

## **NOTICE REGARDING INCURRENCE OF FINANCIAL OBLIGATION**

### **UNIVERSITY OF WASHINGTON REVOLVING GENERAL REVENUE NOTE, 2020 (Evidencing the University's Obligations under the Loan Agreement)**

On August 13, 2020, the University of Washington (the "University") issued its Revolving General Revenue Note, 2020 (Evidencing the University's Obligations under the Loan Agreement) in the principal amount of not to exceed \$100,000,000 (the "Note"). The Note was issued pursuant to a resolution adopted by the Board of Regents of the University on June 11, 2020 (the "Note Resolution"), to provide liquidity for University purposes and to pay costs of issuing the Note. The Note was privately placed with Washington Federal Bank, National Association d/b/a WAFD Bank in accordance with a Revolving Loan Agreement (the "Loan Agreement") dated August 13, 2020. The terms of the Note are described in the Note Resolution and Loan Agreement.

*Notes Regarding this Event Notice Filing.* The University is filing this information as an event notice pursuant to its continuing disclosure undertakings on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system. This information is only accurate as of its date. The provisions of this information to EMMA is not intended as an offer to sell any security and the University does not intend that the Loan Agreement involve the offering to the public of any security of the University. No representation is made as to whether this information is material or important with respect to any particular outstanding debt issue of the University or whether other events have occurred with respect to the University or its outstanding debt that might be material or important to owners of the University outstanding debt.

Dated: August 14, 2020.

Attachments: Loan Agreement (Redacted)  
Note Resolution

## REVOLVING LOAN AGREEMENT

THIS REVOLVING LOAN AGREEMENT (the "**Agreement**"), dated August 13, 2020, is made by and between THE UNIVERSITY OF WASHINGTON ("**Borrower**" or "**University**"), whose address is:

**Borrower:**

[REDACTED]

and WASHINGTON FEDERAL BANK, NATIONAL ASSOCIATION dba WAFD BANK, and its successors, participants, and assigns ("**Lender**"), whose address is:

**Lender:**

[REDACTED]

In consideration of the covenants and agreements contained herein, Borrower and Lender hereby mutually agree as follows:

### 1. DEFINITIONS AND TERMINOLOGY

**1.1** General. Any accounting term used but not specifically defined herein shall be construed in accordance with GAAP (as defined below). The definition of each agreement, document, and instrument set forth in Section 1.2 hereof shall be deemed to mean and include such agreement, document, or instrument as amended, restated, or modified from time to time.

**1.2** **Defined Terms.** As used in this Agreement:

"**Advance**" means a disbursement of proceeds of the Loan by Lender in accordance with the terms of this Agreement.

"**Affiliate**" means, with respect to a specified Organization, any other Organization directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such specified entity.

"**Authorized Representative**" means any one of Ana Mari Cauce, President of the University, or Brian McCartan, Vice President for Finance.

"**Average Annual Utilization**" means the sum of the daily aggregate principal amount of all revolving credit advances for the calendar year, divided by 360; provided that in the case of a partial year in which this Agreement is in effect, the average annual utilization shall be the sum of the daily aggregate principal amount for all revolving credit advances for such calendar year, divided by the actual number of days elapsed in such calendar year.

"**Business Day**" means a day other than a Saturday, Sunday, or any other day on which banks in the Twelfth Federal Reserve District are authorized to close.

"**Closing Date**" or "**Closing**" means the date of this Agreement.

"**Code**" means the Internal Revenue Code of 1986, as amended, together with the rules and regulations promulgated thereunder.

**“Control”**, as such term is used with respect to any Person, including the correlative meanings of the terms “Controlling”, “Controlled by”, and “under common Control with”, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, whether through the ownership of voting securities, by contract, or otherwise.

**“Controlled Group”** means Borrower and each Person required to be aggregated with Borrower under Code Sections 414(b), (c), (m) or (o).

**“Default Rate”** means *the greater of* (a) the Note Rate *plus* five percent (5.0%) or (b) twelve percent (12%) per annum.

**“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated pursuant thereto.

**“Event of Default”** means any one or more of the occurrences described in Section 11 hereof.

**“Extension Conditions”** means the Borrower’s bond rating is A or better (or equivalent) and compliance with all other terms of this Agreement.

**“GAAP”** means generally accepted accounting principles in the United States of America from time to time as set forth in (a) the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and (b) statements and pronouncements of the Government Accounting Standards Board, as modified by the opinions, statements and pronouncements of any similar accounting body of comparable standing having authority over accounting by governmental entities.

**“General Revenues”** means all nonappropriated income, revenues, and receipts of the University if and to the extent such funds are not restricted in their use by law, regulation, or contract. For example, the following items are restricted and, therefore, excluded:

- (a) Appropriations to the University by the State from the State’s General Fund;
- (b) Each fund the purpose of which has been restricted in writing by the terms of the gift or grant under which such fund has been donated, or by the donor thereof;
- (c) Fees imposed upon students as a condition of enrollment at the University, including but not limited to services and activities fees, building fees, and technology fees; and
- (d) Revenues and receipts attributable to the Metro Tract Revenue.

Unrestricted fund balances, to the extent that they were accumulated from money that was received as **General Revenues**, also would be includable and available to pay obligations secured by **General Revenues**. Upon the removal of any income, revenues, or receipts from General Revenues, this definition of General Revenues shall be deemed to be amended accordingly without further action by the University.

**“Governmental Approvals”** means, collectively, all consents, licenses, and permits and all other authorizations or approvals required from any Governmental Authority for operation of Borrower’s business.

**“Governmental Authority”** means any federal, state, county, or municipal government, or political subdivision thereof, any governmental or quasi-governmental agency, authority, board, bureau, commission, department, instrumentality, or public body, or any court, administrative tribunal, or public utility.

**“Indebtedness”** means, for any Person (excluding in all cases trade payables payable in the ordinary course of business by such Person) the following obligations secured by or payable from General Revenues: (a) all obligations to repay borrowed money, direct or indirect, incurred, assumed, or guaranteed; (b) all obligations for the deferred purchase price of capital assets; (c) all obligations under conditional sales or other title retention agreements; (d) all obligations (contingent or otherwise) under any letter of credit, banker’s acceptance, currency swap agreement, or Interest Rate Agreement; (e) all synthetic leases; (f) obligations of the University as lessee under any lease of property, real or personal, that, that meets the definition of a material financial obligation under SEC Rule 15c2-12; (g) all obligations of such Person with respect to asset securitization financing

programs to the extent that there is recourse against such Person or such Person is liable (contingent or otherwise) under any such program; (h) all obligations to advance funds to, or to purchase assets, property, or services from any other Person in order to maintain the financial condition of such Person; and (i) any other transaction (including forward sale or purchase agreements) having the commercial effect of a borrowing of money entered into by such Person to finance its operations or capital requirements.

**"Initial Taxable Fixed Rate"** a [REDACTED]

**"Initial Tax-Exempt Fixed Rate"** a [REDACTED].

**"Law"** and **"Laws"** means, collectively, all federal, state, and local laws, statutes, codes, ordinances, orders, rules, and regulations, including, without limitation, judicial opinions, or precedential authority in the applicable jurisdiction.

**"Lender Affiliate"** means any one or more bank or non-bank Affiliates of Washington Federal Bank, National Association dba WAFD Bank and its successors.

**"Loan"** means the credit facility that Lender had agreed to make available to Borrower pursuant to the provisions, terms and conditions of Section 2 hereof.

**"Loan Documents"** means the documents identified in Section 7.2 hereof, as such documents may be amended or modified.

**"Loan Fee"** is defined in Section 2.5.1 hereof.

**"Margin Stock"** shall have the meaning given to it under Regulation U of the Board of Governors of the Federal Reserve System, as amended from time to time.

**"Maturity Date"** has the meaning set forth in Section 5 hereof.

**"Material Adverse Change"** means the occurrence of any event or change, including but not limited to a change revealed by a comparison of any financial statements delivered hereunder to the financial statements for the most recent prior Fiscal Year, which separately or in the aggregate with the occurrence of other events, results or could reasonably be expected to result in a Material Adverse Effect.

**"Material Adverse Effect"** means any event or occurrence (including, without limitation, a change in applicable law) that causes a material adverse change in or a material adverse effect on (A) the validity or enforceability of this Agreement, the Note or any of the Loan, (B) the validity, enforceability or perfection of the obligation of General Revenues to pay the Note, the Loan evidenced by the Note or other amounts due under this Agreement, (C) the status of the Borrower as a public university created and validly existing under the laws of the State, (D) the exemption of interest on any Tax-Exempt Draw from federal income tax, (E) General Revenues that could reasonably be expected to have a material adverse effect on the ability of the Borrower to pay debt service on the Loans or amounts due on any other Obligations hereunder or (F) the rights and remedies of the Lender under this Agreement.

**"Metro Tract"** means the "university tract" as defined in RCW 28B.20.381 to include the tract of land in the city of Seattle, consisting of approximately ten acres, originally known as the "old university grounds," as amended to the date of this resolution, and more recently referred to as the "metropolitan tract," together with all buildings, improvements, facilities, and appurtenances thereon.

