being the interest due that day on its Revenue Warrant, Series 1978, dated _____, 19____ and numbered _____.

PORT OF SEATTLE, WASHINGTON

By _____
President of its Commission

ATTEST:

Secretary of its Commission

The Warrants shall have endorsed thereon the following registration certificate:

PROVISIONS FOR REGISTRATION

This warrant may be registered in the name of the holder at the office of the King County Comptroller, in Seattle, Washington, only as to both principal and interest, such registration being noted hereon by said Registrar in the registration blank below, after which no transfer shall be valid unless made by the registered holder or his duly authorized agent, and similarly noted in the registration blank below; but it may be discharged from registration

by being transferred to bearer, after which it shall be transferable by delivery and may again be registered as before.

Date of Registration	In Whose Name Registered	Signature of Registrar
	:	:
	:	:
	:	:
	:	:
	:	:
	:	:
	:	:

Section 12. Execution of Warrants. The Warrants shall be executed on behalf of the Port with the facsimile or manual signature of the President of its Commission, shall be attested by the facsimile or manual signature of the Secretary thereof (at least one of which signatures shall be manual) and shall have the seal of the Port impressed thereon.

Section 13. Ratification and Authorization of Certain Actions. The issuance of the Warrants to the Lender upon the terms and conditions specified herein is hereby in all respects ratified, confirmed and approved.

The proper officials of the Port are hereby authorized and directed to do all things necessary for the prompt execution and delivery of the Warrants and for the proper use and application of the proceeds thereof, including, but not limited to, the execution of a Loan Agreement on behalf of the Port which may contain such terms and conditions, not inconsistent herewith, as said officials and the Lender may agree upon.

Section 14. Supplements and Amendments. ^(a) The Commission from time to time and at any time may adopt a resolution or resolutions supplemental hereof, which resolution or resolutions thereafter shall become a part of this resolution, for any one or more or all of the following purposes:

1. To add to the covenants and agreements of the Port in this resolution contained other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the Port.

2. To make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this resolution or in regard to matters or questions arising under this resolution as the Commission may deem necessary or desirable and not inconsistent with this resolution and which shall not adversely affect the interest of the holders of the Warrants.

Any such supplemental resolution of the Commission may be adopted without the consent of the holders of any of the Warrants at any time outstanding, notwithstanding any of the provisions of Subsection (b) of this section.

With the consent of the holders of not less than 65% in aggregate principal amount of the Warrants at the time outstanding the Commission of the Port may adopt a resolution or resolutions supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this resolution or of any supplemental resolution; provided, however, that no such supplemental resolution shall

1. Extend the fixed maturity of any of the Warrants, or reduce the rate of interest thereon, or extend the time of payments of interest from their due date or reduce the amount of the principal thereof without the consent of the holder of each Warrant so affected; or

~~2.~~
~~3.~~ Reduce the aforesaid percentage of holders of Warrants required to approve any such supplemental resolution

by being transferred to bearer, after which it shall be transferable by delivery and may again be registered as before.

Date of Registration	In Whose Name Registered	Signature of Registrar
	:	:
	:	:
	:	:
	:	:
	:	:
	:	:
	:	:

Section 12. Execution of Warrants. The Warrants shall be executed on behalf of the Port with the facsimile or manual signature of the President of its Commission, shall be attested by the facsimile or manual signature of the Secretary thereof (at least one of which signatures shall be manual) and shall have the seal of the Port impressed thereon.

Section 13. Ratification and Authorization of Certain Actions. The issuance of the Warrants to the Lender upon the terms and conditions specified herein is hereby in all respects ratified, confirmed and approved.

The proper officials of the Port are hereby authorized and directed to do all things necessary for the prompt execution and delivery of the Warrants and for the proper use and application of the proceeds thereof, including, but not limited to, the execution of a Loan Agreement on behalf of the Port which may contain such terms and conditions, not inconsistent herewith, as said officials and the Lender may agree upon.

Section 14. Supplements and Amendments.

