

ATTACHMENT C**ESCROW DEPOSIT AGREEMENT****KING COUNTY, WASHINGTON****SEWER REVENUE AND REFUNDING BONDS, 2012****LIMITED TAX GENERAL OBLIGATION REFUNDING BONDS
(PAYABLE FROM SEWER REVENUES), 2012**

THIS ESCROW DEPOSIT AGREEMENT, dated _____, 2012 (together with any amendments or supplements hereto, called the "Agreement"), is entered into by and between KING COUNTY, WASHINGTON (the "County") and U.S. BANK NATIONAL ASSOCIATION, as Escrow Agent (together with any successor in that capacity, called the "Escrow Agent"). The notice addresses of the County and the Escrow Agent are shown on Exhibit A attached hereto and made a part hereof.

RECITALS:

WHEREAS, the County has issued and there presently remain outstanding the obligations described in Exhibits B-1 (the "Refunded Sewer Revenue Bonds") and B-2 (the "Refunded LTGO Sewer Bonds," and together with the Refunded Sewer Revenue Bonds, the "Refunded Bonds"); and

WHEREAS, pursuant to Ordinance 17111 passed on June 20, 2011, and Motion _____ passed on March 26, 2012 (together, the "Bond Legislation"), the County has determined to issue its Sewer Revenue and Refunding Bonds, 2012 (the "Sewer Revenue Bonds") to provide funds for refunding the Refunded Sewer Revenue Bonds; and to issue its Limited Tax General Obligation Refunding Bonds (Payable from Sewer Revenues), 2012 (the "LTGO Sewer Bonds," and together with the Sewer Revenue Bonds, the "Bonds") to provide funds for refunding the Refunded LTGO Sewer Bonds; and

WHEREAS, the Escrow Agent has reviewed this Agreement and the Bond Legislation, and is willing to serve as Escrow Agent; and

WHEREAS, pursuant to the Bond Legislation, the Refunded Bonds have been designated for redemption prior to their scheduled maturity dates and, after provision is made for that redemption, the Refunded Bonds will come due in the amounts and at the times set forth on Exhibit C; and

WHEREAS, the County desires that, concurrently with the delivery of the Bonds to the purchasers, a portion of the proceeds of the Bonds, together with certain other available funds of the County, be applied to purchase certain direct obligations of the United States of

America (hereinafter defined as the "Escrow Securities") for deposit to the credit of the Refunding Account and to establish a beginning cash balance (if needed) in the Refunding Account; and

WHEREAS, when Escrow Securities have been deposited with the Escrow Agent for the payment of all principal and interest of the Refunded Bonds when due, then the Refunded Bonds will no longer be regarded as outstanding except for the purpose of receiving payment from the funds provided for that purpose;

WHEREAS, Grant Thornton LLP has prepared a verification report that is dated _____, 2012 (the "Verification Report") relating to the sources and uses of funds available to accomplish the refunding of the Refunded Bonds, the investment of such funds and the adequacy of such funds and investments to provide for the payment of the debt service due on the Refunded Bonds;

NOW, THEREFORE, in consideration of the mutual undertakings, promises and agreements herein contained, the sufficiency of which are hereby acknowledged, and to secure the full and timely payment of principal of and the interest on the Refunded Bonds, the County and the Escrow Agent mutually undertake, promise and agree for themselves and their respective representatives and successors, as follows:

Article 1. Definitions

Section 1.1. Definitions.

Unless the context clearly indicates otherwise, the following terms have the meanings assigned to them below when used in this Agreement:

Escrow Securities means the noncallable Government Obligations described in Exhibit D, or cash or other noncallable obligations substituted therefor pursuant to Section 4.2 of this Agreement.

Government Obligations means direct, noncallable (a) United States Treasury Obligations, (b) United States Treasury Obligations - State and Local Government Series, (c) non-prepayable obligations which are fully and unconditionally guaranteed as to full and timely payment of principal and interest by the United States of America, or (d) REFCORP debt obligations unconditionally guaranteed by the United States.

Paying Agent means the fiscal agency of the state of Washington, as the paying agent for the Refunded Bonds.

Refunding Account means the account authorized by the Bond Legislation to be established, held and administered by the Escrow Agent pursuant to the provisions of this Agreement.

Section 1.2. Other Definitions.

The terms "Agreement," "Bond Legislation," "Bonds," "County," "Escrow Agent," "Refunded Bonds" and "Verification Report" when they are used in this Agreement, have the meanings assigned to them in the preamble to this Agreement.

Section 1.3. Interpretations.

The titles and headings of the articles and sections of this Agreement have been inserted for convenience and reference only and are not to be considered a part hereof and shall not in any way modify or restrict the terms hereof. This Agreement and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to achieve the intended purpose of providing for the refunding of the Refunded Bonds in accordance with applicable law.