**"Metro Tract Revenue"** means all revenues of the University derived from operating, managing, and leasing the Metro Tract.

**"Note"** means the promissory notes signed and delivered by Borrower to evidence its Indebtedness to Lender pursuant to Section 2 hereof.

**"Note Fund"** means the Borrower's General Revenue Note Redemption Fund established pursuant to the Note Resolution.

**"Note Rate"** is defined in Section 3.1 hereof.

**"Note Resolution"** means the Resolution of the Borrower authorizing the Note approved by the Board of Regents on June 11, 2020.

**"Obligation"** or **"Obligations"** means, collectively, (a) all Indebtedness and other obligations incurred by Borrower to Lender pursuant to this Agreement or any of the other Loan Documents, including, without limitation, the principal of and interest on the Note; (b) each extension, renewal or refinancing thereof in whole or in part; (c) the Loan Fee and other fees, and any prepayment fees payable under the Loan Documents; (d) every other liability, now or hereafter owing to Lender or any Lender Affiliate by Borrower in connection with the Loan; and (e) all Related Expenses.

**"OFAC"** means the Office of Foreign Asset Control of the Department of the Treasury of the United States of America.

**"OFAC Review Process"** means that certain review process established by Lender to determine if any potential transferee of any interests or any assignee of any portion of the Loan or any of their members, officers, or partners are a party with whom Lender is restricted from doing business under: (i) the regulations of OFAC, including, without limitation, those Persons named on OFAC's Specially Designated Nationals and Blocked Persons List; or (ii) any other statute, executive order, or other governmental action or list (including the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism).

**"Organization"** means a corporation, limited liability company, partnership, government or government subdivision or agency, business trust, estate, trust, association, two or more Persons having a joint or common interest, and any other legal or commercial entity.

**"Person"** means an individual or an Organization.

**"Potential Default"** means any condition, action, or failure to act that, with the passage of time, service of notice, or both, would constitute an Event of Default under the Loan Documents.

**"Related Expenses"** means any and all costs, liabilities, and expenses (including, without limitation, losses, damages, penalties, claims, actions, reasonable attorney's fees, legal expenses, judgments, suits, and disbursements) reasonably incurred by, or imposed upon, or asserted against, Lender in any attempt by Lender:

- (a) to obtain, preserve, perfect, or enforce the obligation of General Revenues evidenced by the Note;
- (b) to obtain payment, performance, and observance of any and all of the Obligations; or
- (c) all costs, liabilities, and expenses that are incidental or related to (a) through (b) above, including, without limitation, interest thereupon from the date incurred, imposed, or asserted until paid at the rate payable as set forth herein, but in no event greater than the highest rate of interest permitted by law.

**"Request for Draw"** means a written request signed by an Authorized Officer for a Taxable Draw under this Agreement, in substantially the form set forth in Exhibit A-1, or for a Tax-Exempt Draw under this Agreement, in substantially the form set forth in Exhibit A-2.

**"Request for Extension"** means a written request signed by an Authorized Officer and submitted to the Bank prior to the Reset Date.

**"Reset Date"** means August 1, 2023 and August 1, 2025.

**"Reset Rate (Taxable)"** [REDACTED]

**"Reset Rate (Tax-Exempt)"** [REDACTED]

[REDACTED]

“**Revolving Loan**” means the amounts advanced by Lender to Borrower on a revolving basis pursuant to the provisions, terms, and conditions of the revolving credit facility described in Section 2 hereof.

“**Revolving Loan Commitment**” has the meaning set forth in Section 2 hereof.

“**Revolving Note**” means, the promissory note signed and delivered by Borrower to evidence the Revolving Loan from Lender pursuant to Section 2 hereof.

“**State**” means the State of Washington.

“**Taxable Draw**” means a draw initiated through the submittal of a Request for Draw in substantially the form set forth at Appendix A-1.

“**Taxable Project**” means any Borrower project financed with the proceeds of a Taxable Draw.

“**Tax-Exempt Draw**” means a draw initiated through the submittal of a Request for Draw in substantially the form set forth at Appendix A-2.

“**Tax-Exempt Projects and Expenses**” means any Borrower projects financed with proceeds of a Tax-Exempt Draw.

The foregoing definitions shall be applicable to the singulars and plurals of the foregoing defined terms.

## **2. CREDIT FACILITY.**

### **2.1 Revolving Credit Facility.**

**2.1.1** Lender hereby agrees to extend a revolving credit loan to Borrower, subject to the terms and conditions of this Agreement and the Revolving Note of even date herewith, in a principal amount not to exceed ONE HUNDRED MILLION and 00/100THS DOLLARS (US \$100,000,000.00) (the “**Revolving Loan Commitment**”) at any one time.

**2.1.2** The proceeds of the Revolving Loan shall be advanced from Lender to Borrower from time to time as Borrower requests until, but not including, the Maturity Date, and in such amounts as Borrower may from time to time request, provided however, that in no event shall the aggregate amounts of Revolving Loan outstanding at any one time exceed the Revolving Loan Commitment. The Borrower may from time to time reduce the amounts of, the Revolving Loan Commitment by delivering to the Lender a written request for reduction.

### **2.2 Fees.** The Borrower shall pay Lender the following fees:

**2.2.1 Loan Fee.** Upon execution of the Note, Borrower shall pay Lender a loan fee (the “**Loan Fee**”) payable at Lender’s discretion either from proceeds of the Loan or from Borrower’s own funds in the amount of \$5,000.00, representing its counsel fees incurred in connection with this Loan.

**2.2.2 Unused Commitment Fee.** If the Average Annual Utilization is less than \$50 million, the unused commitment fee will be \$100,000 annually (provided that, beginning in 2021, for any partial calendar year in which this Agreement is in effect, such \$100,000 unused commitment fee will be pro-rated to reflect the portion of the calendar year in which the Agreement is in effect). The unused commitment fee is waived if the Average Annual Utilization \$50 million or greater. The unused commitment fee is waived for calendar year 2020.

### 3. INTEREST.

Borrower shall pay interest on the outstanding principal balance of the Loan at the applicable rate per annum set forth below.

**3.1 Initial Note Rate.** In the absence of an Event of Default and prior to the first Reset Date, (a) Tax-Exempt Draws on the Loan shall bear interest at the Initial Tax-Exempt Fixed Rate from the date drawn and (b) Taxable Draws on the Loan shall bear interest at the Initial Taxable Fixed Rate from the Date drawn (collectively, the “**Note Rate**”).

**3.2 Note Rate after Reset Date.** On each Reset Date, in the absence of an Event of Default and upon the election by Lender to extend the Maturity Date and the satisfaction of the conditions to extend the Maturity Date set forth in Section 5.1, (a) Tax-Exempt Draws on the Loan, including any Tax-Exempt Draws then outstanding on the Loan, shall bear interest at the Reset Rate (Tax-Exempt) and (b) Taxable Draws on the Loan, including any Taxable Draws then outstanding on the Loan, shall bear interest at the Reset Rate (Taxable).

**3.3 Default Rate.** Upon the occurrence of and during the continuance of an Event of Default, at Lender’s election, without notice or demand, Borrower shall pay interest at the rate per annum equal to Default Rate on the outstanding balance of the Note, on past due interest on the Note, on all other amounts payable to Lender by Borrower in connection with the Note, and on any unsatisfied judgment on the Note. In no event, however, shall the interest rate on the Note exceed the highest rate permitted by applicable Laws.

**3.4 Calculations of Interest.** Interest at the Note Rate (or Default Rate) shall be calculated on the basis of actual number of days elapsed over a year of 360 days. All interest payable under the Note is computed using this method. Lender shall determine the interest rate applicable to the outstanding principal balance of the Loan in accordance with this Agreement, and its determination thereof shall be conclusive in the absence of manifest error. The books and records of Lender shall be prima facie evidence of all sums owing to Lender from time to time under the Loan Documents, but the failure to record any such information shall not limit or affect the obligations of Borrower under any of the Loan Documents.

### 4. INTEREST PAYMENTS.

**4.1 Interest Payments.** Borrower shall pay accrued interest on the unpaid principal balance outstanding hereunder on the first Business Day of each month, commencing the first payment date to occur after Lender first makes an Advance, and continuing on each succeeding payment date thereafter for the full term of the Note, including any extensions thereof. Lender hereby agrees to use its best efforts to deliver an invoice for each such payment to Borrower at the address set forth in Section 13 (or to such other address as designated by Borrower in writing to Lender) at least fifteen (15) days in advance of the payment due date, which shall include (i) the amount payable for the related period and (ii) a remittance address and/or wire instructions. Interest payable on draws hereunder made after the date of each such invoice will be included in the subsequent invoice and payable on the subsequent interest payment date.

**4.2 Late Fees.** For any payment due under the Note that is not made within fifteen (15) days after its due date, Borrower shall pay a late fee equal to *the greater of* (a) five percent (5%) of the amount of the payment not made or (b) \$50.00.