(a) The Commission from time to time and at any time may adopt a resolution or resolutions supplemental hereof, which resolution or resolutions thereafter shall become a part of this resolution, for any one or more or all of the following purposes:

1. To add to the covenants and agreements of the Port in this resolution contained other covenants and agreements thereafter to be observed, or to surrender any right or power herein reserved to or conferred upon the Port.

2. To make such provisions for the purpose of curing any ambiguities or of curing, correcting or supplementing any defective provision contained in this resolution or in regard to matters or questions arising under this resolution as the Commission may deem necessary or desirable and not inconsistent with this resolution and which shall not adversely affect the interest of the holders of the Warrants.

Any such supplemental resolution of the Commission may be adopted without the consent of the holders of any of the Warrants at any time outstanding, notwithstanding any of the provisions of Subsection (b) of this section.

(b) With the consent of the holders of not less than 65% in aggregate principal amount of the Warrants at the time outstanding the Commission of the Port may adopt a resolution or resolutions supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this resolution or of any supplemental resolution; provided, however, that no such supplemental resolution shall:

1. Extend the fixed maturity of any of the Warrants, or reduce the rate of interest thereon, or extend the time of payments of interest from their due date or reduce the amount of the principal thereof without the consent of the holder of each Warrant so affected; or

2. Reduce the aforesaid percentage of holders of Warrants required to approve any such supplemental resolution

without the consent of the holders of all of the Warrants then outstanding.

It shall not be necessary for the consent of the Warrant holders under this subsection (b) to approve the particular form of any proposed supplemental resolution, but it shall be sufficient if such consent shall approve the substance thereof.

(c) Upon the adoption of any supplemental resolution relating to any of the Warrants pursuant to the provisions of this section, this resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations of the Port under this resolution and all holders of such Warrants outstanding hereunder shall thereafter be determined, exercised and enforced thereunder, subject in all respect to such modification and amendments, and all the terms and conditions of any such supplemental resolution shall be deemed to be part of the terms and conditions of this resolution for any and all purposes relating to such series.

(d) Warrants executed and delivered after the execution of any supplemental resolution adopted pursuant to the provisions of this section may bear a notation as to any matter provided for in such supplemental resolution, and if such supplemental resolution shall so provide, new Warrants so modified as to conform, in the opinion of the Commission, to any modification of this resolution contained in any such supplemental resolution, may be prepared by the Port and delivered without cost to the holders of the Warrants then outstanding, upon surrender for cancellation of such Warrants in equal aggregate principal amounts.

Section 15. Compliance With Parity Conditions. The Commission hereby finds and determines that the requirements relating to the issuance of parity bonds and warrants contained in Section 9 of

Resolution No. 2363 have been met and that the Warrants may be issued on a parity with the Outstanding Parity Bonds.

ADOPTED by the Port Commission of the Port of Seattle at a regular meeting thereof held this 12th day of September, 1978, and duly authenticated in open session by the signatures of the Commissioners present and voting in favor thereof and the seal of the Commission.

PORT OF SEATTLE, WASHINGTON

Paul Duesch
Mush Dahlen
Henry T. Simonson
Jack S. Bunk

Commissioners

ATTEST:

Mush Dahlen
Secretary of said Commission

LOAN AGREEMENT

THIS AGREEMENT, dated as of September 12, 1978, between the PORT OF SEATTLE, Washington, a municipal corporation formed and existing under the laws of the State of Washington (hereinafter referred to as the "Port"), and each of the banks named in paragraph 1 of this Agreement (hereinafter collectively called the "Banks" and severally as a "Bank"), and RAINIER NATIONAL BANK, a national banking association, as agent for the Banks (hereinafter called the "Agent"):

W I T N E S S E T H:

WHEREAS, the Port has made application to the Banks for a loan or series of loans which the Banks are willing to grant upon the terms and conditions herein set forth, the aggregate disbursements whereunder shall not exceed Twenty-Five Million Dollars (\$25,000,000) (hereinafter called the "Loan"), such Loan to be evidenced, disbursed, governed, and repayable from revenues of the Port in the manner hereinafter set forth,