Article 2. Deposit of Funds and Escrow Securities

Section 2.1. Deposits in the Refunding Account.

Concurrently with the sale and delivery of the Bonds the County shall deposit, or cause to be deposited, with the Escrow Agent, for deposit in the Refunding Account, the funds sufficient to purchase the Escrow Securities, establish a cash balance, and pay costs of issuance described in Exhibit D, and the Escrow Agent shall, upon the receipt thereof, acknowledge such receipt to the County in writing.

Article 3. Creation and Operation of Refunding Account

Section 3.1. Refunding Account.

The Escrow Agent has created on its books a special trust account and irrevocable escrow to be known as the Refunding Account. The Escrow Agent agrees that upon receipt it will deposit to the credit of the Refunding Account the funds and the Escrow Securities described in Exhibit D. This deposit, all proceeds therefrom, and all cash balances on deposit therein (a) shall be the property of the Refunding Account, (b) shall be applied only in strict conformity with the terms and conditions of this Agreement, and (c) are hereby irrevocably pledged to the payment of the principal of and interest on the Refunded Bonds, which payment shall be made by timely transfers of those amounts at the times provided for in Section 3.2, and to pay those costs of issuance set forth on Exhibit D upon receipt of invoices. If any of the \$ _____ deposit allocated for costs of issuance remains unspent by July 1, 2012, the Escrow Agent shall transfer that unspent amount to the County. When the final transfers have been made for the payment of such principal of and interest on the Refunded Bonds, any balance then remaining in the Refunding Account shall be transferred to the County, and the Escrow Agent shall thereupon be discharged from any further duties hereunder.

Section 3.2. Payment of Principal and Interest.

The Escrow Agent is hereby irrevocably instructed to transfer to the Paying Agent from the cash balances on deposit in the Refunding Account, the amounts required to pay the principal of the Refunded Bonds at their redemption dates and interest thereon to such redemption dates in the amounts and at the times shown on Exhibit C.

Section 3.3. Sufficiency of Refunding Account.

The County represents that, based upon the information provided in the Verification Report, the receipts of principal of and interest on the Escrow Securities will assure that the cash balance on deposit from within the Refunding Account will be at all times sufficient to provide money for transfer to the Paying Agent at the times and in the amounts required to pay the interest on the Refunded Bonds and the principal of the Refunded Bonds on the redemption dates, all as more fully set forth in Exhibit E. If, for any reason, at any time, the cash balances on deposit or scheduled to be on deposit in the Refunding Account shall be insufficient to transfer the amounts required by the Paying Agent to make the payments set forth in Section 3.2, the County shall timely deposit in the Refunding Account, from any funds that are lawfully available therefor, additional funds in the amounts required to make such payments. Notice of any such insufficiency shall be given promptly as hereinafter provided, but the Escrow Agent shall not in any manner be responsible for any insufficiency of funds in the Refunding Account or the County's failure to make additional deposits.

Section 3.4. Trust Fund.

The Escrow Agent shall hold at all times the Refunding Account, the Escrow Securities and all other assets of the Refunding Account wholly segregated from all other funds and securities on deposit with the Escrow Agent; it shall never allow the Escrow Securities or any other assets of the Refunding Account to be commingled with any other funds or securities of the Escrow Agent; and it shall hold and dispose of the assets of the Refunding Account only as set forth herein. The Escrow Securities and other assets of the Refunding Account shall always be maintained by the Escrow Agent as trust funds for the benefit of the owners of the Refunded Bonds; and a special account shall at all times be maintained on the books of the Escrow Agent. The amounts received by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the County, and the Escrow Agent shall have no right or title with respect thereto except as an agent and Escrow Agent under the terms of this Agreement.

Article 4. Limitation on Investments

Section 4.1. Investments.

Except for the initial investment in the Escrow Securities, and except as provided in Section 4.2, the Escrow Agent shall not have any power or duty to invest or reinvest any money held hereunder, or to make substitutions of the Escrow Securities, or to sell, transfer, or otherwise dispose of the Escrow Securities.

Section 4.2. Substitution of Securities.

At the written request of the County, and upon compliance with the conditions hereinafter stated, the Escrow Agent shall utilize cash balances in the Refunding Account, or sell, transfer, otherwise dispose of or request the redemption of the Escrow Securities and apply the proceeds therefrom to purchase Refunded Bonds or Government Obligations that do not permit the redemption thereof at the option of the obligor. Any such transaction may be effected by the Escrow Agent only if (a) the Escrow Agent receives a written opinion from a firm of certified public accountants that such transaction will not cause the amount of money and securities in the Refunding Account to be reduced below an amount sufficient to provide for the full and timely payment of principal of and interest on all of the remaining Refunded Bonds as they become due, taking into account any optional redemption thereof exercised by the County in connection with such transaction; and (b) the Escrow Agent receives the unqualified written legal opinion of bond counsel or tax counsel to the effect that such transaction will not cause any of the Bonds or Refunded Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended.

Article 5. Application of Cash Balances

Section 5.1. In General.

Except as provided in Section 2.1, 3.2 and 4.2 hereof, no withdrawals, transfers or reinvestment shall be made of cash balances in the Refunding Account. Cash balances shall be held by the Escrow Agent in United States currency as cash balances as shown on the books and records of the Escrow Agent and, except as provided herein, shall not be reinvested by the Escrow Agent.

Article 6. Redemption of Refunded Bonds

Section 6.1. Call for Redemption.

The County hereby irrevocably calls the Refunded Bonds for redemption on the dates shown in the Verification Report and on Appendices A1 and A2 attached hereto.

Section 6.2. Notice of Redemption/Notice of Defeasance.

The Escrow Agent agrees to give notices of defeasance and notices of the redemption of the Refunded Bonds to the Paying Agent for dissemination in accordance with the terms of the ordinances authorizing the issuance of the Refunded Bonds and in substantially the forms attached hereto as Appendices A1 through B2. The notices of defeasance shall be given immediately following the execution of this Agreement, and the notices of redemption shall be given in accordance with the ordinances authorizing the issuance of the Refunded Bonds. The Escrow Agent hereby certifies that provision satisfactory and acceptable to the Escrow Agent has been made for the giving of notices of redemption and defeasance of the Refunded Bonds.

Article 7. Records and Reports

Section 7.1. Records.

The Escrow Agent will keep books of record and account in which complete and accurate entries shall be made of all transactions relating to the receipts, disbursements, allocations and application of the money and Escrow Securities deposited to the Refunding Account and all proceeds thereof, and such books shall be available for inspection during business hours and after reasonable notice.

Section 7.2. Reports.

While this Agreement remains in effect, the Escrow Agent annually shall prepare and send to the County a written report summarizing all transactions relating to the Refunding Account during the preceding year, including, without limitation, credits to the Refunding Account as a result of interest payments on or maturities of the Escrow Securities and transfers from the Refunding Account for payments on the Refunded Bonds or otherwise, together with a detailed statement of all Escrow Securities and the cash balance on deposit in the Refunding Account as of the end of such period.

Article 8. Concerning the Paying Agent and Escrow Agent

Section 8.1. Representations.

The Escrow Agent hereby represents that it has all necessary power and authority to enter into this Agreement and undertake the obligations and responsibilities imposed upon it herein, and that it will carry out all of its obligations hereunder.

Section 8.2. Limitation on Liability.

The liability of the Escrow Agent to transfer funds for the payment of the principal of and interest on the Refunded Bonds shall be limited to the proceeds of the Escrow Securities and the cash balances from time to time on deposit in the Refunding Account. Notwithstanding any provision contained herein to the contrary, the Escrow Agent shall have no liability whatsoever for the insufficiency of funds from time to time in the Refunding Account or any failure of the obligors of the Escrow Securities to make timely payment thereon, except for the obligation to notify the County promptly upon its becoming aware of any such occurrence.

The recitals herein and in the proceedings authorizing the Bonds shall be taken as the statements of the County and shall not be considered as made by, or imposing any obligation or liability upon, the Escrow Agent.

It is the intention of the parties that the Escrow Agent shall never be required to risk use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder.

The Escrow Agent shall not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, nor shall the Escrow Agent be responsible for the consequences of any error of judgment; and the Escrow Agent shall not be answerable except for its own action, neglect or default, nor for any loss unless the same shall have been through its negligence or want of good faith.

Unless it is specifically otherwise provided herein, the Escrow Agent has no duty to determine or inquire into the happening or occurrence of any event or contingency or the performance or failure of performance of the County with respect to arrangements or contracts with others, with the Escrow Agent's sole duty hereunder being to safeguard the Refunding Account, to dispose of and deliver the same in accordance with this Agreement. If, however, the Escrow Agent is called upon by the terms of this Agreement to determine the occurrence of any event or contingency, the Escrow Agent shall be obligated, in making such determination, only to exercise reasonable care and diligence, and in event of error in making such determination the Escrow Agent shall be liable only for its own misconduct or its negligence. In determining the occurrence of any such event or contingency the Escrow Agent may request from the County or any other person such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may make inquiries of, and consult with, among others, the County at any time.

The Escrow Agent undertakes to perform such duties and only such duties as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Escrow Agent. Anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. The Escrow Agent shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the Escrow Agent and could not have been avoided by exercising due care. Force majeure shall include acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

The Escrow Agent may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Escrow Agent may consult with counsel and the advice or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in accordance with such advice or opinion of counsel.

Whenever in the administration of the provisions of this Agreement the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action to be taken hereunder, such matter (unless other evidence in respect

thereof be herein specifically prescribed) may, in the absence of negligence or bad faith on the part of the Escrow Agent, be deemed to be conclusively proved and established by a certificate signed by one of the officers of the County, and delivered to the Escrow Agent and such certificate, in the absence of negligence or bad faith on the part of the Escrow Agent, shall be full warrant to the Escrow Agent for any action taken, suffered or omitted by it under the provisions of this Agreement upon the faith thereof. The Escrow Agent shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, entitlement order, approval or other paper or document.

Any bank, corporation or association into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any bank, corporation or association resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of the Escrow Agent shall be the successor of the Escrow Agent hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

The Escrow Agent agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Escrow Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the County elects to give the Escrow Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Agent in its discretion elects to act upon such instructions, the Escrow Agent's understanding of such instructions shall be deemed controlling. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The County agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties

Section 8.3. Compensation.

The County shall pay to the Escrow Agent fees for performing the services hereunder pursuant to the terms of the Fee Schedule attached as Appendix C and shall reimburse the Escrow Agent for the expenses incurred or to be incurred by the Escrow Agent in the administration of this Agreement (including without limitation, legal fees and expenses). The Escrow Agent hereby agrees that in no event shall it ever assert any claim or lien against the Refunding Account for any fees for its services, whether regular or extraordinary, as Escrow Agent, or in any other capacity, or for reimbursement for any of its expenses as Escrow Agent or in any other capacity.

If the Escrow Agent renders any service hereunder not provided for in this Agreement, or the Escrow Agent is made a party to or intervenes in any litigation pertaining to this Agreement or institutes interpleader proceedings relative hereto, the Escrow Agent shall be compensated reasonably by the County for such extraordinary services and reimbursed for any and all claims, liabilities, losses, damages, fines, penalties, and expenses, including out-of-pocket and incidental expenses and legal fees and expenses occasioned thereby. The provisions of this Section 8.3 shall survive the termination of this Agreement or the earlier resignation or removal of the Escrow Agent.

Section 8.4. Successor Escrow Agents.

If at any time the Escrow Agent or its legal successor or successors shall resign or should become unable, through operation of law or otherwise, to act as Escrow Agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason, a vacancy shall forthwith exist in the office of Escrow Agent hereunder. In such event the County, by appropriate action, promptly shall appoint an Escrow Agent to fill such vacancy. If no successor Escrow Agent shall have been appointed by the County within 60 days, the retiring Escrow Agent may petition a court of competent jurisdiction for the appointment of a successor, it may appoint a successor, or a successor may be appointed by the owners of a majority in principal amount of the Refunded Bonds then outstanding by an instrument or instruments in writing filed with the County, signed by such owners or by their duly authorized attorneys-in-fact. If, in a proper case, no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this Section within three months after a vacancy shall have occurred, the owner of any Refunded Bond may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as it may deem proper, prescribe and appoint a successor Escrow Agent.

Any successor Escrow Agent shall be a corporation organized and doing business under the laws of the United States or any state, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least \$100,000,000 and subject to the supervision or examination by federal or state authority.

Any successor Escrow Agent shall execute, acknowledge and deliver to the County and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor Escrow Agent, subject to the terms of this Agreement, all the rights, powers and trusts of the Escrow Agent hereunder. Upon the request of any such successor Escrow Agent, the County shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Escrow Agent all such rights, powers and duties.

The obligations assumed by the Escrow Agent pursuant to this Agreement may be transferred by the Escrow Agent to a successor Escrow Agent if (a) the requirements of this Section 8.4 are satisfied; (b) the successor Escrow Agent has assumed all the obligations of the Escrow Agent under this Agreement; and (c) all of the Escrow Securities and money held by the

Escrow Agent pursuant to this Agreement have been duly transferred to such successor Escrow Agent.

Article 9. Miscellaneous

Section 9.1. Notice.

Any notice, authorization, request, or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed to the County or the Escrow Agent at the address shown on Exhibit A attached hereto. The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery. Any party hereto may change the address to which notices are to be delivered by giving to the other parties not less than ten days prior notice thereof.

Section 9.2. Termination of Responsibilities.

Upon the taking of all the actions as described herein by the Escrow Agent, the Escrow Agent shall have no further obligations or responsibilities hereunder to the County, the owners of the Refunded Bonds or to any other person or persons in connection with this Agreement.

Section 9.3. Binding Agreement.

This Agreement shall be binding upon the County and the Escrow Agent and their respective successors and legal representatives, and shall inure solely to the benefit of the owners of the Refunded Bonds, the County, the Escrow Agent and their respective successors and legal representatives.

Section 9.4. Severability.

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 9.5. Washington Law Governs.

This Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the state of Washington.

Section 9.6. Time of the Essence.

Time shall be of the essence in the performance of obligations from time to time imposed upon the Escrow Agent by this Agreement.

Section 9.7. Notice to Moody's and Standard & Poor's.

In the event that this agreement or any provision thereof is severed, amended or revoked, the County shall provide written notice of such severance, amendment or revocation to Moody's Investors Service at 7 World Trade Center at 250 Greenwich Street, New York, New York, 10007, Attention: Public Finance Rating Desk/Refunded Bonds and to Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, a New York corporation, 55 Water Street, New York, NY, 10041, Attention: Refunded Bonds Municipal Bond Department.

Section 9.8. Amendments.

This Agreement may not be amended except to cure any ambiguity or formal defect or omission in this Agreement. No amendment shall be effective unless the same shall be in writing and signed by the parties thereto. No such amendment shall materially adversely affect the rights of the holders of the Refunded Bonds, and the Escrow Agent is entitled to receive and rely on an opinion of counsel to the effect that no such material adverse effect on the rights of the holders of the Refunded Bonds shall result from the execution of such amendment. No such amendment shall be made without first receiving written confirmation from the rating agencies, (if any) which have rated the Refunded Bonds that such administrative changes will not result in a withdrawal or reduction of its rating then assigned to the Refunded Bonds. If this Agreement is amended, prior written notice and copies of the proposed changes shall be given to the rating agencies which have rated the Refunded Bonds.

EXECUTED as of the date first written above.

KING COUNTY, WASHINGTON

Director of Finance and Business
Operations Division

**U.S. BANK NATIONAL ASSOCIATION, as
Escrow Agent**

Authorized Signatory

- Exhibit A - Addresses of the County and the Escrow Agent
- Exhibit B-1 - Description of the Refunded Sewer Revenue Bonds
- Exhibit B-2 - Description of the Refunded LTGO Sewer Bonds
- Exhibit C - Schedule of Debt Service on the Refunded Bonds
- Exhibit D - Escrow Deposit
- Exhibit E - Refunding Account Cash Flow
- Appendix A1 - Notice of Redemption for the Refunded 2004A Bonds
- Appendix A2 - Notice of Redemption for the Refunded 2005 Bonds
- Appendix B1 - Notice of Defeasance for the Refunded 2004A Bonds
- Appendix B2 - Notice of Defeasance for the Refunded 2005 Bonds
- Appendix C - Fee Schedule

EXHIBIT A
Addresses of the County and Escrow Agent

County: King County
500 Fourth Avenue
Seattle, Washington 98104
Attention: Senior Budget and Finance Analyst

Escrow Agent: U.S. Bank National Association

Seattle, WA
Attention:

EXHIBIT B-1
Description of the Refunded Sewer Revenue Bonds

King County, Washington
Sewer Revenue Bonds, 2004A

Sewer Revenue Bonds, 2004A

Bond Component	Maturity Date	Par Amount	Interest Rate (%)	Redemption Price (%)	Redemption Date	CUSIP Numbers
Serials	01/01/2023	\$ 8,320,000	4.50	100	01/01/2014	495289KR0
	01/01/2024	8,685,000	4.50	100	01/01/2014	495289KS8
	01/01/2025	9,065,000	4.50	100	01/01/2014	495289KT6
	01/01/2026	9,465,000	4.50	100	01/01/2014	495289KU3
	01/01/2027	9,875,000	4.50	100	01/01/2014	495289KV1
	01/01/2028	10,310,000	4.50	100	01/01/2014	495289KW9
	01/01/2029	10,765,000	4.50	100	01/01/2014	495289KX7
	01/01/2030	11,240,000	4.50	100	01/01/2014	495289KY5
Term	01/01/2032	23,995,000	4.50	100	01/01/2014	495289KZ2
Serial	01/01/2033	12,805,000	4.75	100	01/01/2014	495289LA6
Term	01/01/2035	<u>27,450,000</u>	5.00	100	01/01/2014	495289LB4
Total		\$ 141,975,000				

EXHIBIT B-2
Description of the Refunded LTGO Sewer Bonds

King County, Washington
LTGO Sewer Bonds, 2005

Limited Tax General Obligation Bonds (Payable From Sewer Revenues), 2005

Bond Component	Maturity Date	Par Amount	Interest Rate (%)	Redemption Price (%)	Redemption Date	CUSIP Numbers
Serials	01/01/2017	\$ 6,470,000	5.00	100	01/01/2015	49474EXG3
	01/01/2018	6,800,000	5.00	100	01/01/2015	49474EXH1
	01/01/2019	7,150,000	5.00	100	01/01/2015	49474EXJ7
	01/01/2020	7,515,000	5.00	100	01/01/2015	49474EXK4
	01/01/2021	7,900,000	5.00	100	01/01/2015	49474EXL2
	01/01/2022	8,305,000	5.00	100	01/01/2015	49474EXM0
	01/01/2023	8,730,000	5.00	100	01/01/2015	49474EXN8
	01/01/2024	9,175,000	5.00	100	01/01/2015	49474EXP3
	01/01/2025	9,650,000	5.00	100	01/01/2015	49474EXQ1
	01/01/2026	10,140,000	5.00	100	01/01/2015	49474EXR9
	01/01/2027	10,660,000	5.00	100	01/01/2015	49474EXS7
	01/01/2028	11,210,000	5.00	100	01/01/2015	49474EXT5
	01/01/2029	11,780,000	5.00	100	01/01/2015	49474EXU2
	01/01/2030	12,385,000	5.00	100	01/01/2015	49474EXV0
	01/01/2031	13,020,000	4.50	100	01/01/2015	49474EXW8
	Term	01/01/2035	<u>59,110,000</u>	5.00	100	01/01/2015
Total		\$ 200,000,000				

EXHIBIT C**Schedule of Debt Service on Refunded Sewer Revenue Bonds**

<u>Date</u>	<u>Interest</u>	<u>Principal/ Redemption Price</u>	<u>Total</u>
<hr/>			

Schedule of Debt Service on Refunded LTGO Sewer Bonds

<u>Date</u>	<u>Interest</u>	<u>Principal/ Redemption Price</u>	<u>Total</u>
<hr/>			

EXHIBIT D
Escrow Deposit

I. Cash \$

II. Other Obligations

<u>Description</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Yield</u>	<u>Total Cost</u>
		\$		\$

III. Costs of Issuance

Bond Counsel fee (K&L Gates LLP)	\$
Moody's rating fee.....	
S&P rating fee.....	
County internal costs (King County Treasury).....	
Financial Advisor (Seattle-Northwest).....	
Escrow Verification fee (Grant Thornton)	
Escrow Agent fee (U.S. Bank National Association)	
POS/OS printing & mailing cost (Seattle-Northwest Securities Corporation/Alpha Graphics)	
Electronic POS (Seattle-Northwest Securities Corporation/i-Deal).....	
Contingency	
Total:	<u>\$</u>

EXHIBIT E
Refunding Account Cash Flow

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Cash Balance

APPENDIX A1

Notice of Redemption* King County, Washington Sewer Revenue Bonds, Series 2004A

NOTICE IS HEREBY GIVEN that King County, Washington, has called for redemption on January 1, 2014, certain of its then outstanding Sewer Revenue Bonds, Series 2004A dated March 18, 2004 (the "Refunded 2004A Bonds").

The Refunded 2004A Bonds will be redeemed at a price of 100% of their principal amount, plus interest accrued to January 1, 2014. The redemption price of the Refunded 2004A Bonds is due and payable on January 1, 2014 upon presentation and surrender of the Refunded 2004A Bonds at the office of:

The Bank of New York Mellon
Corporate Trust Dept Fiscal
Agencies Unit
101 Barclay Street, 7 West
New York, NY 10286

-or-

Wells Fargo Bank, National
Association
Corporate Trust Department
14th Floor - M/S 257
999 Third Avenue
Seattle, WA 98104

Interest on all Refunded 2004A Bonds or portions thereof that are redeemed shall cease to accrue on January 1, 2014.

The following are the Refunded 2004A Bonds being redeemed:

Sewer Revenue Bonds, 2004A

Bond Component	Maturity Date	Par Amount	Interest Rate (%)	Redemption Price (%)	Redemption Date	CUSIP Numbers
Serials	01/01/2023	\$ 8,320,000	4.50	100	01/01/2014	495289KR0
	01/01/2024	8,685,000	4.50	100	01/01/2014	495289KS8
	01/01/2025	9,065,000	4.50	100	01/01/2014	495289KT6
	01/01/2026	9,465,000	4.50	100	01/01/2014	495289KU3
	01/01/2027	9,875,000	4.50	100	01/01/2014	495289KV1
	01/01/2028	10,310,000	4.50	100	01/01/2014	495289KW9
	01/01/2029	10,765,000	4.50	100	01/01/2014	495289KX7
	01/01/2030	11,240,000	4.50	100	01/01/2014	495289KY5
Term	01/01/2032	23,995,000	4.50	100	01/01/2014	495289KZ2
Serial	01/01/2033	12,805,000	4.75	100	01/01/2014	495289LA6
Term	01/01/2035	<u>27,450,000</u>	5.00	100	01/01/2014	495289LB4
Total		\$ 141,975,000				

* This notice shall be given not more than 60 nor less than 30 days prior to January 1, 2014, by first-class mail to each registered owner of the Refunded 2004A Bonds. In addition notice shall be provided at least 30 days prior to January 1, 2014 to the Municipal Securities Rulemaking Board; The Depository Trust Company of New York, New York; MBIA Insurance Corporation; Moody's Investors Service, and to Standard & Poor's Ratings Services.

The County and Escrow Agent are not responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Bond. They are included solely for the convenience of the holders.

By Order of King County, Washington

U.S. Bank National Association, as Paying Agent

Dated: _____.

Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act") unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your Bonds.

APPENDIX A2

**Notice of Redemption*
King County, Washington
LTGO Sewer Bonds, 2005**

NOTICE IS HEREBY GIVEN that King County, Washington, has called for redemption on January 1, 2012, certain of its then outstanding LTGO Sewer Bonds, 2005 dated April 21, 2005 (the "Refunded 2005 Bonds").

The Refunded 2005 Bonds will be redeemed at a price of 100% of their principal amount, plus interest accrued to January 1, 2015. The redemption price of the Refunded 2005 Bonds is due and payable on January 1, 2015 upon presentation and surrender of the Refunded 2005 Bonds at the office of:

U.S. Bank National Association
Corporate Trust Dept Fiscal
Agencies Unit
101 Barclay Street, 7 West
New York, NY 10286

-or-

Wells Fargo Bank, National
Association
Corporate Trust Department
14th Floor - M/S 257
999 Third Avenue
Seattle, WA 98104

Interest on all Refunded 2005 Bonds or portions thereof that are redeemed shall cease to accrue on January 1, 2015.

* This notice shall be given not more than 60 nor less than 30 days prior to January 1, 2015, by first-class mail to each registered owner of the Refunded 2005 Bonds. In addition notice shall be provided at least 30 days prior to January 1, 2015 to the Municipal Securities Rulemaking Board; The Depository Trust Company of New York, New York; Financial Security Assurance Inc.; Moody's Investors Service, and to Standard & Poor's Ratings Services.

The following are the Refunded 2005 Bonds being redeemed:

Limited Tax General Obligation Bonds (Payable From Sewer Revenues), 2005

Bond Component	Maturity Date	Par Amount	Interest Rate (%)	Redemption Price (%)	Redemption Date	CUSIP Numbers
Serials	01/01/2017	\$ 6,470,000	5.00	100	01/01/2015	49474EXG3
	01/01/2018	6,800,000	5.00	100	01/01/2015	49474EXH1
	01/01/2019	7,150,000	5.00	100	01/01/2015	49474EXJ7
	01/01/2020	7,515,000	5.00	100	01/01/2015	49474EXK4
	01/01/2021	7,900,000	5.00	100	01/01/2015	49474EXL2
	01/01/2022	8,305,000	5.00	100	01/01/2015	49474EXM0
	01/01/2023	8,730,000	5.00	100	01/01/2015	49474EXN8
	01/01/2024	9,175,000	5.00	100	01/01/2015	49474EXP3
	01/01/2025	9,650,000	5.00	100	01/01/2015	49474EXQ1
	01/01/2026	10,140,000	5.00	100	01/01/2015	49474EXR9
	01/01/2027	10,660,000	5.00	100	01/01/2015	49474EXS7
	01/01/2028	11,210,000	5.00	100	01/01/2015	49474EXT5
	01/01/2029	11,780,000	5.00	100	01/01/2015	49474EXU2
	01/01/2030	12,385,000	5.00	100	01/01/2015	49474EXV0
	01/01/2031	13,020,000	4.50	100	01/01/2015	49474EXW8
Term	01/01/2035	<u>59,110,000</u>	5.00	100	01/01/2015	49474EXX6
Total		\$ 200,000,000				

The County and Escrow Agent are not responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Bond. They are included solely for the convenience of the holders.

By Order of King County, Washington

U.S. Bank National Association, as Paying Agent

Dated: _____.

Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act") unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your Bonds.

APPENDIX B1*
Notice of Defeasance*
King County, Washington
Sewer Revenue Bonds, Series 2004A

NOTICE IS HEREBY GIVEN to the owners of that portion of the above-captioned bonds with respect to which, pursuant to an Escrow Deposit Agreement dated _____, 2012, by and between King County, Washington (the "County") and U.S. Bank National Association (the "Escrow Agent"), the County has deposited into an escrow account, held by the Escrow Agent, cash and non-callable direct obligations of the United States of America, the principal of and interest on which, when due, will provide money sufficient to pay each year, to and including the redemption date of such bonds so provided for, the principal thereof and interest thereon (the "2004A Defeased Bonds"), as evidenced by a verification agent's report delivered to the Escrow Agent. The 2004A Defeased Bonds are therefore deemed to be no longer outstanding pursuant to the provisions of Ordinance 14753 of the County, authorizing the issuance of the 2004A Defeased Bonds, but will be paid by application of the assets of such escrow account.

The 2004A Defeased Bonds are described as follows:

King County, Washington
Sewer Revenue Bonds, Series 2004A
(dated March 18, 2004)

Sewer Revenue Bonds, 2004A

Bond Component	Maturity Date	Par Amount	Interest Rate (%)	Redemption Price (%)	Redemption Date	CUSIP Numbers
Serials	01/01/2023	\$ 8,320,000	4.50	100	01/01/2014	495289KR0
	01/01/2024	8,685,000	4.50	100	01/01/2014	495289KS8
	01/01/2025	9,065,000	4.50	100	01/01/2014	495289KT6
	01/01/2026	9,465,000	4.50	100	01/01/2014	495289KU3
	01/01/2027	9,875,000	4.50	100	01/01/2014	495289KV1
	01/01/2028	10,310,000	4.50	100	01/01/2014	495289KW9
	01/01/2029	10,765,000	4.50	100	01/01/2014	495289KX7
	01/01/2030	11,240,000	4.50	100	01/01/2014	495289KY5
Term	01/01/2032	23,995,000	4.50	100	01/01/2014	495289KZ2
Serial	01/01/2033	12,805,000	4.75	100	01/01/2014	495289LA6
Term	01/01/2035	<u>27,450,000</u>	5.00	100	01/01/2014	495289LB4
Total		\$ 141,975,000				

The Escrow Agent shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any 2004A Defeased Bond. They are included solely for the convenience of the holders.

[Date]

U.S. Bank National Association, as Escrow Agent.

* This notice shall be given immediately by first-class mail to each registered owner of the 2004A Defeased Bonds. In addition notice shall be mailed to The Depository Trust Company of New York, New York; MBIA Insurance Corporation; U.S. Bank National Association, as Fiscal Agent; Moody's Investors Service, and to Standard & Poor's Ratings Services, and filed electronically with the Municipal Securities Rulemaking Board.

APPENDIX B2*

Notice of Defeasance* King County, Washington LTGO Sewer Bonds, 2005

NOTICE IS HEREBY GIVEN to the owners of that portion of the above-captioned bonds with respect to which, pursuant to an Escrow Deposit Agreement dated _____, 2012, by and between King County, Washington (the "County") and U.S. Bank National Association (the "Escrow Agent"), the County has deposited into an escrow account, held by the Escrow Agent, cash and non-callable direct obligations of the United States of America, the principal of and interest on which, when due, will provide money sufficient to pay each year, to and including the redemption date of such bonds so provided for, the principal thereof and interest thereon (the "2005 Defeased Bonds"), as evidenced by a verification agent's report delivered to the Escrow Agent. The 2005 Defeased Bonds are therefore deemed to be no longer outstanding pursuant to the provisions of Ordinance 15033 of the County, authorizing the issuance of the 2005 Defeased Bonds, but will be paid by application of the assets of such escrow account.

The 2005 Defeased Bonds are described as follows:

King County, Washington LTGO Sewer Bonds, 2005 (dated April 21, 2005)

Limited Tax General Obligation Bonds (Payable From Sewer Revenues), 2005

Bond Component	Maturity Date	Par Amount	Interest Rate (%)	Redemption Price (%)	Redemption Date	CUSIP Numbers
Serials	01/01/2017	\$ 6,470,000	5.00	100	01/01/2015	49474EXG3
	01/01/2018	6,800,000	5.00	100	01/01/2015	49474EXH1
	01/01/2019	7,150,000	5.00	100	01/01/2015	49474EXJ7
	01/01/2020	7,515,000	5.00	100	01/01/2015	49474EXK4
	01/01/2021	7,900,000	5.00	100	01/01/2015	49474EXL2
	01/01/2022	8,305,000	5.00	100	01/01/2015	49474EXM0
	01/01/2023	8,730,000	5.00	100	01/01/2015	49474EXN8
	01/01/2024	9,175,000	5.00	100	01/01/2015	49474EXP3
	01/01/2025	9,650,000	5.00	100	01/01/2015	49474EXQ1
	01/01/2026	10,140,000	5.00	100	01/01/2015	49474EXR9
	01/01/2027	10,660,000	5.00	100	01/01/2015	49474EXS7
	01/01/2028	11,210,000	5.00	100	01/01/2015	49474EXT5
	01/01/2029	11,780,000	5.00	100	01/01/2015	49474EXU2
	01/01/2030	12,385,000	5.00	100	01/01/2015	49474EXV0
	01/01/2031	13,020,000	4.50	100	01/01/2015	49474EXW8
	Term	01/01/2035	<u>59,110,000</u>	5.00	100	01/01/2015
Total		\$ 200,000,000				

* This notice shall be given immediately by first-class mail to each registered owner of the 2005 Defeased Bonds. In addition notice shall be mailed to The Depository Trust Company of New York, New York; Financial Security Assurance Inc.; U.S. Bank National Association, as Fiscal Agent; Moody's Investors Service, and to Standard & Poor's Ratings Services, and filed electronically with the Municipal Securities Rulemaking Board.

The Escrow Agent shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any 2005 Defeased Bond. They are included solely for the convenience of the holders.

[Date]

U.S. Bank National Association, as Escrow Agent

APPENDIX C

Escrow Agent Fee