**4.3 Application of Payments.** Lender shall apply all payments received on the Loan to accrued and unpaid interest then due and owing, the reduction of the principal balance of the Note, any applicable reserves, and any unpaid late charges, in such order and in such amounts as Lender may determine from time to time, in its sole discretion. The sum or sums shown on Lender’s records shall be rebuttably presumptive of the correct unpaid balances of principal and interest on the Note.

### 5. MATURITY DATE

Unless sooner repaid by Borrower, the entire unpaid principal balance of the Note, plus all accrued but unpaid interest, and all other amounts owing hereunder or under any of the other Loan Documents, shall be due and payable in full on August 1, 2023 (the “**Maturity Date**”), unless extended as set forth below.

**5.1 Loan Term/Maturity Date.** The Loan will become due and payable on the Maturity Date set forth above; *provided, however*, that, Lender in its sole discretion may on each Reset Date extend the Maturity Date up to two times for a period of two years each (for a total of seven years from origination) upon Borrower’s satisfaction all of the Extension Conditions. No later than 30 days prior to the Reset Date, the Borrower must submit a Request for Extension demonstrating the Extension Conditions are satisfied.

## 6. PREPAYMENT

The University may prepay the Loan in whole or in part at any time without any premium or penalty by giving written notice to the Bank at least 15 days in advance of the date of prepayment and by paying the Bank all or any portion of the Loan, plus accrued interest on that amount, to the date of prepayment. The University may terminate this Agreement at any time upon 30 days' written notice to Lender so long as no Loans are outstanding as of the termination. Prior to any termination, the University will pay or cause to be paid all amounts owing to Lender hereunder and under the Notes.

## 7. SECURITY FOR LOANS AND LOAN DOCUMENTATION.

**7.1 Security for the Loans.** The Loan is a special fund obligation of the Borrower, payable solely from General Revenues and the money and investments deposited into the Note Fund. The Loan shall not constitute an obligation, either general, special or moral, of the State, nor a general or moral obligation of the University. The registered owner of the Note evidencing the Loan shall have no right to require the State, nor has the State any obligation or legal authorization, to levy any taxes or appropriate or expend any of its funds for the payment of the principal thereof or the interest or any premium thereon. The Borrower has no taxing power.

**7.2 Loan Documents.** Borrower will execute and deliver, or cause to be executed and delivered, to Lender the following documents, in form and substance acceptable to Lender (collectively, the "**Loan Documents**"):

**7.2.1** This Agreement;

**7.2.2** The Note;

**7.2.3** Such other documents, instruments, or certificates as Lender and its counsel may reasonably require as a condition of closing on the Loan, including, without limitation, such documents as Lender, in its sole discretion, deems necessary or appropriate to effectuate the terms and conditions of this Agreement and the other Loan Documents, and to comply with the Laws of the State.

The Loan Documents shall be executed by Borrower and such other Persons as Lender reasonably believes are necessary to create a valid obligation of General Revenues to the payment of the Loan and other Obligations hereunder and to provide for the payment of the Loan equally and ratably payable, without preference, priority or distinction because of date of issue or otherwise from General Revenues, with other General Revenue obligations of the Borrower, and to enable Lender to pursue all applicable remedies for collection of the Indebtedness under the Loan.

## 8. REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants to Lender (which representations and warranties will survive the delivery of the Note and the making of the Loan), as of the date of this Agreement and at all times any Obligations remain outstanding, that:

**8.1 Existence and Legal Authority.** Borrower is an institution of higher education of the State, duly organized and validly existing under the Laws of the State and has all requisite power and authority to own its property and to carry on its purposes as now being conducted, to enter into the Loan Documents to which it is a party and the other agreements referred to herein and transactions contemplated thereby, and to carry out the provisions and conditions of such Loan Documents to which it is a party.

**8.2 Due Execution and Delivery.** Each of the Loan Documents has been duly executed and delivered by the applicable party or parties and has been authorized by all required action, and Borrower has obtained all requisite consents to the transactions contemplated thereby under any instrument to which Borrower is a party, and the Loan Documents constitute the legal, valid, and binding obligations of Borrower enforceable against such in accordance with their respective terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, or other similar Laws affecting creditors' rights generally.

**8.3 No Breach of Other Instruments.** Neither the execution and delivery of the Loan Documents, nor the compliance by Borrower with the terms and conditions of the Loan Documents, nor the consummation of the transactions contemplated thereby, will conflict with any Law or material agreements to which the University is a party, or cause a default under any material documents to which the Borrower is a party.



**8.4 Government Authorization.** No consent, approval, authorization, or order of any court or other Governmental Authority is required for the consummation by Borrower of the transactions contemplated by the Loan Documents.

**8.5 Absence of Defaults.** No Event of Default or Potential Default exists under the Loan Documents.

**8.6 Indebtedness of Borrower.** Borrower has no Indebtedness for borrowed money outstanding as of the date hereof, except for Indebtedness identified in the financial statements provided to Lender prior to Closing and except as otherwise disclosed to Lender or posted to EMMA (including Borrower's General Revenue Bonds, 2020A, General Revenue Bonds, 2020B (Taxable), General Revenue Bonds, 2020C (Delayed Delivery Bonds), FAST loans, and a revolving line of credit with U.S. Bank National Association in a principal amount not to exceed \$100,000,000)

**8.7 Financial Condition.** All financial statements and other information previously furnished by Borrower to Lender in connection with the Loan are true, complete, and correct in all material respects, and fairly present the financial condition of the subjects thereof as of the respective dates thereof and do not fail to state any material fact necessary to make such statements or information not misleading, and no Material Adverse Change with respect to Borrower has occurred since the respective dates of such statements and information.

**8.8 No Litigation.** There are no actions, suits, or proceedings pending, or to the actual knowledge of Borrower, threatened against or affecting Borrower in any court, or before or by any federal, state, or municipal or other governmental department, commission, board, bureau, agency, or other instrumentality, domestic or foreign, except for actions, suits, or proceedings of a character normally incident to the kind of business conducted by Borrower, none of which, either individually or in the aggregate, if adversely determined, would reasonably be expected to result in a Material Adverse Change.

**8.9 Solvency.** Borrower is not insolvent as defined in any applicable State or federal statute, nor will Borrower be rendered insolvent by the execution and delivery of this Agreement or any of the Loan Documents to Lender. Borrower does not intend to, nor does it believe that it will, incur debts beyond its ability to pay them as they mature.

**8.10 ERISA/FIRPTA.** Borrower is not a party in interest to any plan defined or regulated under ERISA, and the assets of Borrower are not "plan assets" of any employee benefit plan covered by ERISA or Section 4975 of the Code and Borrower is not a "foreign person" within the meaning of Section 1445 or 7701 of the Code.

**8.11 Federal Reserve Regulations; Use of Loan Proceeds.** Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No part of the proceeds of the Loan will be used, directly or indirectly, for a purpose that violates any Law, rule, or regulation of any governmental body, including, without limitation, the provisions of Regulations G, U, or X of the Board of Governors of the Federal Reserve System, as amended. No part of the proceeds of the Loan will be used, directly or indirectly, to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock.

**8.12 OFAC/USA Patriot Act Restrictions.** Neither Borrower, nor any person owning any interest in any Borrower, is (or will be) a person with whom Lender is restricted from doing business under regulations of OFAC (including, those Persons named on OFAC's Specially Designated Nationals and Blocked Persons List) or under any statute, executive order (including, without limitation, the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action, and is not and shall not engage in any dealings or transactions or otherwise be associated with such persons. In addition, Borrower hereby agrees to provide Lender with any additional information that Lender may deem necessary from time to time in order to ensure compliance with Lender's OFAC or any other applicable Laws requiring Lender to collect customer identification materials, including, without limitation, home addresses, telephone numbers, birthdates, social security and other tax identification numbers, and the like.

**8.13 Loan for Borrower Purposes.** The proceeds of the Loan shall be used by Borrower exclusively for Borrower's university purposes.

All of the above representations and warranties, and any additional representations and warranties set forth elsewhere in the Loan Documents, shall remain true and correct in all material respects at the Closing of the Loan, and shall survive so long as any of Borrower's Obligations have not been satisfied or the Loan or any part thereof remains outstanding, and for any applicable statute of limitations period thereafter.

Borrower understands and agrees that Lender is relying on all representations, warranties, and covenants made by Borrower in

this Agreement or under any of the other Loan Documents.

## 9. CONDITIONS OF LENDING

**9.1 Loan Funding.** Lender agrees to close the Loan and to allow one or more Advances to Borrower thereunder only when each of the conditions listed below has been fulfilled to the complete satisfaction of Lender, and remain fulfilled as of the date of any Advance. Such conditions are solely for the benefit of Lender and may, at Lender's written election in its sole discretion, be unilaterally waived. Lender's right to require satisfaction of such conditions and to receive and review the materials listed below shall not impose upon Lender any obligation whatsoever to Borrower or any other party with respect to the subject matter constituting such conditions.

**9.1.1 Loan Documents.** Borrower shall have executed, or have arranged execution of, and delivered to Lender, in a manner satisfactory to Lender, all of the Loan Documents, including, without limitation, the Note, with all blanks appropriately completed, executed by an Authorized Representative.

**9.1.2 Entity Documents.** Lender shall have received: (a) a copy of the Note Resolution approving the Loan of the Borrower's governing body and (b) certificates by an Authorized Officer upon which Lender may conclusively rely until superseded by similar certificates delivered to Lender, certifying (i) that such Borrower is duly organized and validly existing and all action taken or to be taken in connection with the transactions contemplated hereby has been duly authorized and (ii) the names, signatures, and authority of the applicable authorized signers executing the applicable Loan Documents for Borrower;; and (c) such other documents as Lender may reasonably require.

**9.1.3 Fees and Expenses.** Borrower shall have paid to Lender all fees then due and payable under the Loan Documents, including, without limitation, the Loan Fee. To the extent permitted by law and solely from General Revenues, Borrower shall indemnify, defend with counsel selected by Lender in its sole discretion, and hold Lender harmless from and against any and all claims for such fees.

**9.1.4 Financial Information.** Upon Lender's request, Borrower shall have provided Lender with current credit reports, financial statements, verifications of deposit, and any other financial information reasonably required by Lender in its sole discretion.

**9.1.5 No Change in Financial Condition.** No Material Adverse Change shall have occurred in Borrower's financial condition or prospects.

**9.1.6 Litigation.** There shall be no litigation pending against Borrower that would reasonably be expected to result in a Material Adverse Change.

**9.1.7 Representations.** All representations and warranties contained herein or in any of the other Loan Documents, and all documentation provided to Lender in connection with the Loan, shall remain true, correct, and complete in all material respects.

**9.1.8 No Defaults.** No Event of Default or Potential Default shall have occurred and continue to exist.

**9.1.9 Additional Items/Information.** Borrower shall have provided Lender with such additional information and/or materials as Lender may have reasonably requested.

**9.2 Conditions to Loan Advance.** The obligation of Lender to make any Advance shall be subject to initial compliance with Section 9.1 above and also subject to satisfaction of the following conditions that at the date of making such Advance and after giving effect thereto: (a) no Event of Default or Potential Default then exists, (b) Borrower has requested an Advance on such form of request for advance on the applicable Request for Draw, and (c) each representation and warranty set forth in Section 8 above (other than pursuant to Section 8.6, which need not be repeated) is true and correct as if then made.

**9.3 No Waiver.** No acquiescence by Lender of any condition precedent to disbursement of Loan proceeds shall constitute a waiver by Lender, and Lender may at any time after such acquiescence require Borrower to comply with such conditions.

## 10. COVENANTS

As long as credit is available hereunder or until all principal of and interest on the Note has been paid, Borrower covenants and agrees that it will comply with the following provisions:

### 10.1 Accounting; Financial Statements and Other Information.

**10.1.1 Financial Information.** Borrower will deliver or cause to be delivered to Lender in form and content acceptable to the Bank the complete audited financial statements of the Borrower within 270 days after the close of each fiscal year of the Borrower. Posting of such financial statements on EMMA shall satisfy this delivery requirement.

## 11. EVENTS OF DEFAULT

The occurrence of any one or more of the following events shall constitute an **"Event of Default"**:

**11.1 Payments.** If Borrower fails to make any payment of any kind that is due under the Note, this Agreement, or any of the other Loan Documents on which such payment is due.

**11.2 Tax-Exemption.** If Borrower receives a final determination by the Internal Revenue Service that interest on Tax-Exempt Draws under this Agreement is includable in gross income under the Code;

**11.3 Other Loan Document Obligations.** If Borrower fails to perform any covenant, agreement or obligation contained in this Agreement or in any other of the Loan Documents and such failure is not cured within thirty (30) days after written notice thereof has been given by Lender to Borrower (or if the failure is such that the cure cannot be completed within said thirty (30) day period, failure by Borrower to commence the cure within said thirty (30) day period and thereafter continue the cure with diligence and complete the cure within ninety (90) days after such written notice), unless a different cure period is provided in the applicable agreement, in which case the specific cure period shall control, or such event is identified as an immediate Event of Default for which no cure period is applicable.

**11.4 Reporting Failure.** If Borrower fails to provide any financial statement required by this Agreement by the deadline specified therein, and thereafter fails to provide such report within ten (10) days after notice of such failure by Lender.

**11.5 Representations and Warranties.** If any representation, warranty, or statement made in or pursuant to this Agreement or any other Loan Document, or any other material information furnished by Borrower to Lender or any other holder of the Note, is determined by Lender or such holder to have been false or misleading in any material respect at the time made.

**11.6 Validity of Loan Documents.** If (a) any material provision, in the sole opinion of Lender, of any Loan Document at any time for any reason ceases to be valid, binding, and enforceable against Borrower; (b) the validity, binding effect, or enforceability of any Loan Document against Borrower is contested by Borrower; or (c) any Loan Document is terminated, invalidated or set aside, or declared ineffective or inoperative or in any way ceases to give or provide to Lender the benefits purported to be created thereby.

**11.7 Solvency.** If Borrower (a) generally does not pay its debts as such debts become due, (b) makes a general assignment for the benefit of creditors, (c) applies for or consents to the appointment of a receiver, a custodian, a trustee, an interim trustee or liquidator of all or a substantial part of its assets, (d) files a voluntary petition in bankruptcy or files a petition or an answer seeking reorganization or an arrangement with creditors or seeking to take advantage of any other Law (whether federal or state) relating to relief of debtors, or admits (by answer, by default, or otherwise) the material allegations of a petition filed against it in any bankruptcy, reorganization, insolvency, or other proceeding (whether federal or state) relating to relief of debtors, (e) suffers or permits to continue unstayed and in effect for thirty (30) consecutive days any judgment, decree, or order entered by a court of competent jurisdiction, that approves a petition seeking its reorganization or appoints a receiver, custodian, trustee, interim trustee, or liquidator of all or a substantial part of its assets, or (f) takes any action in order thereby to effect any of the foregoing, or omits to take any action in order to prevent any of the foregoing.

## 12. REMEDIES UPON DEFAULT

**12.1 Rights of Lender.** If any Event of Default occurs, Lender may, at its election, and without demand or notice of any kind, do any one or more of the following:

**12.1.1** Terminate any commitment to make any additional Advances under the Loan.

**12.1.2** Exercise any and all rights and remedies available to Lender under any applicable Law. However, the amounts due from Borrower under this Agreement shall not be subject to acceleration.

**12.1.3** Exercise any and all rights and remedies granted to Lender under the terms of this Agreement or any of the other Loan Documents.

**12.2 No Waiver.** No failure or delay on the part of Lender in exercising any right, power, or remedy will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right hereunder. Lender shall not be deemed to have waived any rights under this Agreement or any of the other Loan Documents unless such waiver is given in writing and signed by Lender. The remedies in this Agreement are in addition to, not in limitation of, any other right, power, privilege, or remedy, either in Law, in equity, or otherwise, to which Lender may be entitled. All of Lender's rights and remedies, whether evidenced by this Agreement or by any other agreement, instrument, or document shall be cumulative and may be exercised singularly or concurrently.

## 13. ASSIGNMENTS.

**13.1 Lender's Assignment or Participation.** Lender shall have the right, at any time and from time to time, to assign or sell the Loan, in whole or in part, and/or enter into one or more participations in the Loan, accompanied by an assignment and/or delegation of any or all related rights or obligations of Lender under the Loan Documents, without the need for any form of consent from Borrower provided that (A) no assignee, buyer, or participant shall be entitled to receive payment hereunder of any amount greater than the amount that would have been payable by Borrower to Lender had the Lender not completed the assigned or sale or granted the participation, (B) Borrower shall be required to deal only with Lender with respect to any matters under this Agreement, (C) only Lender shall be entitled to enforce the provisions of this Agreement against Borrower, and (D) the participation shall not result in any increased cost to Borrower under this Agreement. Borrower agrees to cooperate with Lender's efforts to do any of the foregoing, to provide such further or additional financial or other documentation as Lender may reasonably request in connection with any such sale, assignment, or participation, and to execute all documents reasonably required by Lender in connection therewith that do not adversely affect Borrower's rights under the Loan Documents, and provided such cooperation shall be at no expense or liability to Borrower. Lender may make available to any proposed assignee or participant all credit and financial data with respect to Borrower. Borrower agrees to provide any additional information that any proposed assignee or participant of the Loan may reasonably request.

## 14. MISCELLANEOUS.

**14.1 Authorized Representatives.** Each Authorized Representative shall have the power, in his or her discretion: (a) to give and receive all notices, monies, approvals, and other documents and instruments; (b) to, where applicable, request Advances under the Loan; and (c) to take any other action on behalf of Borrower. All actions by an individual named as the Authorized Representative shall be final and binding on Borrower. Lender may rely on the authority given to an Authorized Representative until actual receipt by Lender of a duly authorized resolution or delegation pursuant to a duly authorized resolution removing that Authorized Representative or substituting a different person as an Authorized Representative.

**14.2 Maximum Interest.** Notwithstanding any other provision of this Agreement or any other Loan Document, interest, loan fees, and charges payable by reason of the Indebtedness evidenced by the Note shall not exceed the maximum, if any, permitted by applicable Law. If by virtue of applicable law, sums in excess of such maximum would otherwise be payable, then such excess sums shall be construed as having been immediately applied by Lender to the principal balance of the Note when received. If at the time any such sum is received by Lender, the principal balance of the Note has been paid in full, such sums shall be promptly refunded by Lender to Borrower, less any sums due to Lender hereunder.

**14.3 Remedies; Waiver; Amendments.** No waiver of any provision of any of the Loan Documents, or consent to departure therefrom, is effective unless in writing and signed by Lender. No such consent or waiver extends beyond the particular case and purpose involved. No amendment to this Agreement is effective unless in writing and signed by Borrower and Lender.

If at any time or times, by assignment or otherwise, Lender transfers any of the Obligations to another person, such transfer shall carry with it Lender's powers and rights under this Agreement with respect to the Obligation so transferred and the transferee shall have said powers and rights, whether or not they are specifically referred to in the transfer. To the extent that Lender retains any other of the Obligations, Lender will continue to have the rights and powers with respect to the Obligations as set forth in this Agreement.

**14.4 Notices of Defaults and Certain Events.** Within fifteen (15) days after the Authorized Representative of Borrower becomes aware of information that would lead a reasonable person to conclude that any of the following has occurred, Borrower shall notify Lender in writing as to all relevant details of (a) the occurrence of any Event of Default or Potential Default; (b) any Material Adverse Change; and (c) the institution or threat of any litigation, claims, investigations, administrative proceedings, or similar actions affecting Borrower that reasonably be expected to result in a Material Adverse Change.

**14.5 Expenses, Costs, and Taxes.** To the extent permitted by law, Borrower hereby authorizes Lender or Lender's designated agent (but without obligation by Lender to do so) to incur Related Expenses (whether prior to, upon, or subsequent to any Event of Default), and Borrower shall pay on demand all costs and expenses of Lender, and all Related Expenses, including, but not limited to, (a) administration, travel, and out-of-pocket expenses, including, but not limited to, reasonable attorneys' fees and expenses, of Lender in connection with the preparation, negotiation, and closing of the Loan Documents and the administration of the Loan Documents, the collection and disbursement of all Loan proceeds of other funds held by Lender hereunder and the other instruments and documents to be delivered hereunder; (b) extraordinary expenses of Lender in connection with the administration of this Agreement, the Note, and the other instruments and documents to be delivered under the Loan Documents; (c) the reasonable fees and out-of-pocket expenses of special counsel for Lender, with respect to the foregoing, and of local counsel, if any, who may be retained by said special counsel with respect thereto; (d) all fees due hereunder or in any of the other Loan Documents; (e) all costs and expenses, including, without limitation, reasonable attorneys' fees, in connection with the restructuring or enforcement of this Agreement or any Loan Document; and (f) all other costs and fees involved in closing, administering, collecting, foreclosing on, or otherwise enforcing the Loan Documents or incurred in connection with any legal action or lawsuit arising under or related to any of the Loan Documents, including, without limitation, bankruptcy proceedings, appeals, and any post judgment collection efforts. In addition, Borrower shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution and delivery of any Loan Document, and the other instruments and documents to be delivered hereunder, and agrees to the extent permitted by law to hold Lender harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such taxes or fees.

**14.6 [RESERVED]**

**14.7 No Setoff by Borrower.** Borrower's obligations to timely pay and perform all obligations under this Agreement and the other Loan Documents shall be absolute and unconditional and shall not be affected by any event or circumstance, including, without limitation, any setoff, counterclaim, abatement, suspension, recoupment, deduction, defense or any other right that Borrower may have or claim against Lender or any other person or entity.

**14.8 Release and Indemnification.** In consideration of the Loan, Borrower hereby releases and discharges Lender and its Affiliates and their shareholders, directors, officers, employees, agents and attorneys ("**Related Parties**") from any and all claims, demands, liability and causes of action whatsoever, now known or unknown, arising out of or any way related to this Agreement, the Note, the other Loan Documents, and/or any of Borrower's obligations hereunder or under the Loan Documents; provided that Borrower shall have a claim against Lender, and Lender shall be liable to Borrower, to the extent of any direct, as opposed to consequential, damages suffered by Borrower that the Borrower proves were caused by (i) Lender's willful misconduct or negligence, or (ii) Lender's willful or negligent failure. To the extent permitted by law, Borrower shall indemnify, defend and hold harmless Lender and the Related Parties against any claim brought or threatened against any of the Related Parties by Borrower, any Obligor, or any other Person on account of Lender's relationship with Borrower.

**14.9 Governing Law.** The Loan Documents shall be governed by and construed in accordance with the Laws of the State of Washington.

**14.10 Venue.** Borrower hereby irrevocably submits to the non-exclusive jurisdiction of any Washington state or federal court sitting in King County, Washington, over any action or proceeding arising out of or relating to this Agreement, or any document related to the Loan, and Borrower hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such Washington state or federal court. Borrower hereby waives any objection that they may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

**14.11 Construction.** The several captions to different Sections of this Agreement are inserted for convenience only and shall be ignored in interpreting the provisions hereof. In this Agreement, unless the context otherwise requires, words in the singular number include the plural, and in the plural number include the singular. Time is of the essence in the performance of the Obligations under this Agreement. All grace periods in this Agreement and all other Loan Documents shall run concurrently.

**14.12 Extension of Time.** If any payment comes due on a day that is not a Business Day, Borrower may make the payment on the first Business Day following the payment date and pay the additional interest accrued to the date of payment.

**14.13 [RESERVED]**

**14.14 Capital Adequacy.** If Lender shall have determined, after Closing of the Loan, that the adoption of any applicable law, rule, regulation, or guideline regarding capital adequacy, or any change therein, or any change in the interpretation or administration thereof by any governmental authority, central bank, or comparable agency charged with the interpretation or administration thereof, or compliance by Lender (or its lending office) with any directive regarding capital adequacy (whether or not having the force of law) of any such authority, central bank, or comparable agency, has or would have the effect of reducing the rate of return on Lender's capital (or the capital of its holding company) as a consequence of its obligations hereunder to a level below that Lender (or its holding company) could have achieved but for such adoption, change or compliance (taking into consideration Lender's policies or the policies of its holding company with respect to capital adequacy) by an amount deemed by Lender to be material, then from time to time, within fifteen (15) days after demand by Lender, Borrower shall pay to Lender such additional amount or amounts as will compensate Lender (or its holding company) for such reduction; *provided, however*, Borrower shall not be required to compensate Lender pursuant to this Section 14.14 in an amount greater than that which it would have been required to pay if Lender had not assigned or sold the Loan or sold any participation, or for any increased costs incurred or reductions suffered more than six (6) months prior to the date that Lender notifies Borrower of the adoption, change or compliance with directive giving rise to such increased costs or reductions, and Lender's intention to claim compensation therefor (except that if the adoption, change or directive giving rise to such increased costs or reductions is retroactive, then the six (6) month period referred to above shall be extended to include the period of retroactive effect thereof). Lender shall designate a different lending office if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in the judgment of Lender, be otherwise disadvantageous to Lender. A certificate of Lender claiming compensation under this Section and setting forth the additional amount or amounts to be paid to it hereunder shall be conclusive in the absence of manifest error. In determining such amount, Lender may use any reasonable averaging and attribution methods. Failure on the part of Lender to demand compensation for any reduction in return on capital with respect to any period shall not constitute a waiver of Lender's rights to demand compensation for any reduction in return on capital in such period or in any other period. The agreements and obligations of Borrower contained in this Section shall survive the termination of this Agreement and the payment in full of the obligations of Borrower hereunder for a period of six (6) months from the latest of the foregoing dates. Lender acknowledges and agrees that any penalties, interest or expenses relating to increased costs pursuant to this Section arising from Lender's (i) delay in payment of its obligations or (ii) negligence or willful misconduct, are not increased costs for purposes of this Section and, as a result, are not costs for which Lender may request compensation from Borrower pursuant to this Section. The protection of this Section shall be available to Lender regardless of any possible contention of the invalidity or inapplicability of the law, regulation, or other condition that shall have been imposed.

**14.15 Survival of Agreements; Relationship.** All agreements, representations, and warranties made in this Agreement will survive the making of the extension of credit hereunder, and will bind and inure to the benefit of Borrower and Lender, and their respective successors and assigns; *provided, however*, that no subsequent holder of the Note shall by reason of acquiring the Note become obligated to make any Loan hereunder and no successor to or assignee of Borrower may borrow hereunder without Lender's written assent. The relationship between Borrower and Lender with respect to this Agreement, the Note, and any other Loan Document is and shall be solely that of debtor and creditor, respectively, and Lender has no fiduciary obligation toward Borrower with respect to any such document or the transactions contemplated thereby.

**14.16 Successors.** Subject to the limitations on assignment or delegation of rights or obligations by Borrower set forth herein, all of the terms, covenants, and conditions of this Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, permitted successors, and permitted assigns of the parties hereto.

**14.17 Severability.** If any provision of this Agreement or any of the other Loan Documents, or any action taken hereunder, or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement or the Note, each of which shall be construed and enforced without reference to such illegal or invalid portion and shall be deemed to be effective or taken in the manner and to the full extent permitted by Law.

**14.18 Execution in Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document.

**14.19 Notices.** Any notice, demand, request, or other communication that any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (a) if hand delivered, when delivered; (b) if mailed by United States Certified Mail (postage prepaid, return receipt requested), three (3) Business Days after mailing; (c) if by Federal Express or other reliable overnight courier service, on the next Business Day after delivered to such courier service; or (d) if by confirmed e-mail transmission on the day of transmission so long as a copy is sent on the same day by overnight courier to the address set forth below:

**If to Borrower:** [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]

**If to Lender:** [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]

or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

**14.20 JURY TRIAL WAIVER.** BORROWER AND LENDER EACH WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN LENDER AND BORROWER ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT, THE NOTE, OR ANY OTHER LOAN DOCUMENT. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY BORROWER, AND BORROWER ACKNOWLEDGES THAT NO PERSON ACTING ON BEHALF OF LENDER HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. BORROWER FURTHER ACKNOWLEDGES THAT BORROWER HAS BEEN REPRESENTED (OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THIS AGREEMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL SELECTED OF BORROWER'S OWN FREE WILL, AND THAT BORROWER HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

**14.21 Integration.** The Loan Documents replace in their entirety any previous commitment or other written or oral representation by Lender, its employees, or agents relating to the Loan. The Loan Documents represent the final agreement between the parties and may not be contradicted by evidence of prior or contemporaneous written or oral agreements of the parties, and may not be subsequently modified except in writing executed by all parties.

**14.22 Equal Opportunity to Participate in Drafting.** Borrower and Lender have participated in and had an equal opportunity to participate in the drafting of this Agreement and all other Loan Documents. No ambiguity in this Agreement or any of the Loan Documents shall be construed against any party by virtue of draftsmanship.

**14.23 Exhibits & Addenda.** The following Exhibits and Addenda are incorporated into this Agreement.

- EXHIBIT A-1 – Taxable Draw Request Form
- EXHIBIT A-2 – Tax-Exempt Draw Request Form

15. STATE SPECIFIC PROVISIONS

9.2 NOTICE RE ORAL AGREEMENTS.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

[Remainder of Page Intentionally Left Blank; Signature(s) Appear on the Following Page.]



IN WITNESS WHEREOF, Borrower and Lender have each caused this Agreement to be executed by their duly authorized officers on the date first set forth above.

**BORROWER:**

UNIVERSITY OF WASHINGTON

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

████████████████████  
████████████████████

**LENDER:**

WASHINGTON FEDERAL BANK, NATIONAL  
ASSOCIATION dba WAFD BANK

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

██████████  
██████████

**EXHIBIT A-1**

**Request for Taxable Draw**

TAXABLE DRAW CERTIFICATE NO. \_\_\_\_

TO: Washington Federal Bank, N.A.  
425 Pike Street  
Seattle, WA 98101  
Attention: Pete Sullivan, Vice President, Commercial Banking

**Via email to Pete.Sullivan@wafd.com**

On behalf of University of Washington (the "University"), I hereby certify that:

1. I am the Authorized Officer of the University, and that I am authorized to execute and deliver this Request for Draw ("Draw") under the Revolving Loan Agreement entered into between the University and Washington Federal Bank, N.A. (the "Bank") as of the \_\_\_\_\_, 2020 (the "Loan Agreement") and to make the representations on behalf of the University set forth herein. Capitalized terms used but not defined herein have the meanings set forth in the Loan Agreement.
2. The amount of this Taxable Draw is \$\_\_\_\_\_ (which amount exceeds the minimum draw amount of \$100,000). Proceeds of the Taxable Draw shall be deposited on \_\_\_\_\_, 20\_\_\_\_, to account # \_\_\_\_\_.
3. Proceeds of the Draw shall be used to pay costs of the Taxable Projects or to pay costs of issuance of the Loan.
4. The aggregate amount of all outstanding draws under the Loan Agreement, including this Draw, does not exceed \$100,000,000.
5. The University is not in breach of any covenant in the Loan Agreement.

Dated this \_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

UNIVERSITY OF WASHINGTON

By: \_\_\_\_\_  
Authorized Officer

By: \_\_\_\_\_  
Authorized Officer

EXHIBIT A-2

Request for Tax-Exempt Draw

TAX-EXEMPT DRAW CERTIFICATE NO. \_\_\_\_

TO: Washington Federal Bank, N.A.  
425 Pike Street  
Seattle, WA 98101  
Attention: Pete Sullivan, Vice President, Commercial Banking

[Via email to [Pete.Sullivan@wafd.com](mailto:Pete.Sullivan@wafd.com)]

On behalf of the University of Washington (the "University"), I hereby certify that:

1. I am the Authorized Officer of the University, and that I am authorized to execute and deliver this Request for Draw ("Draw") under the Revolving Loan Agreement entered into between the University and Washington Federal Bank, N.A. (the "Bank") as of the \_\_\_\_\_, 2020 (the "Loan Agreement") and to make the representations on behalf of the University set forth herein. Capitalized terms used but not defined herein have the meanings set forth in the Loan Agreement.
2. The amount of this Tax-Exempt Draw is \$\_\_\_\_\_ (which amount exceeds the minimum draw amount of \$100,000). Proceeds of the Tax-Exempt Draw shall be deposited on \_\_\_\_\_, 20\_\_\_\_, to account # \_\_\_\_\_.
3. Proceeds of the Draw shall be used to pay costs of the Tax-Exempt Projects or to pay costs of issuance of the Loan.
4. The aggregate amount of all outstanding draws under the Loan Agreement, including this Draw, does not exceed \$100,000,000.
5. The University is not in breach of any covenant in the Loan Agreement.

Dated this \_\_\_ day of \_\_\_\_\_, 20\_\_\_.

UNIVERSITY OF WASHINGTON

By: \_\_\_\_\_  
Authorized Officer

By: \_\_\_\_\_  
Authorized Officer

A RESOLUTION of the Board of Regents of the University of Washington providing for the issuance and delivery of one or more notes in the aggregate principal amount not to exceed \$200,000,000 to evidence the University's obligations under one or more financing agreements to provide liquidity for University purposes; providing the terms of and providing for the payment of the notes; and authorizing the selection of one or more lenders and the execution of one or more financing agreements and other documents in connection with the issuance and delivery of the notes and application of the proceeds thereof.

WHEREAS, the Board of Regents of the University (the "Board of Regents") is authorized pursuant to RCW 28B.142.010 to borrow for any University purpose, and to obligate all or a component of the fees and revenues of the University for the payment of bonds, notes, or evidences of indebtedness; and

WHEREAS, pursuant to RCW 28B.10.528 and the University of Washington Debt Management Policy Statement of Objectives and Policies, last amended by the Board on July 12, 2018 (the "Debt Policy"), the Board has delegated to the President or his or her designee the authority to enter into agreements to complete debt financing transactions up to \$15 million or the amount approved by the Board; and

WHEREAS, under the Debt Policy, external credit lines are exempted from the University's Internal Lending Program; and

WHEREAS, the University desires to enter into one or more financing agreements to provide up to \$200,000,000 of liquidity for University purposes; and

WHEREAS, notes and evidences of indebtedness under RCW 28B.142.010 may be issued in accordance with the procedures set forth in RCW 28B.10.310 and RCW 28B.10.315, and accordingly the University desires to authorize notes evidencing its obligations under the financing agreements authorized herein;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF WASHINGTON, as follows:

Section 1.     Definitions. The terms defined in this Section 1 shall, for all purposes of this resolution (including the recitals) and of any resolution supplemental hereto, have the following meanings:

***Authorized Representative of the University*** means the President of the University or the designee(s) of the President or his or her designee for the purposes of one or more duties of the Authorized Representative under this resolution.

**Bank** means one or more lenders or Note purchasers selected by the Authorized Representative of the University to enter into a Financing Agreement.

**Board** means the Board of Regents of the University, which exists and functions pursuant to chapter 28B.20 RCW, as amended from time to time.

**Code** means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Tax-Exempt Notes or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Tax-Exempt Notes, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

**Debt Policy** means the University of Washington Debt Management Policy Statement of Objectives and Policies, amended by the Board on July 12, 2018.

**Federal Tax Certificate** means any certificate of that name executed by the Authorized Representative of the University in connection with a Tax-Exempt Note.

**Financing Agreement** means one or more financing agreements, lines of credit or loan agreements between the University and a Bank, approved by the Authorized Representative of the University pursuant to this resolution.

**General Revenues** means all nonappropriated income, revenues, and receipts of the University if and to the extent such funds are not restricted in their use by law, regulation, or contract. For example, the following items are restricted and, therefore, excluded:

- (a) Appropriations to the University by the State from the State's General Fund;
- (b) Each fund the purpose of which has been restricted in writing by the terms of the gift or grant under which such fund has been donated, or by the donor thereof;
- (c) Fees imposed upon students as a condition of enrollment at the University, including but not limited to services and activities fees, building fees, and technology fees; and
- (d) Revenues and receipts attributable to the Metro Tract Revenue.

Unrestricted fund balances, to the extent that they were accumulated from money that was received as **General Revenues**, also would be includable and available to pay obligations secured by **General Revenues**. Upon the removal of any income, revenues, or receipts from General Revenues, this definition of General Revenues shall be deemed to be amended accordingly without further action by the University.

**Metro Tract** means the "university tract" as defined in RCW 28B.20.381 to include the tract of land in the city of Seattle, consisting of approximately ten acres, originally known as the "old university grounds," as amended to the date of this resolution, and more recently referred to

as the “metropolitan tract,” together with all buildings, improvements, facilities, and appurtenances thereon.

***Metro Tract Revenue*** means all revenues of the University derived from operating, managing, and leasing the Metro Tract.

***Note*** means one or more University of Washington General Revenue Notes in the aggregate principal amount not to exceed \$200,000,000 to evidence the University’s obligations under one or more Financing Agreements, issued pursuant to this resolution.

***Permitted Investment*** means any legally permissible investment for University funds, but only to the extent that the same are permitted by the Federal Tax Certificate.

***Registrar*** means, except as set forth in the Financing Agreement, the Vice President for Finance or designee, whose duties include registering and authenticating a Note, maintaining the note register, registering the transfer of a Note, and paying interest on and principal of a Note.

***State*** means the State of Washington.

***Tax-Exempt Note*** means any Note issued on a tax-exempt basis.

***University*** means the University of Washington, a higher educational institution of the State, the main campus of which is located at Seattle, Washington.

Section 2. Findings. The Board hereby finds that it is in the best interests of the University to provide liquidity for University purposes through the issuance of one or more Notes evidencing the University’s obligations under one or more Financing Agreements, upon the terms and conditions set forth in this resolution. Each Financing Agreement shall provide liquidity to the University, functioning as a credit line, whether in the form of a line of credit, loan or other credit facility.

Section 3. Authorization and Purpose of Notes. One or more Notes shall be issued in an aggregate principal amount not to exceed \$200,000,000 outstanding at any time and shall be issued for University purposes and to pay costs of issuance. Notes shall be issued under terms set forth in the Financing Agreement; shall be numbered in the manner determined by the Registrar; and shall be issued in fully registered form.

Section 4. Description of Notes. Each Note shall be dated as of its date of original issuance and shall mature as set forth in the Financing Agreement. Each Note shall bear interest determined as set forth in the Financing Agreement and approved by the Authorized Representative of the University from time to time. Each Note shall be issued in the form of a fully registered Note and, unless the Registrar shall otherwise direct, shall be numbered R-1 and upwards. Each Note shall be named University of Washington General Revenue Note, Series \_\_\_\_\_, with an additional designation of “Taxable” for any Note issued on a taxable basis. Principal of

and interest and any premium on each Note shall be payable in lawful money of the United States of America.

Section 5. Execution. Each Note shall be executed on behalf of the University by the manual or facsimile signatures of the Chair and the Secretary of the Board, and the manual or facsimile seal of the University shall be reproduced thereon. The validity of any Note so executed shall not be affected by the fact that one or more of the officers whose signatures appear on such Note have ceased to hold office at the time of issuance or authentication or at any time thereafter.

Section 6. Authentication. No Note shall be valid for any purpose hereunder until the certificate of authentication printed thereon is duly executed by the manual signature of an authorized signatory of the Registrar. Such authentication shall be proof that the registered owner is entitled to the benefit of the trusts hereby created.

Section 7. Registration, Transfer and Exchange. Except as otherwise set forth in the Financing Agreement, so long as any Note remains outstanding, the Registrar shall make all necessary provisions to permit the exchange or registration of transfer of a Note. The Registrar is authorized, on behalf of the University, to authenticate and deliver Notes transferred or exchanged in accordance with the provisions of such Note and this resolution and to carry out all of the Registrar's powers and duties under this resolution. The Registrar shall be responsible for its representations contained in the Certificate of Authentication on each Note. Except as otherwise set forth in the Financing Agreement, Notes shall be held in certificated form. The University will maintain a system for recording the ownership of each Tax-Exempt Note that complies with the provisions of the Code until all Tax-Exempt Notes have been surrendered and canceled.

Section 8. Form of Note. Each Note shall be in substantially the form set forth at Exhibit A, with appropriate or necessary insertions, depending upon the omissions and variations as permitted or required hereby. The form of a Note shall further be changed as necessary to reflect whether the Note is a Tax-Exempt Note or is issued on a taxable basis.

Section 9. Prepayment. Notes are subject to prepayment as set forth in the Financing Agreement.

Section 10. Note Fund. The University is hereby authorized and directed to establish the Note Fund as a special fund of the University to be designated as the General Revenue Note Redemption Fund (the "Note Fund"). The University covenants to deposit into the Note Fund from General Revenues on or prior to each interest payment date, prepayment date and maturity date an amount sufficient to pay the interest on any Note then coming due and the principal of any Note maturing or subject to prepayment, if any. Such payments shall be made in sufficient time for payment of interest on and/or principal of and prepayment price of each Note to the registered owner(s), when due. Net income earned on investments in the Note Fund, if any, shall be deposited in the Note Fund.

Section 11. Application of Note Proceeds. The proceeds of Notes shall be utilized to provide liquidity for University purposes, including to pay or reimburse costs of University programs, facilities and operations, and costs incidental thereto, to the extent designated by the Authorized Representative of the University. All or part of the proceeds of any Note may be temporarily invested in Permitted Investments that will mature prior to the date on which such money shall be needed. The University covenants that all investments and expenditures of Tax-Exempt Note proceeds, or otherwise containing gross proceeds of the Tax-Exempt Note will comply with the terms of the Federal Tax Certificate.

Section 12. Source of Repayment and Security for Notes.

(a) *Special Fund Obligations.* The Notes shall be special fund obligations of the University, payable solely from General Revenues and the money and investments deposited into the Note Fund. The Notes shall not constitute an obligation, either general, special or moral, of the State, nor a general or moral obligation of the University. The registered owners of the Notes shall have no right to require the State, nor has the State any obligation or legal authorization, to levy any taxes or appropriate or expend any of its funds for the payment of the principal thereof or the interest or any premium thereon. The University has no taxing power.

(b) *All General Revenue Notes and Bonds Have Equal Claim on General Revenues.* The Notes, the University's outstanding General Revenue obligations and additional General Revenue obligations shall be equally and ratably payable, without preference, priority or distinction because of date of issue or otherwise from General Revenues.

(c) *Additions to General Revenues.*

(1) The University reserves the right to include in General Revenues, at its sole option, in the future, other sources of revenue or income, specifically including, but not limited to, all or any portion of the items or any auxiliary systems added pursuant to subsection (2) of this Section, then excluded as part of General Revenues.

(2) Such additions shall occur on the date and as provided in a certificate executed by the Controller of the University (or the successor to the functions of the Controller). The Controller shall, in the case of additions of items or auxiliaries to General Revenues, certify that for the preceding two Fiscal Years for which audited financial statements are available, the item or auxiliary maintained a "coverage ratio" of at least 125%, where the "coverage ratio" equals: (A) Net Revenue (for those items or auxiliaries whose debt has a lien on Net Revenues) or gross revenues (for those items or auxiliaries whose debt has a lien on gross revenues), divided by (B) debt service with respect to the then-outstanding revenue debt of the auxiliary or item and state-reimbursed bonds allocable to such auxiliary or item. In the event an auxiliary or item is added to General Revenues, the obligations of that auxiliary or item may remain outstanding and have a prior claim on auxiliary Net Revenue. For the purposes of clarification, by its terms this subsection applies only to auxiliary systems or items that have issued and have outstanding obligations that are secured by a lien on Net Revenues or gross revenues of such auxiliary system or item.



The certification has no applicability in the case of the addition of revenues that are not encumbered by a lien, which may be added under subsection (1) above.

(d) *Deletions from General Revenues.* The University reserves the right to remove, at its sole option, in the future, any revenues from General Revenues. The removal of General Revenues shall be evidenced by a certificate executed by the Controller of the University (or the successor to the functions of the Controller) identifying the items to be deleted.

Section 13. Investment of Funds. The University covenants to invest and reinvest money deposited in Note Fund only in Permitted Investments. All investments of amounts deposited in the Note Fund, or otherwise containing gross proceeds of the Tax-Exempt Note will be acquired, disposed of, and valued as set forth in the Federal Tax Certificate.

Section 14. Additional Bonds. The University shall have the right to issue additional obligations for University purposes, and to obligate General Revenues to the payment of such obligations.

Section 15. Covenants Regarding Tax Exemption. The University will take all actions necessary to assure the exclusion of interest on each Tax-Exempt Note from the gross income of the owners of the Tax-Exempt Note to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Tax-Exempt Note, including but not limited to the following:

(a) The University will assure that the proceeds of the Tax-Exempt Notes are not used so as to cause the Tax-Exempt Notes to satisfy the private business tests or the private loan financing test, as applicable and as set forth in the Federal Tax Certificate.

(b) The University will not sell or otherwise transfer or dispose of (i) any personal property components of the Projects financed with the Tax-Exempt Notes other than in the ordinary course of an established government program or (ii) any real property components of the Projects financed with the Tax-Exempt Notes, unless it has received an opinion of nationally recognized bond counsel to the effect that such disposition will not adversely affect the treatment of interest on the Tax-Exempt Notes as excludable from gross income for federal income tax purposes as set forth in the Federal Tax Certificate.

(c) The University will not take any action or permit or suffer any action to be taken if the result of such action would be to cause any of the Tax-Exempt Notes to be "federally guaranteed" as set forth in the Federal Tax Certificate.

(d) The University will take any and all actions necessary to assure compliance with the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Tax-Exempt Notes as set forth in the Federal Tax Certificate.

(e) The University will not take, or permit or suffer to be taken, any action with respect to the proceeds of the Tax-Exempt Notes which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the

Tax-Exempt Notes would have caused the Tax-Exempt Notes to be “arbitrage bonds” as set forth in the Federal Tax Certificate.

(f) The University will maintain a system for recording the ownership of each Tax-Exempt Note that complies with the Code until all Tax-Exempt Notes have been surrendered and canceled.

(g) The University will retain its records of all accounting and monitoring it carries out with respect to the Tax-Exempt Notes for at least three years after the Tax-Exempt Notes mature or are redeemed (whichever is earlier); however, if the Tax-Exempt Notes are redeemed and refunded, the University will retain its records of accounting and monitoring at least three years after the earlier of the maturity or redemption of the obligations that refunded the Tax-Exempt Notes.

(h) The University will comply with the provisions of the Federal Tax Certificate with respect to the Tax-Exempt Notes, which are incorporated herein as if fully set forth herein. In the event of any conflict between this Section and the Federal Tax Certificate, the provisions of the Federal Tax Certificate will prevail.

(i) In the event any Note is eligible for federal tax credits, a federal interest subsidy, or other subsidy, the University will comply with the provisions of the Federal Tax Certificate setting forth or incorporating applicable requirements.

The covenants of this Section will survive payment in full or defeasance of the Tax-Exempt Notes.

Section 16. No Recourse against Individuals. No owner of a Note (registered or beneficial) shall have any recourse for the payment of any part of the principal or redemption price, if any, of or interest on the Note, or for the satisfaction of any liability arising from, founded upon, or existing by reason of, the issuance or ownership of such Note against the officers of the University or officers or members of the Board in their individual capacities.

Section 17. Determination of Certain Matters Affecting Notes.

(a) The Authorized Representative of the University is hereby authorized and directed to make the following determinations and/or take the following actions, prior to the issuance and delivery of a Note, subject to the limitations described below:

1. select one or more Banks from time to time, including submitting any application in connection with such selection;
2. negotiate and execute one or more Financing Agreements, including amendments and modifications to the Financing Agreement from time to time consistent with this resolution;

3. subject to the limitations set forth herein, approve the interest rate(s), aggregate principal amount, principal amounts of each maturity, prepayment rights, covenants, events of default and remedies, and other terms and conditions of Notes;
4. determine whether any or all of the Notes shall be issued as a Tax-Exempt Note; and
5. allocate Note proceeds to University programs, projects and operating costs.

(b) The Authorized Representative of the University is hereby authorized to approve the foregoing subject to following conditions:

1. the aggregate principal amount of all Notes under the Financing Agreement shall not exceed \$200,000,000 outstanding at any time;
2. the initial term of any Financing Agreement shall not exceed three years, and any extension shall not exceed an additional three years; and
3. the true interest cost to the University determined at the time of issuance shall not exceed 6.0%.

(c) Upon determination by the Authorized Representative of the University that all conditions to have been satisfied, or upon waiver of such conditions by the appropriate parties, the Authorized Representative of the University is hereby authorized and directed (1) to cause each Note, executed as provided in this resolution, to be authenticated and delivered to the Bank; and (2) to execute, for and on behalf of the University, and to deliver to the persons entitled to executed copies of the same, all other documents required to be delivered including without limitation one or more Financing Agreements and amendments and modifications thereto consistent with this resolution. The proper University officials are hereby authorized and directed to do everything necessary and proper for the prompt printing, execution, authentication, issuance and delivery of each Note.

This authorization is in addition to any other delegated authority under the Debt Policy. As of this date, external credit lines are excluded from the scope of the Internal Lending Program. The Authorized Representative of the University is authorized to approve any draw on a Financing Agreement evidenced by a Note hereunder in the principal amount not to exceed \$15 million. Any draw in the principal amount of \$15 million or above requires approval of the Board. Board approval may be in the form of Board approval of the project or other expenditure to be funded with the proceeds of the draw. Notwithstanding the foregoing, the President of the University is authorized to approve any draw on a Financing Agreement evidenced by a Note hereunder that is necessary to protect the University's interests and operations in response to an emergency situation pursuant to the authority previously delegated by the Board.

Section 18. Contract-Savings Clause. The covenants contained in this resolution and each Note shall constitute a contract between the University and the registered owner(s) of each Note and shall be construed in accordance with and controlled by the laws of the State. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the University shall be declared by any court of competent jurisdiction and final appeal, if any appeal be taken, to be contrary to law, then such covenant or covenants, agreement or agreements shall be null and void and shall be deemed separable from the remaining covenants and agreements in this resolution and shall in no way affect the validity of the other provisions of this resolution or of a Note.

Section 19. No Benefits to Outside Parties. Nothing in this resolution, express or implied, is intended or shall be construed to confer upon or to give to any person, other than the University, the Registrar, the Bank, or other registered owners of any Note, any right, remedy or claim under or by reason of this resolution; and the covenants, stipulations and agreements in this resolution are and shall be for sole and exclusive benefit of the University, the Registrar, the Bank, and other registered owners of Notes, their successors and assigns.

Section 20. Immediate Effect. This resolution shall take effect immediately upon its adoption.

EXHIBIT A

Note Form

UNITED STATES OF AMERICA

NO. R-\_\_\_\_\_

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

UNIVERSITY OF WASHINGTON  
[REVOLVING] GENERAL REVENUE NOTE, [\_\_\_\_\_] [TAXABLE]  
(Evidencing the University's Obligations under the Financing Agreement)

University of Washington (the "University") hereby acknowledges itself to owe and for value received promises to pay to the registered owner identified below, or registered assigns, on the maturity date set forth in the attached financing schedule (the "Schedule") [Financing Agreement between the University and the [Bank] dated \_\_\_\_\_, 2020], executed by a duly authorized representative of the University, the principal amount set forth in the Schedule/Financing Agreement and to pay interest thereon from the date set forth therein, or the most recent date to which interest has been paid or duly provided for until payment of this note at the interest rate set forth in the Schedule, payable on the terms and under the conditions set forth in the Financing Agreement. Both principal of and interest on this note are payable in lawful money of the United States of America.

This note is issued to evidence the University's obligations under the Financing Agreement as defined and as further provided in Resolution No. \_\_\_\_\_ of the University, passed on \_\_\_\_\_, 2020 (the "Resolution"),

This note is payable solely from and secured by a pledge of General Revenues of the University, and the University does hereby pledge and bind itself to set aside from such General Revenues the various amount required to pay the principal of and interest on this note when due.

This note is payable solely from and secured by a pledge of General Revenues and the money and investments deposited into the Note Fund, and the University does hereby pledge and bind itself to set aside from such General Revenues, and to pay into the Note Fund described in the Resolution the various amounts required by the Resolution to be paid into and maintained in such Note Fund, all within the times provided by the Resolution. The Note shall be equally and ratably payable, without preference, priority or distinction because of date of issue or otherwise from General Revenues together with other outstanding and future General Revenue obligations of the University.

[This note is not a private activity bond and is not a "qualified tax exempt obligation" eligible for investment by financial institutions within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.]

The issuance of the note has been authorized by the Resolution duly adopted by the University pursuant to the laws of the State of Washington.

This note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until this note shall have been authenticated by execution by the Registrar of the certificate of authentication inscribed hereon.

It is hereby certified, recited and represented that the issuance of this note is duly authorized by law; that all acts, conditions and things required to exist and necessary to be done or performed precedent to and in the issuance of this note to render the same lawful, valid and binding have been properly done and performed and have happened in regular and due time, form and manner as required by law; that all acts, conditions and things necessary to be done or performed by the University or to have happened precedent to and in the execution and delivery of the Financing Agreement have been done and performed and have happened in regular and due form as required by law; that due provision has been made for the payment of the principal of and premium, if any, and interest on this note and that the issuance of this note does not contravene or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, University of Washington has caused this note to be executed by the manual or facsimile signature of the Chair of the Board and to be attested by the manual or facsimile signature of the Secretary of the Board of Regents.

UNIVERSITY OF WASHINGTON

By \_\_\_\_\_  
Chair, Board of Regents

Attested:

By \_\_\_\_\_  
Secretary, Board of Regents

REGISTRATION CERTIFICATE

This note evidences the University's obligations under the within-mentioned Financing Agreement.

Date of Authentication	Name of Registered Owner	Signature of Authorized Signatory
_____	_____	_____