NOW, THEREFORE, in consideration of the premises and of the covenants and conditions hereinafter set forth, it is agreed as follows:

1. The Loan. The Port agrees to borrow from the Banks and the Banks severally agree to lend to the Port a sum not to exceed in principal amount Twenty-Five Million Dollars (\$25,000,000), at the time(s) and in the manner hereinbelow provided. The maximum lending obligation and percentage of participation in the Loan of each of the Banks is as set forth below:

	<u>%</u>	<u>Maximum Principal Amount</u>
Rainier National Bank	32.00%	\$8,000,000
Seattle-First National Bank	32.00%	\$8,000,000
Peoples National Bank of Washington	12.50%	\$3,125,000
Pacific National Bank of Washington	10.00%	\$2,500,000
Seattle Trust & Savings Bank	6.00%	\$1,500,000
Bank of California	6.50%	\$1,625,000
Old National Bank of Washington	1.00%	\$ 250,000
TOTAL	100.00%	\$25,000,000

Each Bank agrees, within two (2) business days of written or telephonic notice from the Agent as to the making of each application for disbursement as hereinafter provided, and by 10:00 o'clock a.m. of the day of such disbursement, to place the Agent in funds for its proportionate share of each such disbursement; provided the aggregate of such funds so placed and disbursed shall not, in the case of any Bank, exceed in principal amount the sum above set forth after its respective name.

2. Disbursement Period. The proceeds of the Loan shall be disbursed from the Main Office of the Agent in Seattle, Washington, and shall be available to the Port only during the period commencing September 15, 1978, and expiring September 15, 1981, with each disbursement to be made in even multiples of One Hundred Thousand Dollars (\$100,000). Written requests for disbursement(s) shall be submitted to the Agent at least three (3) business days in advance, unless a shorter period is agreed to by all of the Banks. Proceeds of the Loan will be directed by the Port into the "Port of Seattle Construction Fund 1975" created by Section 11 of the Resolution No. 2564 of the Port's Commission, and shall be payable solely out of the "Port of Seattle Second Lien Revenue Bond Redemption Fund" created by Resolution No. 2363 of the Port's Commission.

3. Interest. Funds disbursed under the Loan shall bear, and Warrants in evidence thereof shall provide for, interest on portions of the Loan disbursed from and after date of disbursement at the rate of five and one-half percent (5.5%) per annum, payable as accrued quarterly from September 15, 1978, on the 15th day of every third (3rd) month thereafter.

4. Evidence and Repayment. The Loan shall be evidenced, dollar for dollar at each disbursement, by one of the "1978 Second Lien Revenue Warrants," all due on or before September 15, 1981 (the "Warrants" herein), dated on the date of each such disbursement, payable to and registered in the name of "Rainier National Bank, Agent," and shall in all respects be pursuant to and in substantially the form specified by Resolution No. 2746 to be adopted by the Port in the form hereto attached, all terms, covenants and conditions whereof are by reference made a part hereof; provided, however, since the Warrants will be registered, the same will not upon issuance hereunder have coupons attached.

5. Supplemental Contract. Said Resolution No. 2746 of the Port shall constitute the contract of the Port to all matters pertaining to the issuance, rank, priority and payment of the Warrants, and the covenants, undertakings, and agreements of the Port in said Resolution contained, both affirmative and negative, shall be additional and supplementary covenants, undertakings, and agreements of the Port with respect to this Loan Agreement.

6. Conditions Precedent to Loan. Prior to the making of any disbursement of the Loan, the following conditions shall have been met to the satisfaction of the Banks:

A. There shall have been delivered to Agent for further delivery to each of the Banks:

- (i) Copies of said Resolution No. 2746 duly certified by the Secretary of the Port. There shall be attached to such letter "Signature Identification and Non-Litigation Certificate" in form to be approved by Banks, with the certification duly completed and to be received by Agent at least two (2) days prior to each proposed disbursement date;
- (ii) The written opinion of Preston, Thorgrimson, Ellis, Holman & Fletcher, special legal counsel to the Port, in form to be approved by Banks and to be received by Agent at least two (2) days prior to each proposed disbursement date. Said opinion shall, upon each disbursement of the Loan, be supplemented to specifically describe the Warrant evidencing the obligation to repay each such disbursement, approving the same as to form and execution, and shall be to the effect that there has been no change in circumstances to the knowledge of counsel which affects counsel's original opinion;
- (iii) The Port's most current annual statement in the form, and covering the matters, prescribed in Section 9 (g) of the said Resolution No. 2746 together with the most current like periodic statement, which has been prepared or caused to be prepared by the Port, certified as true and correct by its Chief Financial Officer, and showing as such current date the status of the funds and accounts therein referred to; and
- (iv) Nonarbitrage Certificate in form to be approved by Banks and to be received by Agent at least two (2) days prior to each proposed disbursement date.

B. The Warrant shall have been duly executed and delivered to the Agent in the form prescribed.

C. The Port shall have paid, or given assurance satisfactory to the Agent relating to the payment of the Agent's out-of-pocket costs incurred in connection with the Loan including the reasonable fees of its counsel.

7. Representations and Warranties. The Port represents and warrants:

A. That it is in all respects legally authorized to borrow the amount of the Loan, and that all necessary steps and proceedings have been taken in connection with the adoption of said Resolution No. 2746; that it is further authorized to execute this Loan Agreement and to issue and deliver the Warrants in evidence of the Loan described herein; to undertake and perform the obligations as therein, in the Resolution therefor, and herein set forth; and that such undertakings and performances are not and will not be in excess of its legal authority nor be in violation of any agreement to which it is a party or by which it is bound.

B. The Warrants, when delivered hereunder, will be and remain valid, binding, and enforceable in accordance with their respective terms, and all administrative, procedural, and legal steps and actions have been or will have been taken, observed, and accomplished to render the same so valid and enforceable when deliverable hereunder.

C. That, as of the date hereof, no indebtedness exists for which the revenues of the Port have been pledged, except as specifically set forth in said Resolution No. 2746 and that there is no default with respect to any such revenue obligation.

The representations and warranties of this Agreement shall be deemed continuing ones, and shall survive until the Loan is fully paid. The making of application for disbursement of the Loan shall be deemed reaffirmance thereof, and each such application shall be accompanied by the certificate of the Port's Chief Financial Officer to the effect that, to the best of his knowledge and belief no change with respect to, or breach or violation of, any such representations or warranty, of this Agreement has occurred since the date hereof.

8. The Agent. The Agent shall administer the Loan for all of the Banks and shall: (a) hold in its own name alone each and all of the Warrants delivered in accordance with this Agreement; (b) promptly after each disbursement of the Loan, issue to each Bank a Participation Certificate in the form hereto attached; and (c) upon receipt of any payment of the Loan from whatever source, forthwith distribute to each Bank its proportionate share thereof, both as to principal and interest.

The Port shall apply for all disbursements of the Loan at the Main Office of the Agent in Seattle, Washington, and shall direct any fiscal agent making payment of the Warrants to make the same to the Agent, and the Agent shall be and is hereby empowered in its own name alone to receive and give acquittance for all such payments on behalf of all the Banks. The Port shall be in all respects protected in dealing solely with the Agent, and may rely on its authority to act for all of the Banks in any matter affecting the Loan; provided, however, that except as specifically provided in said Resolution No. 2746 no changes in the Loan Agreement or in the obligations covered thereby, shall be made unless consented to by all of the Banks. While the Agent will receive all routine and voluntary payments on the Warrants, it shall not take any extraordinary action with respect thereto without the authority and agreement of those of the Banks holding sixty-six and two-

thirds percent (66-2/3%) or more of the participation interests in the Loan, nor shall Agent in any event be obligated to take any such action unless indemnified to its satisfaction against costs and expenses, which said costs and expenses shall, together with any losses in connection with the Loan, be shared among the Banks in the ratio their respective participative interests bear to the whole of the Loan.

No representations have been made by the Agent or as between the Banks with respect to the execution, validity, enforceability, or collectability of the Warrants. Each Bank is making and relying on its own independent credit evaluation. Neither the Agent nor any of its officers, directors, or employees shall have any liability to the Banks in connection with the administration of the Loan so long as it acts in good faith and with the degree of care it observes with respect to obligations held for its own account alone. Without limiting the generality of the foregoing, the Agent shall be entitled to rely on any statement or communication from the Port, or from any person on its behalf, which is believed by the Agent to be authentic.

9. Notices. All notices required or desired to be given with respect to this Agreement shall be deemed given if delivered or mailed by registered mail, in the case of the Port, to:

Office of the Chief Financial Officer
Port of Seattle
Post Office Box 1209
Seattle, Washington 98111

and in the case of the Banks to the Agent at:

Rainier National Bank
Main Office at Rainier Square
Commercial Loan Department
Post Office Box 3966
Seattle, Washington 98124

or to such other address as may be specified in writing by the Port or the Agent, one to the other.

10. Benefit. This Agreement binds the parties hereto and their respective successors, if any; otherwise it is deemed for the sole and exclusive benefit of the parties and not assignable in whole or in part, and no third person shall have or enjoy any right under or by virtue of this Agreement.

11. Counterparts. This Agreement may be executed in any number of counterparts, any one of which may be deemed an original.

IN WITNESS WHEREOF, the Port, the Banks, and the Agent have caused this Agreement to be executed on their respective behalfs by their respective officers undersigned on the date first hereinabove written.

PORT OF SEATTLE, WASHINGTON

By *Paul F. ...*
PRESIDENT

ATTEST: *Mersh ...*
SECRETARY

RAINIER NATIONAL BANK

By *Glen G. Courtney*
Its Vice President

SEATTLE-FIRST NATIONAL BANK

By *William F. ...*
Its Vice President

PORT OF SEATTLE
P. O. BOX 1209 / SEATTLE, WASHINGTON 98111

September 1, 1978

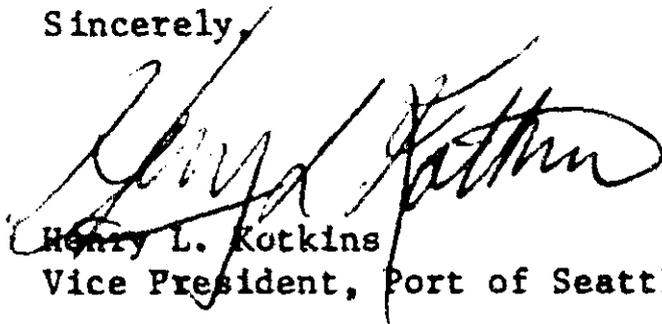
Mr. Paul S. Friedlander, President
Port of Seattle Commission
P. O. Box 1209
Seattle, WA 98111

Dear Mr. Friedlander:

I will be unable to attend the Port Commission meeting of September 12, 1978; however, I am familiar with Resolution No. 2746 to provide interim financing for the Capital Improvements program by issuance and sale of \$25 million second lien revenue warrants. I consent to that resolution being placed on second reading and final passage.

Please enter this consent in the official minutes of the meeting.

Sincerely,



Henry L. Rotkins
Vice President, Port of Seattle Commission

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PEOPLES NATIONAL BANK OF WASHINGTON

By *And [unclear]*
Its *V.P.*

PACIFIC NATIONAL BANK OF WASHINGTON

By *R. Moran*
Its *A.V.P.*

SEATTLE TRUST & SAVINGS BANK

By *[unclear]*
Its *[unclear]*

BANK OF CALIFORNIA

By *Bruce Judy*
Its *V.P.*

OLD NATIONAL BANK OF WASHINGTON

By *[unclear]*
Its *V.P.*

PARTICIPATION CERTIFICATE
(NON-NEGOTIABLE)

Date _____

TO _____
(Name of Participating Bank)

Pursuant to "Loan Agreement" dated September 12, 1978, between the PORT OF SEATTLE, various banks (of which the above-named participating bank is one), and the undersigned, as "Agent" we hereby acknowledge receipt of \$ _____ in payment of your participation in that amount in a disbursement of \$ _____ made on _____ to the PORT OF SEATTLE, evidenced by Port of Seattle Second Lien Revenue Warrant, Series 1978 dated _____ due on September 15, 1981, with interest at five and one-half percent (5.5%) per annum, payable quarterly from September 15, 1978.

We certify that in consideration of said payment we hold for your account a pro rata interest in the unpaid principal of said Warrant, together with the same proportionate interest in and to any interest accruing thereon from and after the date of disbursement.

RAINIER NATIONAL BANK

By _____
(Authorized Signature)

AGENT

SIGNATURE IDENTIFICATION AND NONLITIGATION CERTIFICATE

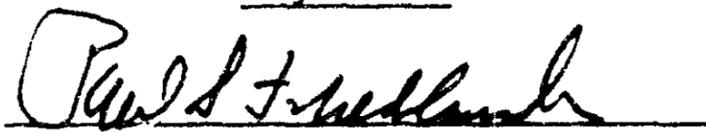
* * * * *

We, the duly chosen, qualified and acting President and Secretary of the Port Commission of the Port of Seattle, Washington, DO HEREBY CERTIFY that we have executed the following described Port of Seattle Second Lien Revenue Warrant, 1978.

Said warrant is Warrant No. 1, is dated September 15, 1978, is in the denomination of \$10,000,000, may be registered only as to both principal and interest at the office of the King County Comptroller in Seattle, Washington, or at the option of the holder, at the fiscal agencies of the State of Washington in the Cities of Seattle, Washington and New York, New York, matures September 15, 1981, and bears interest payable December 15, 1978, and quarterly thereafter on the fifteenth days of each March, June, September, and December at the rate of 5.50% per annum.

WE FURTHER CERTIFY that there is no litigation pending, or to the best of our knowledge threatened, affecting the issuance and delivery of said warrant, the fixing or collection of the revenues pledged to pay the principal thereof and interest thereon, the proceedings and authority under which said warrant is issued and said revenues pledged, the validity of said warrant, the title of the present officers of the port district to their respective offices or the boundaries or corporate existence of the district. WE ALSO FURTHER CERTIFY that no authority or proceedings for the issuance of said warrant has or have been repealed, revoked or rescinded.

IN WITNESS WHEREOF, we have hereto affixed our signatures this 15th day of September, 1978.

<u>Signature</u>	<u>Title</u>
	President of the Port Commission Port of Seattle, Washington
	Secretary of the Port Commission Port of Seattle, Washington

I HEREBY CERTIFY that the signatures of the officers of the Port Commission of the Port of Seattle, Washington, which appear above are true and genuine, and that I know said officers and know them to hold the offices of said Port Commission indicated by the titles appended to said signatures. I hereby certify said signatures and the signatures appearing on the above-described warrant as being true and genuine.

DATED this 15th day of September, 1978, at Seattle, Washington.


Deputy King County Comptroller

NO. 1

UNITED STATES OF AMERICA
STATE OF WASHINGTON

\$10,000,000

PORT OF SEATTLE

SECOND LIEN REVENUE WARRANT SERIES 1978

THE PORT OF SEATTLE, a municipal corporation organized and existing under and by virtue of the laws of the State of Washington, hereby acknowledges itself indebted and for value received promises to pay to bearer or, if registered, to the registered holder hereof, the principal sum of

TEN MILLION DOLLARS

on the fifteenth day of September, 1981, with interest thereon from the date hereof at the rate of 5.5% per annum until such principal sum is paid or payment has been duly provided for, payable December 15, 1978 and quarterly thereafter on the fifteenth days of each March, June, September and December. Payment of the interest on this warrant shall be made only upon presentation and surrender of the coupons representing such interest as the same respectively fall due, or if this warrant shall be registered, to the registered holder.

Both principal of and interest on this warrant are payable in lawful money of the United States of America at the office of the King County Comptroller and ex officio Treasurer of the Port, in Seattle, Washington, or, at the option of the holder, at the fiscal agencies of the State of Washington in the Cities of Seattle, Washington, or New York, New York, solely out of the special fund of the port district known as the "Port of Seattle Second Lien Revenue Bond Redemption Fund" created by Resolution No. 2363 of the Commission of the port district.

The Port of Seattle has reserved the right to prepay and redeem any or all of the warrants of this issue outstanding, in numerical order at par plus accrued interest to the date of redemption at any time.

Notice of any such intended prepayment shall be given in writing to the original purchaser or purchasers from the port district of the warrants to be redeemed at its or their main office or offices at least 10 days prior to the prepayment date.

This warrant is one of an issue of several warrants of the port district in varying amounts, of like tenor except as to date and number, in the aggregate principal amount not to exceed \$25,000,000 and is issued pursuant to duly adopted resolutions of the Port Commission for the purpose of providing money to pay part of the cost of acquiring, constructing, equipping and making certain improvements to the facilities of the port district, all in conformity with the laws of the State of Washington. This warrant and the warrants of this issue are payable solely out of the Gross Revenue of the port district as such Gross Revenue is defined in Resolution No. 2746 of the Commission of the port district.

1 of 3

PORT OF SEATTLE

The Port of Seattle hereby covenants and agrees with the owner and holder of this warrant that it will keep and perform all the covenants of this warrant and of Resolution No. 2746 to be by it kept and performed.

The Port of Seattle does hereby pledge and bind itself to set aside from such Gross Revenue, and to pay into said Bond Redemption Fund the various amounts required by said Resolution No. 2746 to be paid into and maintained in said Fund, all within the times provided by said resolution.

Said amounts so pledged to be paid out of Gross Revenue into said Bond Redemption Fund are hereby declared to be a first and prior lien and charge upon such Gross Revenue, excepting only the lien and charge upon such Gross Revenue of the amounts required to pay and secure the payment of the revenue bonds of the port district issued under dates of November 1, 1963, November 1, 1966, November 1, 1967, July 1, 1968, February 1, 1969, November 1, 1971, November 1, 1973 and October 1, 1976, and any revenue bonds of the port district issued on a parity with such bonds, and equal in rank to the lien and charge thereon to pay and secure the payment of the revenue bonds of the port district issued pursuant to Resolution No. 2363, and any revenue bonds or warrants of the district hereafter issued on a parity with such bonds and the warrants of this issue.

The Port of Seattle 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 of the warrants of this issue, and any bonds or warrants issued on a parity therewith, are outstanding that will make available net revenue sufficient to pay the principal of and interest on all of such bonds and warrants outstanding and not paid from other sources.

Unless registered, this warrant, and the warrants of this issue, are hereby declared to be fully negotiable instruments within the provisions and intent of the laws of the State of Washington.

It is hereby certified and declared that this warrant and the warrants 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 Commission of the Port of Seattle, and that all acts, conditions and things required to be done precedent to and in the issuance of this warrant have happened, been done and performed.

UNITED STATES OF AMERICA
STATE OF WASHINGTON

PORT OF SEATTLE

IN WITNESS WHEREOF, the Port of Seattle has caused this Warrant to be executed in its name by the facsimile or manual signature of the President of its Commission, to be attested by the facsimile or manual signature of the Secretary of its Commission, the corporate seal of the Port of Seattle to be impressed hereon, and the interest coupons attached hereto to be signed with the facsimile signatures of said officials, this 15th day of September, 1978.

PORT OF SEATTLE, WASHINGTON

By _____
President of its Commission

ATTEST:

Secretary of its Commission

PROVISIONS FOR REGISTRATION

This warrant may be registered in the name of the holder at the office of the King County Comptroller, in Seattle, Washington, only as to both principal and interest, such registration being noted hereon by said Registrar in the registration blank below, after which no transfer shall be valid unless made by the registered holder or his duly authorized agent, and similarly noted in the registration blank below; but it may be discharged from registration by being transferred to bearer, after which it shall be transferable by delivery and may again be registered as before.

Date of Registration	In Whose Name Registered	Signature of Registrar
September 15, 1978	Rainier National Bank, as agent	:
:	:	:
:	:	:
:	:	:
:	:	:
:	:	: