Spokane International Airport

Request for Proposals
Spokane Airport Board
Interim Financing

The Spokane Airport Board (the "Board") is seeking proposals from qualified financial institutions or teams of financial institutions ("Proposer") for **Interim Financing** (defined below). Responses to this Request for Proposals ("RFP") will be received by the Board until **2:00 p.m. (PDT), November 6, 2026**.

A. OVERVIEW

The Board is seeking proposals for a credit facility ("Interim Financing") to provide short-term financing for the Spokane International Airport ("Airport"). The Interim Financing will provide funding for the next critical expansion projects at the Airport including, but not limited to, the Central Hall terminal expansion and parking garage expansion as part of the Airport's improvement program. The current estimated cost for both projects is $390 million. The Airport is requesting Interim Financing up to $75,000,000 to fund initial costs. It is expected that the Interim Financing will be refinanced with proceeds of airport revenue bonds issued by Spokane County in 2027 ("Bonds"). Spokane County is responsible for issuing long-term revenue debt on behalf of the Board for Airport-related projects pursuant to the terms of the Amended Spokane County/City Airport Agreement between the Spokane County and the City of Spokane, dated October 7, 2019 (the "Interlocal Agreement") and the terms of the Aiport Revenue Bond Agreement between Spokane County and the Board dated September 10, 2024 (the "Airport Bond Agreement"). Copies of the Interlocal Agreement and the Aiport Bond Agreement are attached to this RFP in Exhibits 3 and 5, respectively. It is anticipated that a Request for Qualifications (RFQ) for underwriting services may be released in connection with the proposed issuance of the Bonds. The issuance of such Bonds by Spokane County is preliminary, subject to change, and subject to approval by the County Board of Commissioners. The Interim Financing will be a direct obligation of the Board, and is not being issued by Spokane County under the Interlocal Agreement. More details about the financing, the relationship between the Board and Spokane County and requirements associated with the issuance of long-term debt by Spokane County can be found in sections D and E.

The Board was formed in 1962 pursuant to an agreement between the Spokane County and the City of Spokane under the provisions of chapter 14.08 RCW, which establishes the operation of airports by more than one municipality under joint agreement. The Board currently operates under the Interlocal Agreement, which provides for the joint operation of the Airport, Felts Field Airport ("Felts Field"), Spokane International Airport Business Park facilities (the "Airport Business Park") and related facilities (the "Airport Facilities"). The Interlocal Agreement vests to the Board the authority to manage and operate such

facilities for aeronautical and industrial development purposes, subject to the specific limitations contained therein.

The Board's governing body is comprised of seven appointees from Spokane County and the City of Spokane. The Board is responsible for day to day operations and management of the Airport Facilities. The Board has a 2026 capital and operating budget of approximately $185 million from various funding sources.

The Airport is a 6,000-acre commercial service airport served by seven airlines and three air cargo carriers. The Airport recorded nearly 4.4 million passengers and 60,153 U.S. air cargo tons in 2025. It is the second largest commercial service airport in the State of Washington and categorized by the FAA as a Small Hub.

B. SUBMITTAL REQUIREMENTS

Submit one (1) electronic copy, in searchable Adobe PDF format, by email to rschultz@spokaneairports.net and mcpeekk@pfm.com by **2:00 p.m. (PDT), November 6, 2026**. Maximum file size of the RFP submittal is 10MB. The email subject line must contain the name of the responding firm and the project number.

Subject Line: [Firm Name], Project Number 26-49-9999-028

1. Clarifications
   Information, clarifications or modifications will be provided in writing by the Board and will be communicated via the Airport's website at https://www.spokaneairports.com/corporate/business-opportunities/bids/. Any questions or request for clarifications must be received via email at least five (5) business days prior to the submittal deadline. Any questions relating to the submittal requirements shall be directed to:

   Rob Schultz, Chief Financial Officer
   Spokane Airport Board
   E-mail: rschultz@spokaneairports.net

   Kevin McPeek, Director
   PFM Financial Advisors LLC
   E-mail: mcpeekk@pfm.com

2. Related Information
   Proposers will be expected to work with the Airport's special legal counsel to execute a Revolving Credit Agreement, a form of which is in Appendix 2. Proposers must specify any proposed revisions to the form of Revolving Credit Agreement in their response.

   This RFP and information regarding this RFP are posted on the Airport's website.

C. REQUEST FOR PROPOSALS

Proposers shall respond to each criteria listed below. RFPs should be clear and concise and formatted as outlined below to provide the selection committee with the following information to allow for consistent evaluation of each submittal.

Response Form

Please complete the response form in Appendix 1 which introduces the financial institution, the team that will be involved with the facility and key terms and conditions.

Summary of Terms and Conditions

Provide no more than seven (7) pages describing the type of credit facility, the facility amount, maturity, prepayment option, minimum draw requirements, any and all fees associated with the facility, including, but not limited to, up-front fee, draw fee, commitment fee, legal and administrative fees, interest rate and how the rate is indexed, interest payment frequency and any other relevant financial information associated with the facility. Additionally, please indicate the date of expiration for the terms and conditions submitted, the status of credit approval or the ability to get credit approval within the schedule outlined in section E. The Airport expects the proposals to be valid until such time as the Airport enters into an agreement with the selected Proposer.

The Airport seeks to balance flexibility, cost and minimizing financial risk with the Interim Financing. As part of your submission, please provide information on how the proposed option will meet these requirements.

Please identify any documentation required by your firm to complete the credit worthiness of the Airport and indicate the estimated timing for approval.

Covers, tabs, response form and disclaimers will not be included in the page count.

Qualifications

Please provide information on your firm's capital position and ability to provide the short-term financing options presented in your firm's proposal.

Additionally, please provide any conflicts or potential conflicts of interest that may arise if your firm is selected to deliver this Interim Financing, including, but not limited to, legal counsel and names of the bank/lender's attorney(s) who would be involved in this transaction as well as legal counsel's proposed fees.

D. INTERIM FINANCING DESCRIPTION

The Airport is requesting Interim Financing of $50,000,000 with the option to add another $25,000,000 based on project cash flow. The Interim Financing will be tax-exempt [both AMT and non-AMT] and/or taxable and will not exceed one (1) year in length. The Airport is interested in considering variable rate and fixed rate options. The funding will provide financing for the Airport for the purpose of designing, acquiring, constructing, installing and equipping the Central Hall terminal expansion project. This project will consolidate the security checkpoints and baggage claim areas, connect Concourses A & B with the recently expanded Concourse C post-security and improve landside access to the terminal. The second project to be funded with the credit facility will be a parking garage expansion. Currently, the Airport has two parking garages, totaling nearly 2,500 covered spaces for passengers. This project will add an estimated 750 covered parking spots.

The table below provides estimated monthly and cumulative cash draws for which the Interim Financing will be utilized.

Month	Est. Monthly Draws	Est. Cumulative Draws
Dec-26	$24,700,000	$24,700,000
Jan-27	$3,300,000	$28,000,000
Feb-27	$2,500,000	$30,500,000
Mar-27	$1,300,000	$31,800,000
Apr-27	$2,300,000	$34,100,000
May-27	$3,100,000	$37,200,000
Jun-27	$4,100,000	$41,300,000
Jul-27	$5,400,000	$46,700,000
Aug-27	$5,400,000	$52,100,000
Sep-27	$6,100,000	$58,200,000
Oct-27	$6,100,000	$64,300,000
Nov-27	$8,000,000	$72,300,000

The Airport is represented by Kutak Rock LLP as the Airport's bond counsel and PFM Financial Advisors LLC will serve as the Airport's municipal advisor. Pacifica Law Group, LLP serves as bond counsel to Spokane County, including in connection with financings for Airport projects.

The Airport invites qualified proposers to submit an official response to this RFP. There is no required or prescribed financing structure. The Airport is seeking any financing option(s) that minimizes financial risk, keeps costs as low as possible and provides the Airport with the flexibility it needs. Proposers are welcome to submit more than one (1) financing option but no more than two (2) financing options per firm.

E. RFP SCHEDULE

The following is the tentative schedule for this RFP process:

Date/Time (as applicable)	Description
10/3/2026	Advertisement & Post on Airport Website
10/23/2026 2:00 PM Pacific Time (PT)	Deadline for Submission of Questions
10/30/2026 2:00 PM PT	Target for Airport's Posting of Addenda
11/6/2026 2:00 PM PT	Response Deadline (Due Date)
11/9/2026 – 11/11/2026	Target Interviews, if requested by Airport
11/13/2026	Target Selection of Most Preferred Firm
12/11/2026	Finalize Contract Negotiation
12/17/2026	Airport Board Approval of Interim Financing
12/21/2026	Funding Available to Airport

F. SECURITY FOR CREDIT FACILITY

The Interim Financing will be secured by a pledge of Revenues of the Airport System, subject to the payment of Operation and Maintenance Expenses of the Airport System (each as defined in the Spokane Airport Master Resolution attached hereto as Exhibit 3) and the payment of debt service on the Spokane County, Airport Revenue Bonds, Series 2024A (Non-AMT) and Series 2024B (AMT) (the "2024 Bonds"). The 2024 Bonds are special limited revenue obligations of Spokane County, payable solely from Revenues of the Airport System received by Spokane County from the Board under the terms of the Airport Bond Agreement and related documents. Additional information regarding the 2024 Bonds is available in the Official Statement, a copy of which is available at https://emma.msrb.org/P21857897-P21422185-P21865876.pdf.

Please see Appendix 2 for draft form of Revolving Credit Agreement for more details on the pledge of Revenues of the Airport System to be made in connection with the Interim Financing.

The Interim Financing will be not be secured by a mortgage, security interest in or lien granted in any real property of the Board. The Interim Financing will be solely an obligation of the Board, and will not be an obligation of Spokane County, the City of Spokane, the State of Washington, or any political subdivision or agency.

The 2024 Bonds are rated "A" by S&P Global Ratings and "A2" by Moody's Ratings. The most current rating reports (2024) are included on the Airport's website, with the links included in Appendix 6.

G. RFP RESPONSE EVALUATION AND SELECTION

All responses to this RFP will be evaluated and ranked based upon the evaluation criteria below. A minimum of two (2) firms may be selected for further evaluation and requested to participate in an interview as part of the selection process. Alternatively, the Airport may choose to select the most qualified firm or team directly following the evaluation of the submitted RFPs. One proposal is expected to ultimately be selected.

The following evaluation criteria will be used to determine the preferred proposal:

- Ability of the Proposer to increase the Credit Facility amount from $50 million to $75 million, if needed
- Proposed rates and fees
- Firm's willingness to accept subordinate lien position, per the draft revolving credit agreement in Appendix 2
- Firm's financial stability
- Early termination provision

The Board reserves the right to reject any and all RFPs, to waive any irregularities in the RFPs received, and to accept the RFPs deemed most advantageous to the best interest of the Board. All RFPs become the property of the Airport.

Proposals must specifically identify each and every proposed exception or addition to the terms and conditions of the draft Form of Revolving Credit Agreement in Appendix 2.

The Board reserves the right to request references for clients to whom your firm has provided similar financing.

Spokane International Airport is an Equal Opportunity Employer and federal contractor or subcontractor. As such, the Airport and all tiers of its Proposers will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a), 41 CFR 60-741.5(a) and Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A).

H. PUBLIC RECORDS AND DISCLOSURE OF RFPs

1. Property of Board: Responses to this RFP submitted to the Board shall become the property of the Board and shall not be returned to the Proposer.

2. RFPs are Public Records: Pursuant to Chapter 42.56 RCW, responses to this RFP submitted to the Board shall be considered public records and with limited exceptions will be available for inspection and copying by the public. Except to the extent protected by state and/or federal laws, responses shall be considered public documents and available for review and copying by the public after the award of an agreement is made by the Board.

3. Process for Disclosing Information: If a request is made for disclosure of all or any

portion of any response to this RFP, the Board will determine whether the material should be made available under the law. If the Board determines that the material is not exempt and may be disclosed, the Board will notify the Proposer of the request and allow the Proposer five (5) business days to take appropriate action pursuant to RCW 42.56.540. If the Proposer fails or neglects to take such action within said period, the Board may release the portions of the response deemed subject to disclosure.

4. Indemnification: To the extent that the Board withholds from disclosure all or any portion of Proposer's documents at a Proposer's request, such Proposer agrees to fully indemnify, defend and hold harmless the Board, the City of Spokane, and Spokane County, their elected officials, agents and employees, from all damages, penalties, attorneys' fees and costs related to withholding information from public disclosure.

5. No Claim Against Airport: By submitting an RFP, the Proposer consents to the process outlined in this RFP and shall have no claim against the Board because of actions taken.

I. LIST OF APPENDICES

1. Response Form
2. Form of Revolving Credit Agreement
3. Airport Bond Agreement
4. Spokane Airport Master Resolution
5. Interlocal Agreement
6. Financial Reports and Related Information

APPENDIX 1
Subordinate Lien Response Form

Name of Responding Provider Firm _____

Type of Financing: _____

Primary Point of Contact Name: _____

Primary Point of Contact Phone: _____

Primary Point of Contact Email: _____

Description of Proposed Interim Financing

Proposed Financing Cost, if applicable

Proposed Facility Cost	**Amount / Percentage**
Minimum Draw Requirement	
Facility Fee	
Draw Fee	
Upfront/Commitment Fee	
Closing Costs & Legal Fees	
Expenses	
Early Termination Option	
Other	
Other	

Expiration Date of Proposed Terms: _____

Please utilize this form as a cover sheet for all information to be included. This document is not intended to serve as the sole document submitted.

APPENDIX 2
Form of Revolving Credit Agreement

FORM OF REVOLVING CREDIT AGREEMENT

dated as of [•], 2026

between
SPOKANE AIRPORT BOARD

and

[BANK]

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ADDENDUM

REVOLVING CREDIT AGREEMENT

This REVOLVING CREDIT AGREEMENT (as amended, restated supplemented or otherwise modified from time to time in accordance with the terms hereof, this *"Agreement"*) is entered into as of [•], 2026, between SPOKANE AIRPORT BOARD, an agency created by an interlocal agreement between Spokane County, Washington and the City of Spokane, Washington under chapter 14.08 of the Revised Code of Washington (the *"Airport Board"*), and [BANK] (the *"Bank"*).

PRELIMINARY STATEMENTS

WHEREAS, on July 30, 1962, Spokane County, Washington (the "*County*") and the City of Spokane, Washington (the "*City*") entered into an Airport Joint Operation Agreement (the "*Operation Agreement*") for the purpose of financing, constructing, improving, and operating Spokane International Airport and Felts Field, through the agency of the Airport Board, as provided by chapter 14.08 of the Revised Code of Washington ("*RCW*"); and

WHEREAS, the Airport System (as hereinafter defined) includes the real property owned by the County and the City in equal undivided shares as tenants in common that is managed and operated by the Airport Board as well as the personal property held in the name of the Airport Board, but excludes the public utility sewer and water systems owned by the City; and

WHEREAS, on October 7, 2019, the County and the City replaced the Operation Agreement with an Amended Spokane County/City Airport Agreement (as may be further supplemented, amended or replaced, the "*Interlocal Agreement*"), continuing their association under chapter 14.08 RCW for the joint operation of Spokane International Airport, Felts Field, and Spokane International Airport Business Park facilities, and vesting the Airport Board the authority to manage and operate such facilities for aeronautical and industrial development purposes, subject to the specific limitations contained in the Interlocal Agreement; and

WHEREAS, pursuant to Section 4.3 of the Interlocal Agreement, the Airport Board has the independent authority to issue bonds or to incur other debts with a maturity of one year or less from the date of the obligation; and

WHEREAS, the Airport Board wishes to obtain loans from time to time from the Bank hereunder and the Bank is willing, upon the terms and subject to the conditions set forth below, to provide such loans to the Airport Board for use to (i) finance or refinance capital projects related to the Airport System, (ii) to pay costs in connection with this Agreement, and (iii) for any other financing needs of the Airport Board permitted under the Act (as hereinafter defined), the Interlocal Agreement and the Airport Bond Agreement (as hereinafter defined); and

WHEREAS, all obligations of the Airport Board to repay the Bank for Borrowings, Revolving Loans (as each are hereinafter defined) made by the Bank under the Revolving Commitment (as hereinafter defined) and to pay all other amounts payable to the Bank arising under or pursuant to this Agreement, the Fee Agreement (as hereinafter defined) or the Notes (as hereinafter defined) to be issued to the Bank hereunder will be secured by a pledge of and lien on Subordinate Revenues (as hereinafter defined);

NOW, THEREFORE, in consideration of the foregoing recitals and other consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce the Bank to extend to the Airport Board the Revolving Commitment, the Airport Board and the Bank hereby agree as follows:

ARTICLE 1

DEFINITIONS AND ACCOUNTING TERMS

Section 1.01. Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

"Accrual Period" means the first day of a calendar month to and including the last day of such calendar month.

"Act" means, collectively, chapter 14.08 RCW, chapter 39.46 RCW (including without limitation RCW 39.46.150), and all laws amendatory thereof or supplemental thereto.

"Affiliate" means, with respect to any Person, any Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such first Person. A Person shall be deemed to control another Person for the purposes of this definition if such first Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and of the second Person, whether through the ownership of voting securities, common directors, trustees or officers, by contract or otherwise.

"Agreement" has the meaning set forth in the introductory paragraph hereof.

"*Airport Board*" means the board created by the Interlocal Agreement and vested with the authority to manage and operate Spokane International Airport, Felts Field, and Spokane International Airport Business Park and related facilities, including the Rail-Truck Transload Facility, for aeronautical and industrial development purposes, subject to the specific limitations contained in the Interlocal Agreement.

"*Airport Bond Agreement*" means the Airport Revenue Bond Agreement, dated September 10, 2024, between the County and the Airport Board, as such agreement may be supplemented, amended or replaced as provided therein.

"*Airport Board Representative*" means the Airport System Chief Executive Officer, the Airport System Chief Financial Officer, any other officer appointed by resolution of the Airport Board as an Airport Board Representative, or any successor to the functions of such offices.

"*Airport Board Series Resolution*" has the meaning set forth in the Bond Resolution.

"*Airport Facilities*" or "*Airport Facility*" means a facility or group of facilities or category of facilities that constitute or are part of the Airport System.

"*Airport System*" means (i) all airports, airport sites, and all equipment and facilities for aerial navigation, flight, instruction, and air commerce, including Spokane International Airport and Auxiliary Airports, (ii) the Spokane International Airport Business Park facilities, (iii) the Rail-Truck Transload Facility, and (iv) all facilities and property related thereto, real or personal, now or hereafter, owned, operated, used, leased, licensed, or managed by the County, by the City, or jointly by both through the Airport Board, or from which the Revenues are derived at such location; exclusive of any property or interest therein defined in the Bond Resolution as "Excluded Property." The Airport System includes the real property owned by the County and the City in equal undivided shares as tenants in common that is managed and operated by the Airport Board as well as the personal property held in the name of the Airport Board, but excludes the public utility sewer and water systems owned by the City.

"*Airport System Chief Executive Officer*" means the Chief Executive Officer of the Airport System, as duly appointed by the Airport Board and jointly approved by the City and the County pursuant to the Interlocal Agreement, or such officer's successor in function.

"*Airport System Chief Financial Officer*" means the Chief Financial Officer of the Airport System, as duly appointed from time to time by the Airport System Chief Executive Officer, or such officer's successor in function.

"Alternate Base Rate" means, for any day with respect to each Alternate Base Rate Revolving Loan, the fluctuating rate of interest per annum equal to the greater of (i) the Prime Rate in effect at such time, and (ii) the Federal Funds Rate in effect at such time *plus* [•] percent ([•]%).

"Alternate Base Rate Revolving Loan" means a Revolving Loan that bears interest at a Taxable Alternate Base Rate or a Tax-Exempt Alternate Base Rate, as applicable.

"*AMT Revolving Obligation*" means a Tax-Exempt Revolving Loan incurred as an "exempt facility bond" pursuant to Section 142(a)(1) of the Code, the interest on which is not included in the gross income of the Bank or any holder of such AMT Revolving Obligation for federal income tax purposes, but which is included as an item of tax preference in computing the federal alternative minimum tax for individuals.

"Annual Report" means the Airport Board's Annual Report prepared in accordance with Generally Accepted Accounting Principles.

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to the Airport Board from time to time concerning or relating to bribery or corruption.

"Applicable Authority" means with respect to SOFR, the SOFR Administrator or any Governmental Authority having jurisdiction over the Bank or the SOFR Administrator with respect to its publication of SOFR, in each case acting in such capacity.

"Applicable Factor" means, with respect to Taxable SOFR Revolving Loans, one hundred percent (100%) and, with respect to Tax-Exempt SOFR Revolving Loans, eighty percent (80%).

"Applicable Law" means all applicable provisions of all constitutions, statutes, rules, regulations and all binding orders, judgments and decrees of any Governmental Authority.

"Approving Opinion" means, with respect to any action or matter that may affect a Tax-Exempt Revolving Loan, an opinion delivered by Bond Counsel to the effect that such action (i) is permitted by this Agreement and the other Related Documents and (ii) will not adversely affect the exclusion of interest on any Tax-Exempt Revolving Loan from gross income of the Bank or any Participant for purposes of federal income taxation (subject to the inclusion of any exceptions required to be contained in such opinion by Bond Counsel).

"Audited Financial Statements" means the audited financial statements including a statement of net position (balance sheet), statement of revenues, expenses and changes in net position (income statement) and statement of cash flows for such Fiscal Year for the Airport Board with respect to the Airport System, including the notes thereto.

"*Auxiliary Airports*" means the airport presently known as "Felts Field" and all other airports owned, operated, used, leased, licensed, or managed by the County, by the City, or jointly by both through the Airport Board in the future, except for Spokane International Airport.

"Availability Period" means the period from and including the Closing Date to the Commitment Termination Date.

"Available Commitment" means, on any date, the commitment of the Bank to make Revolving Loans hereunder in an initial amount not to exceed $[•]. The Available Commitment shall be adjusted from time to time as follows: (a) downward in an amount equal to any Revolving Loan made to the Airport Board; (b) upward in an amount equal to the principal amount of any Revolving Loan made to the Airport Board hereunder that is repaid or prepaid, as applicable, in the manner provided herein; (c) downward in an amount equal to any reduction thereof effected pursuant to Section 2.04 hereof; and (d) downward to zero upon the expiration or termination of the Available Commitment in accordance with the terms hereof; *provided*, that, after giving effect to any of the foregoing adjustments the Available Commitment shall never exceed $[•] at any one time, except as provided for in Section 2.04(e) hereof.

"Bank" has the meaning specified in the introductory paragraph hereof.

"Bank Agreement" means any credit agreement, liquidity agreement, standby bond purchase agreement, reimbursement agreement, direct purchase agreement (such as a continuing covenant agreement or supplemental bondholder's agreement), bond purchase agreement (other than in connection with a public underwriting of securities), or other agreement or instrument (or any amendment, supplement or other modification thereof) under which, directly or indirectly, any Person or Persons undertake(s) to extend loans to the Airport Board pursuant to the terms of the Bond Resolution, make payment of or provide funds to make payment of, or to purchase or provide credit enhancement for bonds, notes or other obligations of the Airport Board issued or incurred under the Bond Resolution.

"Bank Related Person" has the meaning set forth in Section 8.04(b) hereof.

"Base Rate" means, for any day, a fluctuating rate of interest per annum equal to the greatest of (i) the Prime Rate in effect at such time *plus* one percent (1.00%), (ii) the Federal Funds Rate in effect at such time *plus* two percent (2.00%) and (iii) seven percent (7.00%).

"Bond Counsel" means Kutak Rock LLP, or any other firm of attorneys nationally recognized on the subject of tax-exempt municipal finance selected by the Airport Board.

"*Bond Resolution*" means Resolution No. 24-0547 adopted by the County Board on September 10, 2024, as the same may be amended, supplemented, modified or restated from time to time in accordance with the terms hereof and thereof.

"Bonds" has the meaning set forth in the Bond Resolution.

"Borrowing" means a borrowing of Revolving Loans from the Bank pursuant to Section 2.01 hereof.

"Business Day" means a day which is not (a) a Saturday, Sunday or legal holiday on which banking institutions in New York, New York or the states where the principal corporate office of the Airport Board is located are authorized by Law to close, (b) a day on which the New York Stock Exchange or the Federal Reserve Bank is closed or (c) a day on which the principal offices of the Bank is closed.

"Change in Law" means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any Law, rule, regulation or treaty, (b) any change in any Law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a *"Change in Law"*, regardless of the date enacted, adopted or issued.

"*City*" means the City of Spokane, Washington.

"Closing Date" means [•], 2026, subject to the satisfaction or waiver by the Bank of the conditions precedent set forth in Article 4 hereof.

"Code" means the Internal Revenue Code of 1986, as amended, and when appropriate, any statutory predecessor or successor thereto, and all applicable regulations (whether proposed, temporary or final) thereunder and any applicable official rulings, announcements, notices, procedures and judicial determinations relating to the foregoing.

"Commitment Fee" has the meaning set forth in the Fee Agreement.

"Commitment Termination Date" shall mean the earlier of:

(a) [•], 2027, [or such later date as may be established pursuant to Section 2.11 hereof]; and

(b) the date the Revolving Commitment is reduced to zero or terminated pursuant to Section 2.04 or Section 7.02 hereof.

"Conforming Changes" means, with respect to the use, administration of or any conventions associated with SOFR or any proposed Successor Rate, as applicable, any conforming changes to the definitions of "SOFR" and interest period, if applicable, timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters (including, for the avoidance of doubt, the definitions of "Business Day" and "U.S. Government Securities Business Day", timing of borrowing requests or prepayment, conversion or continuation notices and length of lookback periods) as may be appropriate, in the discretion of the Bank, to reflect the adoption and implementation of such applicable rate (s) and to permit the administration thereof by the Bank in a manner substantially consistent with market practice (or, if the Bank determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such rate exists, in such other manner of administration as the Bank determines is reasonably necessary in connection with the administration of this Agreement).

"Controlled Group" means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the Airport Board, are treated as a single employer under Section 414 of the Code.

"*Costs of the Project*" means all costs of planning, designing, developing, financing, constructing, installing, equipping, furnishing, improving, acquiring, enlarging and/or renovating a Project and placing the same in service and shall include, but not be limited to the following: (a) costs of real or personal property, rights, franchises, easements, and other interests in property, real or personal, and the cost of demolishing or removing structures and site preparation, infrastructure development, and landscaping and acquisition of land to which structures may be removed; (b) the costs of materials and supplies, machinery, equipment, vehicles, rolling stock, furnishings, improvements, and enhancements; (c) labor and related costs and the costs of services provided, including costs of consultants, advisors, architects, engineers, accountants, planners, attorneys, and financial and feasibility consultants; (d) costs of the County, the City or the Airport Board properly and lawfully allocated to a Project and with respect to costs of its employees or other labor costs, including the cost of medical, pension, retirement and other benefits as well as salary and wages and the allocable costs of administrative, supervisory and managerial personnel and the properly allocable cost of benefits provided for such personnel; (e) financing expenses, including costs related to issuance of and securing of the Revolving Loans; and (f) such other costs and expenses that can be capitalized under GAAP in effect at the time the cost is incurred by the County, the City or the Airport Board, as applicable.

"*County*" means Spokane County, Washington, a class A county duly organized and existing under and by virtue of the Constitution and the laws of the State now in effect.

"*County Board*" means the Board of County Commissioners of the County, as duly and regularly constituted from time to time.

"*Customer Facility Charge*" or "*CFC*" means any customer facility charge imposed pursuant to the Act from time to time upon customers of rental car companies accessing the Airport Facilities for the purpose of financing, designing, constructing, operating and maintaining consolidated rental car facilities and common use transportation equipment and facilities which are used to transport the customer between the consolidated car rental facilities and other Airport Facilities, or any successor provision approving such a charge or a similar charge or fee, and any interest, profits or other income derived from the investment thereof.

"Daily SOFR" means the rate per annum equal to SOFR determined for any day pursuant to the definition thereof. Any change in Daily SOFR shall be effective from and including the date of such change without further notice. At any time Daily SOFR is less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Debt" of any Person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, (d) all obligations of such Person as lessee under capital leases, (e) all Bank Agreements, Swap Contracts or other interest rate protection or other derivative instruments or agreements, (f) all Debt of others secured by a lien on any asset of such Person, whether or not such Debt is assumed by such Person, and (g) all guarantees by such Person of the Debt of other Persons; *provided, however*, in each case, such Debt shall be payable from or secured by the Revenues.

"Debtor Relief Laws" means the United States Bankruptcy Code, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means, for any day, a rate of interest per annum equal to the sum of the Base Rate in effect on such day plus [•] percent ([•]%).

"Designated Jurisdiction" means any country or territory to the extent that such country or territory itself is the subject of any Sanction.

"Determination of Taxability" means and shall be deemed to have occurred on the first to occur of the following:

(i) on the date when the Airport Board files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability has occurred;

(ii) on the date when the Bank notifies the Airport Board that it has received a written opinion (which shall not be a reasoned opinion and shall be subject only to customary assumptions and exclusions) by a nationally recognized firm of attorneys of substantial expertise on the subject of tax exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, within two hundred seventy (270) days after receipt by the Airport Board of such notification from the Bank, the Airport Board shall deliver to the Bank, a ruling or determination letter issued to or on behalf of the Airport Board by the Commissioner of the Internal Revenue Service or the Director of Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the Internal Revenue Service (or any other government official exercising the same or a substantially similar function from time to time) to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability has not occurred;

(iii) on the date when the Airport Board shall be advised in writing by the Commissioner of the Internal Revenue Service or the Director of Tax-Exempt Bonds of the Tax-Exempt and Government Entities Division of the Internal Revenue Service (or any other government official exercising the same or a substantially similar function from time to time, including an employee subordinate to one of these officers who has been authorized to provide such advice) that, based upon filings of the Airport Board, or upon any review or audit of the Airport Board or upon any other ground whatsoever, an Event of Taxability shall have occurred; or

(iv) on the date when the Airport Board shall receive notice from the Bank that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of the Bank or any Participants the interest on any Tax-Exempt Revolving Loan due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) hereunder unless the Airport Board has been afforded the reasonable opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined; *provided further, however,* that upon demand from the Bank, the Airport Board shall promptly reimburse the Bank for any payments, including any taxes, interest, penalties or other charges, the Bank shall be obligated to make as a result of the Determination of Taxability.

"Dollar" and *"$"* mean lawful money of the United States.

"Electronic Signature" means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

"Environmental Laws" means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to the (i) environment, (ii) preservation or

reclamation of natural resources, (iii) the management, Release or threatened Release of any Hazardous Material or (iv) health and safety matters.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Airport Board related to the Airport System, directly or indirectly resulting from or based upon (a) any violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) any exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and all rules and regulations from time to time promulgated thereunder, or any successor statute.

"Event of Default" with respect to this Agreement has the meaning set forth in Section 7.01 hereof and, with respect to any other Related Document, has the meaning assigned therein.

"Event of Taxability" means a (i) change in Law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Airport Board, or the failure to take any action by the Airport Board, or the making by the Airport Board of any misrepresentation herein or in any certificate required to be given in connection with this Agreement) which has the effect of causing interest paid or payable on any Tax-Exempt Revolving Loan to become includable, in whole or in part, in the gross income of the Bank or any Participant for federal income tax purposes or (ii) the entry of any decree or judgment by a court of competent jurisdiction, or the taking of any official action by the Internal Revenue Service or the Department of the Treasury, which decree, judgment or action shall be final under applicable procedural law, in either case, which has the effect of causing interest paid or payable on any Tax-Exempt Revolving Loan to become includable, in whole or in part, in the gross income of the Bank or any Participant for federal income tax purposes with respect to any Tax-Exempt Revolving Loan.

"*Excluded Property*" has the meaning set forth in the Bond Resolution.

"Excluded Taxes" means, with respect to the Bank or required to be withheld or deducted from a payment to the Bank, taxes imposed on or measured by net income (however denominated), franchise taxes, and branch profits taxes, in each case, imposed as a result of the Bank being organized under the laws of, or having its principal office or its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof).

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided* that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the

next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Bank on such day on such transactions as determined by the Bank.

"Fee Agreement" means the Fee Agreement, dated [•], 2026, between the Airport Board and the Bank, as amended, supplemented, modified or restated from time to time in accordance with its terms, providing for payment of the Commitment Fee and other fees to be payable to the Bank related to the Revolving Loans and this Agreement.

"Fiscal Year" means the period of time beginning on January 1 of each given year and ending on December 31 of such given year, or such other similar period as the Airport Board designates as its fiscal year.

"Fitch" means Fitch Ratings, and any successor rating agency.

"GAAP" or *"Generally Accepted Accounting Principles"* means generally accepted accounting principles consistently applied and maintained throughout the period indicated, except for changes permitted by the Governmental Accounting Standards Board or any similar accounting authority of comparable standing.

"Governmental Approval" means an authorization, consent, approval, license, or exemption of, registration or filing with, or report to any Governmental Authority.

"Governmental Authority" means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, tribunal, agency, bureau, court or entity (including the Federal Reserve Board, any central bank or any comparable authority), or any arbitrator with authority to bind a party at law.

"Hazardous Materials" means: (a) any substance, material, or waste that is or becomes included within the definitions of "hazardous substances," "hazardous materials," "hazardous waste," "toxic substances," "toxic materials," "toxic waste," or words of similar import in any Environmental Law; (b) those substances listed as hazardous substances by the United States Department of Transportation (or any successor agency) (49 C.F.R. 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) (40 C.F.R. Part 302 and amendments thereto); and (c) any substance, material, or waste that is petroleum, petroleum-related, or a petroleum by-product, asbestos or asbestos-containing material, polychlorinated biphenyls, flammable, explosive, radioactive, freon gas, radon, or a pesticide, herbicide, or any other agricultural chemical.

"Highest Lawful Rate" means the lesser of (a) [•]% per annum and (b) the maximum interest rate permitted by applicable law.

"Indemnitee" has meaning set forth in Section 8.04(c) hereof.

"Interest Payment Date" means as to any SOFR Rate Revolving Loan and any Alternate Base Rate Revolving Loan, the tenth (10th) calendar day of each month for the immediately prior Accrual Period and the Commitment Termination Date. If such calendar day is not a Business Day then payment is due on the immediately following Business Day.

"*Interlocal Agreement*" means the Amended Spokane County/City Airport Agreement, dated October 7, 2019, between the County and the City, as such agreement may be supplemented, amended or replaced pursuant to the terms thereof.

"IRS" means the United States Internal Revenue Service.

"*Kroll*" shall mean Kroll Bond Rating Agency, Inc. and any successor rating agency.

"Laws" means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"Lending Office" means, the office or offices of the Bank described as such in Schedule 8.02 attached hereto, or such other office or offices as the Bank may from time to time notify the Airport Board.

"Liabilities" mean all claims (including intraparty claims), actions, suits, judgments, damages, losses, liability, obligations, responsibilities, fines, penalties, sanctions, costs, fees, Taxes, commissions, charges, disbursements and expenses (including those incurred upon any appeal or in connection with the preparation for and/or response to any subpoena or request for document production relating thereto), in each case of any kind or nature (including interest accrued thereon or as a result thereto and fees, charges and disbursements of financial, legal and other advisors and consultants), whether joint or several, whether or not indirect, contingent, consequential, actual, punitive, treble or otherwise.

"Lien" means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

"Margin Stock" has the meaning ascribed to such term in Regulation U promulgated by the Board of Governors of the Federal Reserve System of the United States, together with any successors thereof.

"Material Adverse Effect" means: (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities (actual or contingent), condition (financial or otherwise) of the Airport System; (b) a material impairment of the ability of the Airport Board to perform its obligations under any Related Document to which it is a party; (c) a material adverse effect upon the legality, validity, binding effect or enforceability against the Airport Board of any Related Document to which it is a party; or (d) a material adverse effect upon the Bank's right, security or interests of the Bank hereunder or under any of the Related Documents.

"Maximum Federal Corporate Tax Rate" means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to the Bank, the maximum statutory rate of federal income taxation which could apply to the Bank). As of the Closing Date, the Maximum Federal Corporate Tax Rate is 21%.

"Moody's" means Moody's Ratings and any successor rating agency.

"*Net Insurance/Condemnation Proceeds*" means insurance proceeds received as a result of damage to or destruction of Airport Facilities or any condemnation award or amounts received from the sale of Airport Facilities under the threat of condemnation, less expenses (including attorneys' fees and expenses) incurred in the collection of such proceeds or award.

"*Net Revenues*" means, for any given period, the Revenues for such period less the O&M Expenses of the Airport System for such period.

"Non-AMT Revolving Obligation" means a Tax-Exempt Revolving Loan incurred as a "governmental bond" pursuant to Section 141 of the Code, the interest on which is not included in the gross income of the Bank or any other holder of such Non-AMT Revolving Obligation for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax.

"*Non-SOFR Successor Rate*" has the meaning set forth in Section 3.04(c) hereof.

"Notes" means collectively, the Tax-Exempt Note and the Taxable Note.

"Notice of Loan Prepayment" means a notice of prepayment with respect to a Revolving Loan, which shall be substantially in the form of Exhibit C or such other form as may be approved by the Bank (including any form on an electronic platform or electronic transmission system as shall be approved by the Bank), appropriately completed and signed by an Airport Board Representative.

"Obligations" means the obligations of the Airport Board under this Agreement to repay (i) all Revolving Loans, the Notes and the obligations due under the Fee Agreement, together with interest thereon, pursuant to and in accordance with this Agreement, the Fee Agreement and the Notes, (ii) all fees payable or reimbursable hereunder to the Bank, and (iii) all expenses, charges

and amounts payable or reimbursable hereunder to the Bank (including, without limitation, any amounts to reimburse the Bank for any advances or expenditures by it under any of such documents) and all other payment obligations of the Airport Board to the Bank arising under or in relation to this Agreement, the Fee Agreement or the other Related Documents, in each, case whether now existing or hereafter arising, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired.

"*OFAC*" means the Office of Foreign Assets Control, and any successor thereto.

"*O&M Expenses*" or "*Operation and Maintenance Expenses of the Airport System*" means, for any given period, the total operation and maintenance expenses of the Airport System, including any costs of Credit Facilities (as defined in the Bond Resolution) and Liquidity Facilities (as defined in the Bond Resolution) and related fees and expenses, but excluding depreciation expense, any operation and maintenance expenses of the Airport System payable from money other than Revenues (including, but not limited to, any non-cash items that are required to be treated as operation and maintenance expenses of the Airport System, any non-cash pension and other postemployment benefits obligations or liabilities (except to the extent required to be cash funded), any principal or interest payments in respect of finance leases or indebtedness, including the Bonds, any costs of issuance relating to any finance leases or indebtedness including the Bonds, any Swap Termination Payments (as defined in the Bond Resolution) due in connection with a Series of Bonds or the failure to issue such Series of Bonds, or any operation and maintenance expenses related to any Special Facilities (as defined in the Bond Resolution). O&M Expenses may be further adjusted as may be necessary to more fairly reflect the Airport System's annual operating performance (e.g. to omit other non-cash items).

"*Other Money Available for Debt Service*" means money that is not Revenues (for example, income or revenues generated by or attributable to Excluded Property or CFCs) and that is transferred to a debt service fund to be used to pay debt service on a specific Series of Bonds. Other Pledged Revenues, PFCs Available for Debt Service and Pledged PFCs shall not be treated as or constitute Other Money Available for Debt Service.

"*Other Pledged Revenues*" means money, not previously constituting Revenues that are designated as and included in, for any period, "Other Pledged Revenues" pursuant to an Airport Board Series Resolution or other duly adopted resolution of the Airport Board, or certificate of an Airport Board Representative, which Airport Board Series Resolution, resolution or certificate also shall (a) include a representation by the Airport Board that such money shall be validly designated as and included by the County in "Other Pledged Revenues" under the Bond Resolution and has been pledged by the Airport Board and shall be pledged by the County to secure the payment of the principal of, premium, if any, and interest on all or a portion of the Bonds, any Series of Bonds or Revolving Loans and Notes, and (b) specify the source and amount of such money and the time period during which such money will be designated as and included in "Other Pledged Revenues." Other Pledged Revenues may include, but are not limited to, CFCs. Other Money Available for Debt Service, PFCs Available for Debt Service and Pledged PFCs shall not be treated as or constitute "Other Pledged Revenues."

"Outstanding Amount" means (a) with respect to Revolving Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any Borrowings and prepayments or repayments of Revolving Loans occurring on such date.

"Participant" means any Person to which the Bank or any Participant has sold a participation in rights under this Agreement.

"*Passenger Facility Charges*" or "*PFCs*" means charges collected pursuant to the authority granted by the Aviation Safety and Capacity Expansion Act of 1990 (49 U.S.C. § 40117), the Aviation Investment Reform Act of 2000 and 14 C.F.R. Part 158, as amended from time to time, in respect of any component of the Airport System and interest earnings thereon, net of amounts that collecting air carriers are entitled to retain for collecting, handling and remitting such passenger facility charge revenues.

"*PFCs Available for Debt Service*" or "*PFCs Available for Debt Service*" means PFCs made available to pay debt service on one or more Series of Bonds during any period pursuant to the Bond Resolution.

"*Pledged Passenger Facility Charges*" or "*Pledged PFCs*" has the meaning set forth in the Bond Resolution.

"Payment in Full" means, (i) termination of the Revolving Commitment and the indefeasible payment in full in cash of all outstanding Loans, together with accrued and unpaid interest thereon, and (ii) termination of the Revolving Commitment and the indefeasible payment in full in cash of the accrued and unpaid fees, including any applicable fees hereunder or under the Fee Agreement, if any.

"Person" means an individual, partnership, corporation (including a business trust), trust, unincorporated association, joint venture or other entity, including a government or political subdivision or any agency or instrumentality thereof.

"Plan" means, with respect to the Airport Board at any time, an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and either (i) is maintained by a member of the Controlled Group for employees of a member of the Controlled Group of which the Airport Board is a part, or (ii) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group of which the Airport Board is a part is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

"Prime Rate" means on any day, the rate of interest in effect for such day as publicly announced from time to time by the Bank as its "prime rate." The *"prime rate"* is a rate set by the Bank based upon various factors including the Bank's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by the

Bank shall take effect at the opening of business on the day specified in the public announcement of such change.

"Proceeding" means any claims, litigation, investigation, action, suit, arbitration or administrative, judicial or regulatory action or proceeding in any jurisdiction.

"*Project*" means any and all facilities, improvements and other expenditures related to the Airport System financed or refinanced in whole or in part with proceeds of a Revolving Loan.

"Rating Agencies" means Fitch, Kroll, Moody's and S&P.

"Ratings" means the long-term unenhanced debt rating assigned by each of Fitch (but only to the extent Fitch has assigned a rating to any Bonds at the request of the Airport Board), Moody's and S&P to any Bonds (without regard to bond insurance or any other form of credit enhancement), and Kroll (but only to the extent Kroll has assigned a rating to any Bonds at the request of the Airport Board).

"Related Documents" means this Agreement, the Fee Agreement, the Notes, the Interlocal Agreement, the Bond Agreement and any other documents related to any of the foregoing or executed in connection therewith, and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the foregoing permitted hereunder and thereunder.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

"Release" means any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, disposing, or dumping of any substance into the environment.

"Relevant Rate" means Daily SOFR.

"Resolution" means Resolution No. [•] adopted by the Airport Board on [•], 2026.

"Revenue Obligations" means Bonds and any other long-term Debt payable from or secured by a pledge of or lien on the Net Revenues or the Subordinate Revenues.

"*Revenue Fund*" means the fund originally designated the "Spokane County Airport Operations and Maintenance Fund" heretofore created, and held and maintained by the Treasurer, into which all Revenues shall be deposited.

"*Revenues*" means, except to the extent specifically excluded from this definition, all income, receipts, earnings and revenues received by or accrued to the Airport Board and/or the County from the operation and ownership of the Airport System for a given period, including, but not limited to, (a) rates, tolls, fees, rentals, charges and other payments made to or owed to the Airport Board or any successor thereto for the use or availability of the Airport System, (b)

amounts received or owed from the sale or provision of supplies, materials, goods and services provided by or made available by the Airport Board, including rental or business interruption insurance proceeds, received by, held by, accrued to or entitled to be received by or on behalf of the Airport Board or any successor thereto from the possession, management, charge, superintendence and control of the Airport System and its related facilities or activities and undertakings related thereto or from any other facilities wherever located with respect to which the Airport Board receives or is entitled to payments that are attributable to the Airport System or activities or undertakings related thereto, and (c) Other Pledged Revenues. Additionally, "Revenues" shall also include all income, receipts, and earnings from the investment of amounts held in the Revenue Fund, any account in the Debt Service Fund (as defined in the Bond Resolution) (except Capitalized Interest (as defined in the Bond Resolution) on deposit therein), the Common Debt Service Reserve Fund (as defined in the Bond Resolution), and any Series Debt Service Reserve Fund (as defined in the Bond Resolution); and such additional revenues, if any, as are designated as "Revenues" under the terms of any Supplemental Resolution. Revenues may be further adjusted as may be necessary to more fairly reflect the Airport System's annual operating performance (e.g. to omit non-cash items).

The following, including any investment earnings thereon, are specifically excluded from Revenues: (i) any amounts received by the Airport Board, the County or the City not derived from the Airport System, (ii) Net Insurance/Condemnation Proceeds and other insurance proceeds, to the extent the use of such Net Insurance/Condemnation Proceeds or other proceeds is restricted by the terms under which they are paid to a use inconsistent with the payment of debt service on the Bonds (except to the extent Net Insurance/Condemnation Proceeds are utilized to pay O&M Expenses of the Airport System), (iii) Special Facility Revenue (as defined in the Bond Resolution) (to the extent there is no excess Special Facility Revenue as described in the Bond Resolution), (iv) PFCs (including Pledged PFCs and PFCs Available for Debt Service), and (v) the proceeds of the sale of Bonds or other obligations issued for Airport System purposes.

Additionally, the following, including any investment earnings thereon, are specifically excluded from "Revenues," unless designated as and included in Other Pledged Revenues: (A) any Swap Termination Payments (as defined in the Bond Resolution) paid by a Qualified Swap Provider (as defined in the Bond Resolution) pursuant to a Qualified Swap (as defined in the Bond Resolution), (B) subject to clause (H) in this paragraph, grants and other charges authorized on or after the date of the Bond Resolution by federal and/or State laws or regulations to be assessed to fund specific programs at the Airport System, (C) investment income derived from any money or securities that may be placed in escrow or trust to defease Bonds, (D) any arbitrage earnings which are required to be paid to the U.S. Government pursuant to Section 148 of the Code, (E) Capitalized Interest, (F) CFCs, (G) Federal Direct Payments (as defined in the Bond Resolution), (H) gifts, grants, or reimbursements received for the Airport System's benefit, and (I) any income (including any investment earnings thereon) otherwise included in this definition of "Revenues" which is restricted by its terms to purposes inconsistent with the payment of debt service on the Bonds.

Further, interest earnings or other investment earnings on any Project Fund (as defined in the Bond Resolution) established by any Supplemental Resolution are specifically excluded from "Revenues," unless otherwise provided for in a Supplemental Resolution.

"Revolving Commitment" means the Bank's obligation to make Revolving Loans to the Airport Board pursuant to Section 2.01 hereof. The Revolving Commitment on the Closing Date shall be $[•].

"Revolving Loan" has the meaning specified in Section 2.01 hereof.

"Revolving Loan Notice" means a notice of (a) a Borrowing, or (b) a conversion of Revolving Loans from one Type to the other, pursuant to Section 2.02(a) hereof, which, if in writing, shall be substantially in the form of Exhibit A or such other form as may be approved by the Bank (including any form on an electronic platform or electronic transmission system as be approved the Bank), appropriately completed and signed by an Airport Board Representative.

"S&P" means S&P Global Ratings, a division of Standard & Poor's Financial Services LLC, and any successor rating agency.

"Sanction(s)" means any international economic sanction administered or enforced by the United States Government (including, without limitation, OFAC), the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority.

"*Scheduled Unavailability Date*" has the meaning set forth in Section 3.04(c) hereof.

"SOFR" means, for any determination date, the Secured Overnight Financing Rate published on such determination date by the SOFR Administrator on the Federal Reserve Bank of New York's website (or any successor source); *provided however* that if such determination date is not a U.S. Government Securities Business Day, then SOFR means such rate that applied on the first U.S. Government Securities Business Day immediately prior thereto.

"SOFR Administrator" means the Federal Reserve Bank of New York, as the administrator of SOFR, or any successor administrator of SOFR designated by the Federal Reserve Bank of New York or other person acting as the SOFR Administrator at such time.

"SOFR Rate Revolving Loan" means a Revolving Loan that bears interest at a Taxable SOFR Rate or a Tax-Exempt SOFR Rate, as applicable.

"*SOFR Scheduled Unavailability Date*" has the meaning set forth in Section 3.04(b) hereof.

"*SOFR Successor Rate*" has the meaning set forth in Section 3.04(b) hereof.

"State" means the State of Washington.

"Subordinate Revenues" means the Revenues remaining after the County and the Airport Board have applied Revenues to the purposes described in (i) clauses (a), (b) and (c), inclusive, of Section 7.03 of the Bond Resolution, as such clauses and Section 7.03(b) exist on the Closing Date, and (ii) clauses (a) and (b) of Section 6.1 of the Interlocal Agreement, as such clauses and Section 6.1 exist on the Closing Date.

"*Successor Rate*" has the meaning set forth in Section 3.04(c) hereof.

"Supplemental Resolution" has the meaning set forth in the Bond Resolution.

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "*Master Agreement*"), including any such obligations or liabilities under any Master Agreement.

"Taxable Alternate Base Rate" means a floating interest rate per annum that is equal to the sum of (a) the Alternate Base Rate from time to time in effect *plus* (b) the Taxable Applicable Spread; *provided, however,* that immediately and upon the occurrence of an Event of Default (and without any notice given with respect thereto) and during the continuation of such Event of Default, "Taxable Alternate Base Rate" shall mean the Default Rate.

"Taxable Alternate Base Rate Revolving Loan" means any Revolving Loan bearing interest at the Taxable Alternate Base Rate.

"Taxable Applicable Spread" has the meaning set forth in the Fee Agreement.

"Taxable Date" means the date on which interest on any Tax-Exempt Revolving Loan, is first includable in gross income of any recipient thereof (including the Bank) as a result of an Event of Taxability as such a date is established pursuant to a Determination of Taxability.

"Taxable Note" means the Taxable Note dated the Closing Date, issued by the Airport Board in favor of the Bank evidencing the outstanding Taxable Revolving Loans made by the Bank and substantially in the form of Exhibit B-2 hereto.

"Taxable Period" has meaning specified in Section 2.13 hereof.

"Taxable Rate" means, with respect to a Taxable Period, the product of (i) the interest rate on the Tax-Exempt Revolving Loan for each day during such period and (ii) the applicable Taxable Rate Factor.

"Taxable Rate Factor" means for each day that the Taxable Rate is determined, the quotient of (i) one *divided by* (ii) one minus the Maximum Federal Corporate Tax Rate in effect as of such day, rounded upward to the second decimal place.

"Taxable Revolving Loan" means any Revolving Loan bearing interest at the Taxable SOFR Rate or the Taxable Alternate Base Rate.

"*Taxable Revolving Obligation*" means a Taxable Revolving Loan or any other Revolving Obligation the interest on which is included in the gross income of the holder of such Revolving Obligation for federal income tax purposes.

"Taxable SOFR Rate" means an interest rate per annum that is equal to the sum of (a) the product of (i) Daily SOFR and the (ii) the Applicable Factor and (b) the Taxable Applicable Spread; *provided, however,* that immediately and upon the occurrence of an Event of Default (and without any notice given with respect thereto) and during the continuation of such Event of Default, "Taxable SOFR Rate" shall mean the Default Rate.

"Taxable SOFR Revolving Loan" means any Revolving Loan bearing interest at the Taxable SOFR Rate.

"Tax-Exempt Alternate Base Rate" means a floating interest rate per annum that is equal to the sum of (a) Alternate Base Rate from time to time in effect plus (b) the Tax-Exempt Applicable Spread; *provided, however,* that immediately and upon the occurrence of an Event of Default (and without any notice given with respect thereto) and during the continuation of such Event of Default, "Tax-Exempt Alternate Base Rate" shall mean the Default Rate.

"Tax-Exempt Alternate Base Rate Revolving Loan" means any Revolving Loan bearing interest at the Tax-Exempt Alternate Base Rate.

"Tax-Exempt Applicable Spread" has the meaning set forth in the Fee Agreement.

"Tax-Exempt SOFR Revolving Loan" means any Revolving Loan bearing interest at the Tax-Exempt SOFR Rate or the Tax-Exempt Alternate Base Rate.

"Tax-Exempt SOFR Rate" means, an interest rate per annum that is equal to the sum of (a) the product of (i) Daily SOFR and the (ii) the Applicable Factor and (b) the Tax-Exempt Applicable Spread; *provided, however,* that immediately and upon the occurrence of an Event of Default (and without any notice given with respect thereto) and during the continuation of such Event of Default, "Tax-Exempt SOFR Rate" shall mean the Default Rate.

"Tax-Exempt Note" means the Tax-Exempt Note dated the Closing Date, issued by the Airport Board in favor of the Bank evidencing the outstanding Tax-Exempt Revolving Loans made by the Bank and substantially in the form of Exhibit B-1 hereto.

"Tax-Exempt Revolving Loan" means any Revolving Loan bearing interest at the Tax-Exempt SOFR Rate or the Tax-Exempt Alternate Base Rate.

"Taxes" has the meaning set forth in Section 3.01 hereof.

"Total Outstandings" means the aggregate Outstanding Amount of all Revolving Loans.

"Transactions" means the execution, delivery and performance by the Airport Board of this Agreement and the other Related Documents, the borrowing of Loans and other credit extensions, and the use of the proceeds thereof.

"*Treasurer*" means the Spokane County Treasurer or such officer's successor in functions, if any.

"Type" means, with respect to a Revolving Loan, its character as a SOFR Rate Revolving Loan or an Alternate Base Rate Revolving Loan.

"United States" and *"U.S."* mean the United States of America.

"United States Bankruptcy Code" means Title 11 U.S.C., Section 101 et seq., as amended and supplemented from time to time, or any successor federal act.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) any day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"Written" or *"in writing"* means any form of written communication or a communication by means of telex, telecopier device or electronic mail.

Section 1.02. Other Interpretive Provisions. With reference to this Agreement, the Fee Agreement, the Notes, the Airport Bond Agreement and the Bond Resolution, unless otherwise specified herein or in the Notes, the Fee Agreement, the Interlocal Agreement, the Airport Bond Agreement or the Bond Resolution:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in the Fee Agreement, the Notes, the Interlocal Agreement, the Airport Bond Agreement or the Bond Resolution), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "hereto," "herein," "hereof" and "hereunder," and words of similar import when used in this Agreement, the Fee Agreement, the Notes, the Interlocal Agreement, the Airport Bond

Agreement or the Bond Resolution, shall be construed to refer to such document in its entirety and not to any particular provision thereof, (iv) all references in this Agreement, the Fee Agreement, the Notes, the Interlocal Agreement, the Airport Bond Agreement or the Bond Resolution to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, the Fee Agreement, the Notes, the Airport Bond Agreement or the Bond Resolution in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have the meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding"; and the word "through" means "to and including."

(c) Section headings herein and in the Fee Agreement, the Notes, the Interlocal Agreement, the Airport Bond Agreement and the Bond Resolution are included for convenience of reference only and shall not affect the interpretation of this Agreement, the Fee Agreement, the Notes, the Airport Bond Agreement and the Bond Resolution.

Section 1.03. Accounting Terms.

(a) *Generally*. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein.

(b) *Changes in GAAP*. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Related Document, and either the Airport Board or the Bank shall so request, the Bank and the Airport Board shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP; *provided* that, until so amended, (A) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (B) the Airport Board shall provide to the Bank financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

Section 1.04. Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern Time (daylight or standard, as applicable).

Section 1.05. Interest Rates; SOFR Notification. The Bank does not warrant, nor accept responsibility, nor shall the Bank have any liability with respect to the administration, submission or any other matter related to the rates in the definition of "SOFR" or with respect to any rate (including, for the avoidance of doubt, the selection of such rate and any related spread or other adjustment) that is an alternative or replacement for or successor to any such rates (including, without limitation, any Successor Rate) or the effect of any of the foregoing, or of any Conforming Changes.

ARTICLE 2

THE REVOLVING COMMITMENT

Section 2.01. Revolving Loans. Subject to the terms and conditions set forth herein, the Bank agrees to make loans (individually, a *"Revolving Loan"* and collectively, the *"Revolving Loans"*) to the Airport Board from time to time, on any Business Day during the Availability Period, in an aggregate amount not to exceed at any time the Available Commitment; *provided, however,* that after giving effect to any Borrowing, the Total Outstandings shall not exceed the Revolving Commitment, subject to any reductions thereof pursuant to the terms hereof. The proceeds of the Revolving Loans shall be used solely to pay (i) Costs of the Project, (ii) costs in connection with this Agreement, and (iii) for any other financing needs of the Airport Board permitted under the Act, the Interlocal Agreement and the Airport Bond Agreement, all in accordance with and as permitted by the terms and conditions of the Act, the Interlocal Agreement and the Airport Bond Agreement. Subject to the other terms and conditions hereof, the Airport Board may borrow under this Section 2.01, prepay under Section 2.03 hereof, and reborrow under this Section 2.01. The Airport Board may elect that any Revolving Loan be either a Tax-Exempt Revolving Loan pursuant to the Revolving Commitment or a Taxable Revolving Loan pursuant to the Revolving Commitment. A Tax-Exempt Revolving Loan will bear interest at the Tax-Exempt SOFR Rate or the Tax-Exempt Alternate Base Rate, as applicable. A Taxable Revolving Loan will bear interest at the Taxable SOFR Rate or the Taxable Alternate Base Rate, as applicable. In the event the Bank shall specify an alternate rate index as set forth herein with respect to a Tax-Exempt Revolving Loan, the Airport Board shall use its best efforts to provide an Approving Opinion. If the Airport Board shall be unable to do so, the applicable rate on such Tax-Exempt Revolving Loan shall convert to a Taxable SOFR Rate or a Taxable Alternate Base Rate, as applicable, as of the effective date of such alternate rate index.

Section 2.02. Borrowings, Conversions and Continuations of Revolving Loans. (a) Each Borrowing and each conversion of Revolving Loans from one Type to the other shall be made upon the Airport Board's irrevocable notice to the Bank, which may be given by a Revolving Loan Notice. Each such notice must be received by the Bank not later than 11:00 a.m., New York City time (i) three (3) Business Days prior to the requested date of any Borrowing of or conversion to SOFR Rate Revolving Loans, or of any conversion of SOFR Rate Revolving Loans to Alternate Base Rate Revolving Loans, and (ii) on the requested date of any Borrowing of Alternate Base Rate Revolving Loans. Each Borrowing of or conversion to SOFR Rate Revolving Loans shall be, unless otherwise agreed by the Bank, in a principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof. Each Borrowing of or conversion to Alternate Base Rate Revolving

Loans shall be in a principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof. Each Revolving Loan Notice (whether telephonic or written) shall specify (i) whether the Airport Board is requesting a Borrowing or a conversion of Revolving Loans from one Type to the other, (ii) the requested date of the Borrowing or conversion, as the case may be (which shall be a Business Day), (iii) the principal amount of Revolving Loans to be borrowed or converted, (iv) the Type of Revolving Loans to be borrowed or to which existing Revolving Loans are to be converted, (v) whether the interest rate will be the Tax-Exempt SOFR Rate, the Tax-Exempt Alternate Base Rate, the Taxable SOFR Rate or the Taxable Alternate Base Rate and, if such Borrowing is for a Tax-Exempt Revolving Loan, shall be accompanied by an Approving Opinion, and (vi) whether such Revolving Loan shall be designated as an AMT Revolving Obligation, a Non-AMT Revolving Obligation or a Taxable Revolving Obligation. If the Airport Board fails to specify a Type of Revolving Loan in a Revolving Loan Notice, or to specify the interest rate applicable to such Revolving Loan in a Revolving Loan Notice or to give a timely notice requesting a conversion of such Revolving Loan, then the applicable Revolving Loan will be deem to be or converted to, a SOFR Rate Revolving Loan, and all such Revolving Loans will bear interest at the Tax-Exempt SOFR Rate, other than Revolving Loans previously bearing interest at a Taxable SOFR Rate or Taxable Alternate Base Rate or a new Revolving Loan for which the Revolving Loan Notice does not specify a Tax-Exempt SOFR Rate or Tax-Exempt Alternate Base Rate. Any such conversion of a SOFR Rate Revolving Loan shall be effective immediately.

Unless otherwise directed in writing by the Airport Board pursuant to a Revolving Loan Notice, each Revolving Loan shall continue as the same Type and interest rate as originally specified for such Loan by the Airport Board at the time of the original Borrowing or conversion. No notice shall be required to be given by the Airport Board to the Bank with respect to a continuation.

(b) Following receipt of a Revolving Loan Notice, upon satisfaction of the applicable conditions set forth in Section 4.02 hereof, the Bank shall make the requested funds available to the Airport Board either by wire transfer of such funds, in each case in accordance with instructions provided (and reasonably acceptable to) the Bank by the Airport Board.

(c) Except as otherwise provided herein, a SOFR Rate Revolving Loan may be continued or converted on any Business Day. During the existence of a Default, no Revolving Loans may be requested as, converted to or continued as SOFR Rate Revolving Loans without the consent of the Bank, and the Bank may demand that any or all of the then outstanding SOFR Rate Revolving Loans be converted immediately to Alternate Base Rate Revolving Loans.

Section 2.03. Prepayments.

(a) *Optional*. The Airport Board may, upon notice to the Bank pursuant to delivery to the Bank of a Notice of Loan Prepayment, at any time or from time to time voluntarily prepay Revolving Loans in whole or in part; *provided* that, unless otherwise agreed by the Bank (i) such notice must be received by Bank not later than 11:00 a.m. (A) three (3) Business Days prior to any date of prepayment of SOFR Rate Revolving Loans and (B) on the date of prepayment of Alternate Base Rate Revolving Loans, (ii) any prepayment of SOFR Rate Revolving Loans shall be in a principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof and (iii) any

prepayment of Alternate Base Rate Revolving Loans shall be in a principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof. Each such notice shall specify the date and amount of such prepayment, and the Type(s) of Loans to be prepaid. If such notice is given by the Airport Board, the Airport Board shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of principal shall be accompanied by all accrued interest on the amount prepaid.

Within the limits of Section 2.02 hereof, the Airport Board may borrow, repay pursuant to this Section 2.03 and reborrow under Section 2.02 hereof. Upon any prepayment of a Revolving Loan, the Available Commitment shall be reinstated as set forth in the definition thereof.

(b) *Mandatory*. If for any reason the Total Outstandings at any time exceed the Revolving Commitment at such time, the Airport Board shall immediately prepay Revolving Loans (together with all accrued but unpaid interest thereon) such that the Total Outstandings does not exceed the Revolving Commitment. Within the parameters of the applications set forth above, prepayments pursuant to this Section 2.03(b) shall be applied first to Alternate Base Rate Revolving Loans and then to SOFR Rate Revolving Loans in direct order of maturities. All prepayments under this Section 2.03(b) shall be accompanied by interest on the principal amount prepaid through the date of prepayment.

Section 2.04. Termination or Permanent Reduction of Revolving Commitment .

(a) Unless previously terminated, the Revolving Commitment shall terminate on the Commitment Termination Date.

(b) The Airport Board may at any time terminate the Revolving Commitment prior to the scheduled Commitment Termination Date upon the Payment in Full of the Obligations (including the payment of any Termination/Reduction Fee under the Fee Agreement).

(c) The Airport Board may from time to time reduce the Revolving Commitment; provided that (i) each reduction of the Revolving Commitment shall be in an amount not less than $1,000,000 in principal amount and integral multiples of $100,000 in excess thereof and (ii) the Airport Board shall not terminate or reduce the Revolving Commitment if, after giving effect to any concurrent prepayment of the Revolving Loans, the Total Outstandings would exceed the Revolving Commitment.

(d) The Airport Board shall notify the Bank of any election to terminate or reduce the Revolving Commitment at least thirty (30) days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Each notice delivered by the Airport Board pursuant to this Section 2.04 shall be irrevocable; provided that a notice of termination or reduction of the Revolving Commitment delivered by the Airport Board may state that such notice is conditioned upon the effectiveness of other credit facilities or other refinancings, in which case such notice may be revoked by the Airport Board (by notice to the Bank on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Revolving Commitment shall be permanent and subject to payment of any Termination/Reduction Fee under the Fee Agreement.

Section 2.05. Repayment of Revolving Loans. The Airport Board shall repay to the Bank on the Commitment Termination Date the aggregate principal amount of Revolving Loans outstanding on such date.

Section 2.06. Interest and Default Rate.

(a) *Interest*. Subject to the provisions of subsection (b) below, (i) each SOFR Rate Revolving Loan shall bear interest on the outstanding principal amount thereof at a rate per annum equal to the Tax-Exempt SOFR Rate or the Taxable SOFR Rate, as applicable, and (ii) each Alternate Base Rate Revolving Loan shall bear interest on the outstanding principal amount thereof from the applicable Borrowing date or conversion date at a rate per annum equal to the Tax-Exempt Alternate Base Rate or the Taxable Alternate Base Rate, as applicable.

(b) *Default Rate*. (i) While any Event of Default exists, the Airport Board shall pay interest on all outstanding Obligations hereunder (including, without limitation, all Revolving Loans) at an interest rate per annum at all times equal to the Default Rate from time to time in effect.

(ii) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) *Interest Payments*. Interest on each Revolving Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

Section 2.07. Fees. The Airport Board shall pay to the Bank a Commitment Fee and all other amounts as required under the Fee Agreement. The terms and provisions of the Fee Agreement are incorporated herein by reference as if fully set forth herein. Any reference herein or in the Fee Agreement to fees and/or other amounts or obligations payable hereunder shall include, without limitation, all fees and other amounts or obligations (including without limitation fees and expenses) payable pursuant to the Fee Agreement, and any reference to this Agreement shall be deemed to include a reference to the Fee Agreement. The Fee Agreement and this Agreement shall be construed as one agreement between the Airport Board and the Bank and all obligations under the Fee Agreement shall be construed as obligations hereunder. All fees payable pursuant to this Agreement shall be deemed to be fully earned when due and non-refundable when paid.

Section 2.08. Computation of Interest and Fees. All computations of interest shall be made on the basis of a year of three hundred sixty (360) days and the actual number of days elapsed. Interest shall accrue on each Revolving Loan for the day on which such Revolving Loan is made or converted and during each subsequent day, and shall not accrue on a Revolving Loan, or any portion thereof, for the day on which such Revolving Loan or such portion is paid, *provided* that any Revolving Loan that is repaid on the same day on which it is made shall, subject to

Section 2.10(a) hereof, bear interest for one day. Each determination by the Bank of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

Section 2.09. Evidence of Debt. The Borrowings made by the Bank shall be evidenced by one or more accounts or records maintained by the Bank in the ordinary course of business. The accounts or records maintained by the Bank shall be conclusive absent manifest error of the amount of the Borrowings made by the Bank to the Airport Board and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Airport Board hereunder to pay any amount owing with respect to the Obligations. The Tax-Exempt Revolving Loans shall be evidenced by the Tax-Exempt Note to be issued on the Closing Date, initially registered in the name of, and payable to, the Bank and otherwise duly completed. The Taxable Revolving Loans shall be evidenced by the Taxable Note to be issued on the Closing Date, initially registered in the name of, and payable to, the Bank and otherwise duly completed. The Bank may attach schedules to the Notes and endorse thereon the date, amount and maturity of Revolving Loans and payments with respect thereto.

Section 2.10. Payments. All payments to be made by the Airport Board shall be made in Dollars and immediately available funds to the Bank at such wire instructions as provided by the Bank to the Airport Board in writing (or by such other means as agreed to by the Airport Board and the Bank) and without condition or deduction for any counterclaim, defense, recoupment or setoff. If any payment to be made by the Airport Board shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be. Payments will be made to the Bank at the Lending Office not later than 3:00 p.m. New York City time on the date specified herein. All payments received by the Bank after 3:00 p.m. New York City time shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue.

Section 2.11. Extension of Commitment Termination Date. At least one hundred twenty (120) days prior to the Commitment Termination Date, the Airport Board may make a request to the Bank, upon written notice, to extend the Commitment Termination Date. Not more than thirty (30) days from the date on which the Bank shall have received any such notice from the Airport Board pursuant to the preceding sentence, the Bank shall notify the Airport Board of the initial consent or denial of the Bank to such extension request, which consent shall be given at the sole and absolute discretion of the Bank. The consent of the Bank, if granted, shall be conditioned upon the preparation, execution and delivery of documentation in form and substance satisfactory to the Bank which shall include, but not be limited to, any and all approvals from the Airport Board. Failure of the Bank to respond to a request for extension of the Commitment Termination Date shall constitute a denial of such extension.]

Section 2.12. Highest Lawful Rate. Any interest payable pursuant to this Agreement, the Fee Agreement or the Notes shall not exceed the Highest Lawful Rate. In the event any interest required to be paid hereunder at any time exceeds the Highest Lawful Rate, the portion of such interest required to be paid on a current basis shall equal such Highest Lawful Rate; *provided, however,* that the differential between the amount of interest payable assuming no Highest Lawful Rate was then in effect and the amount paid on a current basis after giving effect to the Highest

Lawful Rate shall be carried forward and shall be payable on any subsequent date of calculation so as to result in a recovery of interest previously unrealized (because of the limitation dictated by such Highest Lawful Rate) at a rate of interest, and as part of the interest payable, that, after giving effect to the recovery of such excess and all other interest paid and accrued hereunder to the date of calculation, does not exceed such Highest Lawful Rate. Notwithstanding the foregoing, on the date on which no Obligation remains unpaid, to the extent permitted by law, the Airport Board shall pay to the Bank an amount equal to any accrued and unpaid excess interest.

Section 2.13. Taxability. (a) In the event a Determination of Taxability occurs, (i) the Airport Board hereby agrees to pay to the Bank or any Participant on demand therefor (A) an amount equal to the difference between (x) the amount of interest that would have been paid to the Bank or such Participant, as applicable, on any Tax-Exempt Revolving Loans during the period for which interest on such Tax-Exempt Revolving Loans is includable in the gross income of the Bank or such Participant, if such Tax-Exempt Revolving Loans had borne interest at the Taxable Rate, beginning on the Taxable Date (the *"Taxable Period"*), and (y) the amount of interest actually paid to the Bank or such Participant, as applicable, during the Taxable Period, and (B) any interest, penalties or charges owed by the Bank or the Participant, as applicable, as a result of interest on the Tax-Exempt Revolving Loans becoming includable in the gross income of the Bank or such Participant, as applicable, together with any and all reasonable attorneys' fees, court costs, or other out of pocket costs incurred by the Bank or such Participant, as applicable, in connection therewith and (ii) any Tax-Exempt Revolving Loans affected thereby shall automatically convert to Taxable Revolving Loans and (A) shall bear interest at the Taxable SOFR Rate (to the extent such Tax-Exempt Revolving Loan had previously born interest at the Tax-Exempt SOFR Rate) or (B) shall bear interest at the Taxable Alternate Base Rate (to the extent such Tax-Exempt Revolving Loan had previously born interest at the Tax-Exempt Alternate Base Rate).

(b) The obligations of the Airport Board under this Section 2.13 shall survive the termination of the Revolving Commitment and this Agreement.

Section 2.14. Security. Subject to the terms of the Interlocal Agreement, the Airport Bond Agreement and the Bond Resolution, all amounts owed by the Airport Board to the Bank under this Agreement, the Notes and the Fee Agreement are limited obligations of the Airport Board payable solely from Subordinate Revenues. The Airport Board hereby pledges to and grants a first Lien to the Bank, for the payment of all amounts owed by the Airport Board to the Bank under this Agreement, the Notes and the Fee Agreement, on: (a) the Subordinate Revenues, and (b) all Subordinate Revenues (and the earnings thereon) on deposit in the Revenue Fund. Such pledge and Lien shall be senior in payment priority to any other expenditure or obligation of the Airport Board other than the application of Revenues to the purposes described in (i) clauses (a), (b) and (c), inclusive, of Section 7.03 of the Bond Resolution, and (ii) clauses (a) and (b) of Section 6.1 of the Interlocal Agreement. [No filing, registration, recording or publication of this Agreement or any other instrument is required to establish the pledge provided for hereunder or to perfect, protect or maintain the Lien created thereby on the Subordinate Revenues to secure the payment of the

amounts due by the Airport Board under this Agreement, the Fee Agreement, the Notes and all other amounts owed to the Bank hereunder and under the Fee Agreement.]

ARTICLE 3

TAXES, YIELD PROTECTION AND ILLEGALITY

Section 3.01. Taxes. If any payments to the Bank under this Agreement or the Fee Agreement are made from outside the United States, the Airport Board will not deduct any foreign taxes from any payments it makes to the Bank. If any such taxes are imposed on any payments made by the Airport Board (including payments under this paragraph), the Airport Board will pay the taxes and will also pay to the Bank, at the time interest is paid, any additional amount which the Bank specifies as necessary to preserve the after-tax yield the Bank would have received if such taxes had not been imposed. As soon as practicable after any payment of taxes by the Airport Board to a Governmental Authority, as provided in this Section 3.01, the Airport Board will deliver to the Bank the original or a certificate copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return reporting such payment or other evidence of such payment reasonably satisfactory to the Bank. The Airport Board will confirm that it has paid the taxes by giving the Bank official tax receipts (or notarized copies) within thirty (30) days after the due date.

Section 3.02. Increased Costs. (a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, liquidity or similar requirement (including any compulsory loan requirement, insurance charge or other assessment) against assets of, deposits with or for the account of, or credit extended by, the Bank; or

(ii) impose on the Bank any other condition, cost or expense (other than Taxes) affecting this Agreement, the Revolving Commitment or Loans made by the Bank; or

(iii) subject the Bank to any Taxes (other than Taxes and Other Taxes (other than Excluded Taxes) covered in Section 3.01) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to the Bank of making, continuing, converting into or maintaining any Revolving Loan (or of maintaining its obligation to make any such Loan or to reduce the amount of any sum received or receivable by the Bank hereunder (whether of principal, interest or otherwise), then the Airport Board will pay to the Bank such additional amount or amounts as will compensate the Bank for such additional costs incurred or reduction suffered.

(b) If the Bank determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on the Bank's capital or

on the capital of the Bank's holding company as a consequence of this Agreement, the Revolving Commitment of or the Revolving Loans made by the Bank to a level below that which the Bank or the Bank's holding company could have achieved but for such Change in Law (taking into consideration the Bank's policies and the policies of the Bank's holding company with respect to capital adequacy and liquidity), then from time to time the Airport Board will pay to the Bank such additional amount or amounts as will compensate the Bank or the Bank's holding company for any such reduction suffered.

(c) A certificate of the Bank setting forth the amount or amounts necessary to compensate the Bank or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section 3.02 shall be delivered to the Airport Board and shall be conclusive absent manifest error. The Airport Board shall pay the Bank the amount shown as due on any such certificate within thirty (30) days after receipt thereof.

(d) Failure or delay on the part of the Bank to demand compensation pursuant to this Section 3.02 shall not constitute a waiver of the Bank's right to demand such compensation. Notwithstanding anything contained in this Section 3.02, the Airport Board shall have no liability to the Bank or the Bank's parent or holding company for any increased costs, increased capital or reduction in rate of return to the extent incurred by or imposed on the Bank or the Bank's parent or holding company more than one-hundred eighty (180) days prior to the date the above-described written demand is given to the Airport Board with respect thereto (the *"Cut-Off Date"*), except where such increased costs, increased capital or reduction in rate of return applies to the Bank or the Bank's parent or holding company retroactively to a date prior to the Cut-Off Date.

Section 3.03. Obligations Absolute. The Obligations of the Airport Board under this Agreement, the Fee Agreement and the Notes shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement and the Notes under all circumstances, including, without limitation, the following:

(a) any lack of validity or enforceability of this Agreement, the Fee Agreement, the Notes or any of the other Related Documents;

(b) any amendment or waiver of or any consent to departure from all or any of the Related Documents;

(c) the existence of any claim, set off, defense or other right which the Airport Board may have at any time against the Bank or any Participant, or any other Person, whether in connection with this Agreement, the Fee Agreement, the Notes, the other Related Documents, the transactions contemplated herein or therein or any unrelated transaction;

(d) any statement or any other document presented under Loan Notification proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect;

(e) any other circumstances or happening whatsoever, whether or not similar to any of the foregoing.

Section 3.04. Alternate Rate of Interest; Illegality. (a) If in connection with any request for a Revolving Loan (i) the Bank determines (which determination shall be conclusive absent manifest error) that (A) no Successor Rate for the Relevant Rate has been determined in accordance with Section 3.04(b) or Section 3.04(c) hereof and the circumstances under clause (i) of Section 3.04(b) or under clause (i) of Section 3.04(c) hereof or the Scheduled Unavailability Date, or the SOFR Scheduled Unavailability Date, has occurred with respect to such Relevant Rate (as applicable) or (B) adequate and reasonable means do not otherwise exist for determining the Relevant Rate with respect to a proposed Revolving Loan or (ii) the Bank determines that for any reason that the Relevant Rate with respect to a proposed Revolving Loan does not adequately and fairly reflect the cost to the Bank of funding such Revolving Loan, the Bank will promptly so notify the Airport Board. Thereafter the obligation of the Bank to make or maintain Loans shall be suspended in each case. Upon receipt of such notice, (i) the Airport Board may revoke any pending request for a Revolving Loan or, failing that, will be deemed to have converted such request into a request for a Revolving Loan at the applicable Base Rate in the amount specified therein, and (ii) any outstanding Revolving Loan shall be deemed to have been converted to a Revolving Loan that bear interest with reference to the applicable Base Rate immediately.

(b) *Replacement of SOFR or SOFR Successor Rate*. Notwithstanding anything to the contrary in this Agreement, if the Bank determines (which determination shall be conclusive absent manifest error), or the Airport Board notifies the Bank that the Airport Board has determined, that:

(i) adequate and reasonable means do not exist for ascertaining SOFR because SOFR is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) the Applicable Authority has made a public statement identifying a specific date after which SOFR shall or will no longer be representative or made available, or permitted to be used for determining the interest rate of bilateral loans denominated in Dollars, or shall or will otherwise cease, provided that, at the time of such statement, there is no successor administrator that is satisfactory to the Bank, that will continue to provide SOFR on a representative basis (the date on which SOFR is no longer representative or available permanently or indefinitely, the *"SOFR Scheduled Unavailability Date"*);

or if the events or circumstances of the type described in Section 3.04(c)(i) or (ii) have occurred with respect to the SOFR Successor Rate then in effect, then, the Bank and the Airport Board may amend this Agreement solely for the purpose of replacing SOFR or any then current SOFR Successor Rate in accordance with this Section 3.04 with an alternative benchmark rate giving due consideration to any evolving or then existing convention for similar bilateral credit facilities in the U.S. and denominated in Dollars for such alternative benchmarks, and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar bilateral credit facilities in the U.S. and denominated in Dollars for such benchmarks (any such proposed rate, including for the avoidance

of doubt, any adjustment thereto, a *"SOFR Successor Rate"*), and any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Bank shall have posted such proposed amendment to the Airport Board.

(c) *Replacement of Relevant Rate or Successor Rate*. Notwithstanding anything to the contrary in this Agreement, if the Bank determines (which determination shall be conclusive absent manifest error), or the Airport Board notifies the Bank that the Airport Board has determined that:

(i) adequate and reasonable means to not exist for ascertaining the Relevant Rate (other than SOFR) because none of the tenors of such Relevant Rate (other than SOFR) under this Agreement is available or published on a current basis, and such circumstances are unlikely to be temporary; or

(ii) the Applicable Authority has made a public statement identifying a specific date after which all tenors of the Relevant Rate (other than SOFR) under this Agreement shall or will no longer be representative or made available, or permitted to be used for determining the interest rate of syndicated loans denominated in such, or shall or will otherwise cease, provided that, in each case, at the time of such statement, there is no successor administrator that is satisfactory to the Bank that will continue to provide such representative tenor(s) of the Relevant Rate (other than SOFR) for such (the latest date on which all tenors of the Relevant Rate under this Agreement are no longer representative or available permanently or indefinitely, the "*Scheduled Unavailability Date*";

or if the events or circumstances of the type described in Section 3.04(b)(i) or (ii) have occurred with respect to the Successor Rate then in effect, then, the Bank and the Airport Board may amend this Agreement solely for the purpose of replacing the Relevant Rate or any then current Successor Rate in accordance with this Section 3.04 with an alternative benchmark rate giving due consideration to any evolving or then existing convention for similar credit facilities in the U.S. for such alternative benchmarks, and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar credit facilities loaned in the U.S. for such benchmarks (and any such proposed rate, including for the avoidance of doubt, any adjustment thereto, a *"Non-SOFR Successor Rate"*, and collectively with the SOFR Successor Rate, each a *"Successor Rate"*), and any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Bank shall have posted such proposed amendment to the Airport Board.

(d) *Successor Rate*. The Bank will promptly (in one or more notices) notify the Airport Board of the implementation of any Successor Rate.

Any Successor Rate shall be applied in a manner consistent with market practice; *provided* that to the extent such market practice is not administratively feasible for the Bank, such Successor Rate shall be applied in a manner as otherwise reasonably determined by the Bank.

Notwithstanding anything else herein, if at any time any Successor Rate as so determined would otherwise be less than 0.00%, the Successor Rate will be deemed to be 0.00% for the purposes of this Agreement.

In connection with the implementation of a Successor Rate, the Bank will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement; *provided* that, with respect to any such amendment effected, the Bank shall provide each such amendment implementing such Conforming Changes to the Airport Board reasonably promptly after such amendment becomes effective.

(e) *Favorable Opinion of Bond Counsel*. If the Revolving Loans that bear interest with reference to Daily SOFR are then outstanding are Tax-Exempt Revolving Loans, the Airport Board shall cause an opinion of Bond Counsel to be delivered each time a new Relevant Rate is determined for calculation of the interest rate with respect to such Tax-Exempt Loans under the Tax-Exempt Note that bear interest with reference to Daily SOFR (or any tax-exempt Relevant Rate) to the effect that such Relevant Rate will not adversely affect the exclusion of interest on any Tax-Exempt Revolving Loan from gross income of the Bank or any Participant for purposes of federal income taxation (subject to the inclusion of any exceptions required to be contained in such opinion by Bond Counsel).

Section 3.05. Survival. All of the Airport Board's obligations under this Article 3 shall survive termination of the Revolving Commitment and repayment of all other Obligations hereunder.

ARTICLE 4

CONDITIONS PRECEDENT TO BORROWINGS

Section 4.01. Conditions Precedent; Enforceability. This Agreement shall become binding on the parties hereto upon the satisfaction of the following conditions precedent (all Related Documents and other documents to be delivered to the Bank pursuant to this Section 4.01 shall be subject to prior approval as to form and substance by the Bank, with delivery by the Bank of its signature page to this Agreement evidencing such Person's acknowledgement that the conditions set forth in this Section 4.01 have been satisfied, unless otherwise waived in writing):

(a) The Bank's receipt of the following, each of shall be originals or telecopies (followed promptly by originals) unless otherwise specified, each properly executed by an Airport Board Representative, each dated the Closing Date (or, in the case of certificates

of governmental officials, a recent date before the Closing Date) and each in form and substance satisfactory to the Bank:

(i) executed original counterparts of this Agreement, the Fee Agreement, the original Notes and certified copies of all of the other Related Documents;

(ii) the Bank shall have received the following opinions, dated the Closing Date and addressed to the Bank or on which the Bank is otherwise expressly authorized to rely;

(A) from Bond Counsel to the Airport Board, opinions as to the due authorization, execution, delivery and enforceability of this Agreement, the Fee Agreement, the Notes and the other Related Documents to which the Airport Board is a party, and such other customary matters as the Bank may reasonably request;

(B) from Bond Counsel to the Airport Board, opinions to the effect that the pledge of Subordinate Revenues constitutes a valid pledge and such other customary matters as the Bank may reasonable request; and

(C) from the General Counsel to the Airport Board as to the adoption of the Resolution, the execution and delivery of this Agreement, the Fee Agreement and the Notes and such other customary matters as the Bank may reasonable request;

(iii) a certificate signed by an Airport Board Representative certifying that:

(1) the representations and warranties contained in Article 5 of this Agreement are true and correct on and as of the Closing Date;

(2) no petition by or against the Airport Board has at any time been filed under the United States Bankruptcy Code or under any similar act;

(3) all conditions precedent to the execution and delivery of this Agreement, the Fee Agreement, the Notes and the other Related Documents to which it is a party to have been satisfied and the Airport Board has duly executed and delivered this Agreement, the Fee Agreement, the Notes and the other Related Documents to which it is a party;

(4) (x) no event that could reasonably be expected to have a Material Adverse Effect shall have occurred and (y) no material adverse change shall have occurred in the ability of the Airport Board to perform its obligations under the Related Documents to which it is a party, in each case

subsequent to the date of the most recent Annual Report (except as may otherwise have been disclosed in writing to the Bank prior to the Closing Date); and

(5) no Default or Event of Default has occurred and is continuing, or would result from, the execution and delivery of this Agreement, the Fee Agreement, the Notes or any other Related Document.

(iv) recent evidence that the unenhanced long-term rating assigned to the Bonds is at least "A2" by Moody's, and "A" by S&P;

(v) evidence of due authorization, execution and delivery by the Airport Board of the Related Documents to which it is a party, which Related Documents shall be in form and substance satisfactory to the Bank and its special counsel;

(vi) true and correct copies of all Governmental Approvals necessary for the Airport Board to enter into the this Agreement, the Fee Agreement and the Notes and the transactions contemplated by this Agreement;

(vii) a certificate of the Airport Board certifying the name, title, office and true signatures of the officers of the Airport Board authorized to sign this Agreement, the Fee Agreement and the Notes;

(viii) arrangements satisfactory to the Bank have been made for the payment of the fees and expenses and all other amounts (including the fees and expenses of Bank's counsel) payable pursuant to this Agreement and the Fee Agreement;

(ix) Evidence that all filings, recordings, re-filings and re-recordings shall have been made, notices given, all filing fees, taxes and expenses in connection therewith shall have been paid and all such action shall have been taken, which are necessary or advisable on the Closing Date to create a duly perfected security interest in the Subordinate Revenues in favor of, and other property pledged as security to this Agreement and for the benefit of the Bank; and

(x) certified copy of the Resolution; and

(xi) such other documents, certificates and opinions as the Bank or its counsel may reasonably request.

(b) No law, regulation, ruling or other action of the United States, the State of New York or the State of Washington or any political subdivision or authority therein or thereof shall be in effect or shall have occurred, the effect of which would be to prevent the Bank from fulfilling its obligations under this Agreement or the Notes.

(c) All legal requirements provided herein incident to the execution, delivery and performance of this Agreement, the Fee Agreement, the Notes and the other Related Documents, and the transactions contemplated hereby and thereby, shall have been complied with to the reasonable satisfaction of the Bank and the Bank's counsel.

Section 4.02. Conditions to All Borrowings. The obligation of the Bank to honor any Revolving Loan Notice with respect to a Borrowing or a conversion is subject to the following conditions precedent:

(a) The representations and warranties of the Airport Board contained in, or incorporated by reference into, Article 5 hereof, shall be true and correct on and as of the date of such Borrowing, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and except that for purposes of this Section 4.02, the representations and warranties contained in Section 5.12 hereof shall be deemed to refer to the most recent financial statements furnished pursuant to clause (a) of Section 6.01 hereof.

(b) No Default or Event of Default shall exist, or would result from such proposed Borrowing or from the application of the proceeds thereof.

(c) An opinion of Bond Counsel to the Airport Board to the effect that interest on the applicable Tax-Exempt Revolving Loan and the Tax-Exempt Note, when issued and/or incurred in accordance with this Agreement, and any continuations thereof, will be excludable from gross income for federal income tax purposes (subject to the inclusion of any exceptions required to be contained in such opinion by Bond Counsel, including, but not limited to, an exception with respect to interest payable to the Bank or any Participant on an AMT Revolving Obligation in the event the Bank or any Participant is a "substantial user" or "related party" within the meaning of Section 147(a) of the Code).

(d) The Bank shall have received a copy of the IRS Form 8038 or 8038-G, to be filed in connection with such Tax-Exempt Revolving Loan, in form and substance satisfactory to the Bank.

(e) The Bank shall have received a Revolving Loan Notice in accordance with the requirements hereof.

(f) After giving effect to any Revolving Loan, the aggregate principal amount of all Revolving Loans outstanding hereunder shall not exceed the Revolving Commitment.

(g) Such Borrowing shall not violate any order, judgment or decree of any court or authority of competent jurisdiction or any provision of law as then in effect.

(h) Neither the Airport Board nor the Bank shall have received notice (either verbal or written) from Bond Counsel that any opinion delivered pursuant to Section 4.01(a)(i)(D) hereof may no longer be relied upon.

(i) The Bank shall have received, in form and substance satisfactory to it, such other assurances, certificates, documents or consents related to the foregoing as the Bank reasonably may require.

Each Revolving Loan Notice submitted by the Airport Board shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied on and as of the date of the applicable Borrowing or conversion.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES

The Airport Board makes the following representations and warranties to the Bank:

Section 5.01. Organization and Powers. The Airport System is owned by the County and the City in equal undivided shares as tenants in common, which is managed and operated by the Airport Board. The Airport Board (a) is an agency created by the Interlocal Agreement under chapter 14.08 RCW; (b) has all powers and all material governmental licenses, authorizations, consents, and approvals required to carry on its business as now conducted and to operate the Airport System; and (c) has full legal right, power and authority to adopt, execute, deliver and perform its obligations, as applicable, under this Agreement, the Fee Agreement, the Notes and the other Related Documents to which it is a party and to borrow hereunder.

Section 5.02. Authorization; Contravention. The execution, delivery and performance by the Airport Board of this Agreement, the Fee Agreement, the Notes and the other Related Documents to which it is a party, and the making of the payments required hereby or thereunder, have been duly authorized by all necessary action by the Airport Board and do not contravene, or result in the violation of, or constitute a default under, any provision of Applicable Law or regulation, or any order, rule, or regulation of any Governmental Authority located in the United States or any agreement, resolution or instrument to which the Airport Board is a party or by which it or any of its property is bound.

Section 5.03. Governmental Consent or Approval. No authorization, consent, approval, permit, license, or exemption of, or filing or registration with, any court or Governmental Authority that has not been obtained or issued is or will be necessary for the valid adoption, execution, delivery or performance by the Airport Board of the Related Documents to which it is a party and, in particular, this Agreement, the Fee Agreement and the Notes.

Section 5.04. Valid and Binding Obligations. This Agreement, the Fee Agreement, the Notes and the other Related Documents are valid and binding obligations of the Airport Board, enforceable against the Airport Board in accordance with their respective terms, except as such enforceability may be limited by the Airport Board's bankruptcy, insolvency, reorganization, moratorium or other laws or equitable principles relating to or limiting creditors' rights generally.

Section 5.05. Pending Litigation and Other Proceedings. There is no pending action, proceeding or investigation before any Governmental Authority, against or directly involving the Airport Board or the Airport System, except as noted in *State of Washington Department of Ecology In the Matter of Remedial Action by: Airport Board City of Spokane/Spokane County Enforcement Order No. DE 22584 and State of Washington Department of Ecology In the Matter of Remedial Action by: City of Spokane/Spokane County Agreed Order No. DE 24355*, and to the best of the Airport Board's knowledge, there is no threatened action, proceeding or investigation affecting the Airport Board or the Airport System before any Governmental Authority which, in any case, may materially and adversely affect the financial condition or operations of the Airport Board or the Airport System or the validity or enforceability of any of this Agreement, the Fee Agreement, the Notes or the other Related Documents.

Section 5.06. No Conflict. The execution, delivery and performance by the Airport Board of this Agreement, the Fee Agreement, the Notes and the other Related Documents to which it is a party, the consummation of the transactions contemplated hereby and thereby, and the fulfillment of the terms and conditions hereof and thereof did not at any relevant time, does not now and will not violate any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on it, its organizational documents or the provisions of any indenture, instrument or agreement to which it is a party or is subject, or by which it or its property is bound, or conflict with or constitute a default under or result in the creation or imposition of any lien pursuant to the terms of any such indenture, instrument or agreement.

Section 5.07. Environmental Laws. Except as disclosed to the Bank in writing prior to the Closing Date, or as otherwise described in *State of Washington Department of Ecology In the Matter of Remedial Action by: Airport Board City of Spokane/Spokane County Enforcement Order No. DE 22584 and State of Washington Department of Ecology In the Matter of Remedial Action by: City of Spokane/Spokane County Agreed Order No. DE 24355*, to the best of the Airport Board's knowledge, the operations of the Airport Board related the Airport System are in material compliance with all of the requirements of applicable Environmental Laws and are not the subject of any governmental investigation evaluating whether any remedial action is needed to respond a release of any toxic or hazardous waste or substance into the environment, where a failure to comply with any such requirement or the need for any such remedial action could reasonably be expected to result in a Material Adverse Effect.

Section 5.08. No Default; Compliance. (a) No default by the Airport Board has occurred and is continuing in the payment of the principal of or premium, if any, or interest on any Debt issued by or on behalf of the Airport Board that are payable from and/or secured by a pledge of and Lien on the Revenues, the Net Revenues or the Subordinate Revenues. No bankruptcy, insolvency or other similar proceedings pertaining to the Airport Board or any agency or instrumentality of the Airport Board are pending or presently contemplated. No Default or Event of Default has occurred and is continuing hereunder. No "default" or "event of default" under, and as defined in any of the other Related Documents has occurred and is continuing. The Airport Board is not presently in default under any material agreement to which it is a party which could reasonably be expected to have a Material Adverse Effect. The Airport Board is not in violation of any material term of the charter applicable to the Airport Board or any material term of any

bond indenture or agreement to which it is a party or by which any of its property or assets is bound which could reasonably be expected to have a Material Adverse Effect.

(b) The current collection of Revenues and the management of the Airport System and the accounting and recordkeeping therefor are in material compliance with all applicable state and federal laws and all applicable resolutions, ordinances and rules of the Airport Board, the County and the City. The Airport Board is in material compliance with the terms and conditions of each of the Related Documents to which it is a party, and no breach of the terms hereof or thereof has occurred and is continuing. The Airport Board is in material compliance with all laws, ordinances, orders, writs, injunctions, decrees, rules and regulations applicable to it (including, without limitation, all applicable federal, state or local environmental, health and safety statutes and regulations, and the County's investment policy guidelines), except to the extent noncompliance could not reasonably be expected to have a Material Adverse Effect. The Airport Board has not received any notice of noncompliance from the Federal Equal Employment Opportunity Commission or the Federal Occupational Safety and Health Administration which could reasonably be expected to have a Material Adverse Effect.

Section 5.09. Sovereign Immunity. The defense of immunity on the grounds of sovereignty or otherwise is not available to the Airport Board in any proceeding by the Bank to enforce the Obligations or the performance of any obligations of the Airport Board under this Agreement, the Fee Agreement, the Notes or the other Related Documents to which it is a party.

Section 5.10. Security Interest in Collateral. Section 2.14 hereof creates for the Obligations, the legally valid, binding and irrevocable Lien on and pledge of the Subordinate Revenues and such other security as set forth herein. Such pledge and Lien shall be senior in payment priority to any other expenditure or obligation of the Airport Board other than the application of Revenues to the purposes described in (i) clauses (a), (b) and (c), inclusive, of Section 7.03 of the Bond Resolution, and (ii) clauses (a) and (b) of Section 6.1 of the Interlocal Agreement. [No filing, registration, recording or publication of this Agreement or any other instrument is required to establish the pledge provided for hereunder or to perfect, protect or maintain the Lien created thereby on the Subordinate Revenues to secure the payment of the amounts due by the Airport Board under this Agreement, the Fee Agreement, the Notes and all other amounts owed to the Bank hereunder and under the Fee Agreement.]

Section 5.11. Incorporation by Reference. The Airport Board hereby makes to the Bank the same representations and warranties as are set forth by it in each other Related Document to which it is a party, which representations and warranties, as well as the related defined terms contained therein, are hereby incorporated herein by reference for the benefit of the Bank with the same effect as if each and every such representation and warranty and defined term were set forth herein in its entirety and were made as of the date hereof. No amendment to such representations and warranties or defined terms made pursuant to any such Related Document shall be effective to amend such representations and warranties and defined terms as incorporated by reference herein without the prior written consent of the Bank.

Section 5.12. Accuracy of Information. All information, reports and other documents and data with respect to the Airport Board and the Airport System furnished to the Bank are complete

and correct in all material respects, to the extent necessary to give the Bank true and accurate knowledge of the subject matter. No fact is known to the Airport Board which may have a Material Adverse Effect which has not been set forth in the financial statements of the Airport Board or in such information, reports, papers and data or otherwise disclosed in writing to the Bank prior to the Closing Date. No document furnished or statement made by the Airport Board in connection with the negotiation, preparation or execution of this Agreement contains any untrue statement of a fact material to its creditworthiness or omits to state a material fact necessary in order to make the statements contained therein not misleading in any adverse respect. The Airport Board has delivered to the Bank a copy of the audited financial statements for the Airport Board for the Fiscal Year ended December 31, 2025. Such audited financial statements together with related notes, fairly present the financial position and results of operation of the Airport Board as of the date and for the periods therein set forth. All such financial statements have been prepared in accordance with GAAP. Except as otherwise disclosed in writing to the Bank, as of the Closing Date, there has been no material adverse change in the financial position, results of operations or projections of revenues of the Airport Board since December 31, 2025. The Airport Board has no material contingent liabilities or other material contracts or commitments payable from Revenues, the Net Revenues or the Subordinate Revenues which are not reflected in such financial statements previously delivered to the Bank or in the notes thereto or otherwise as disclosed to the Bank in writing.

Section 5.13. Reliance by the Bank and the Participants. All representations and warranties made herein to the Bank are made with the understanding that the Bank and the Participants are relying upon the accuracy of such representations and warranties. Notwithstanding that the Bank and the Participants may conduct their own investigation as to some or all of the matters covered by the representations and warranties in the Related Documents, and any certificates, information, opinions or documents delivered in connection therewith, the Bank and the Participants are entitled to rely on all representations and warranties as a material inducement to the Bank's extension of the credit evidenced hereby and by the Notes.

Section 5.14. No Proposed Legal Changes. There is no amendment or, to the knowledge of the Airport Board, proposed amendment certified for placement on a statewide ballot to the Constitution of the State or any published administrative interpretation of the Constitution of the State or any law of the State, or any legislation that has passed either house of the legislature of the State or the United States Congress, or any published judicial decision interpreting any of the foregoing, the effect of which could reasonably be expected to have a Material Adverse Effect with respect to its ability to repay when due its obligations under this Agreement and the other Related Documents.

Section 5.15. Tax Exempt Status. With respect to any Tax-Exempt Revolving Loans, the Airport Board agrees that it will not take any action or omit to take any action, which action, if taken or omitted, would cause interest on the such Tax-Exempt Revolving Loans to be subject to the Federal income taxes.

Section 5.16. Federal Reserve Board Regulations. The Airport Board will not use any part of the proceeds of the Revolving Loans and has not incurred any indebtedness to be reduced, retired or purchased by the Airport Board out of such proceeds, for the purpose of purchasing or

carrying any Margin Stock, and the Airport Board does not own and will not acquire any such Margin Stock.

Section 5.17. Investment Company Act. The Airport Board is not an "investment company" or a company "controlled" by an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended.

Section 5.18. Usury. There is no limitation under the laws of the State of Washington on the rate of interest payable by the Airport Board with respect to the Revolving Loans, the Notes or the Obligations or with respect to the Airport Board's obligations to the Bank hereunder or under the Fee Agreement.

Section 5.19. Swap Contracts. The Airport Board has not entered into any Swap Contract relating to a Debt of the Airport System wherein any termination payment thereunder is senior to the payment of the Revolving Loans or the other Obligations.

Section 5.20. Sanctions Concerns and Anti-Corruption Laws. (a) *Sanctions Concerns*. Neither the Airport Board, nor, to the knowledge of the Airport Board, any director or officer thereof, is an individual or entity that is, or is owned or controlled by any individual or entity that is (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a Designated Jurisdiction.

(b) *Anti-Corruption Laws*. The Airport Board has conducted its business in compliance with the United States Foreign Corrupt Practices Act of 1977, and have instituted and maintained policies and procedures designed to promote and achieve compliance with applicable anti-corruption laws

Section 5.21. No Existing Right to Accelerate. No Person, including, without limitation, any credit facility provider or liquidity provider, either of which provides credit enhancement or liquidity support to any Debt of the Airport Board related to the Airport System, or any holder of Debt of the Airport Board related to the Airport System, has a right under any resolution, indenture, or supplemental indenture relating to any such Debt of the Airport Board related to the Airport System or under any other document or agreement relating to any Debt of the Airport Board related to the Airport System, to cause an acceleration of such Debt, or to otherwise declare the principal of and interest on any such Debt to be immediately due and payable, prior to its maturity.

Section 5.22. No Public Vote or Referendum. To the best knowledge of the Airport Board, there is no public vote or referendum pending, proposed or concluded, the results of which could in any way have a Material Adverse Effect.

Section 5.23. Employee Benefit Plan Compliance. The Airport Board has no funding liability or obligation currently due and payable with respect to any employee benefit plan which could reasonably be expected to materially and adversely affect the ability of the Airport Board to perform its obligations hereunder or under any other Related Document. The Airport Board are

otherwise in compliance with the terms of any such plan in which the Airport Board participates to the extent any such failure to comply could reasonably be expected to materially and adversely affect the ability of the Airport Board to perform its obligations hereunder or under any other Related Document. Neither the Airport Board nor any employee benefit plan maintained by the Airport Board is subject to ERISA. The Airport Board is not subject to ERISA and maintains no Plans.

Section 5.24. Insurance. The Airport Board maintains such insurance on the Airport System as is customary in the industry or is required by the Related Documents and laws applicable to the Airport Board and the Airport System.

Section 5.25. Title to Properties. To the best knowledge of the Airport Board, the County and the City have good title to the properties and assets comprising the Airport System, except for any defects or liens that, in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

ARTICLE 6

COVENANTS

The Airport Board covenants and agrees, until the full and final payment and satisfaction of all of the Obligations, unless the Bank shall otherwise consent in writing, that:

Section 6.01. Reporting Requirements. The Airport Board shall keep proper books of record and account with respect to the Airport System in which full, true and correct entries will be made of all dealings or transactions of or in relation to the business and affairs of the Airport Board in accordance with GAAP consistently applied, and will furnish to the Bank each of the following:

(a) *Financial Statements.*

(i) *Annual Financial Statements.* As soon as available, and in any event no later than [September 30, 2027], the Annual Report for the Fiscal Year Ended December 31, 2026, which includes the complete Audited Financial Statements of the Airport Board, setting forth in each case in comparative form the corresponding figures for the Fiscal Year Ended December 31, 2025, all in reasonable detail, certified by an independent certified public accountant in accordance with Generally Accepted Accounting Principles, consistently applied and fairly presenting the financial condition of the Airport Board as of the end of Fiscal Year 2026.

(ii) *Auditor's Report on Internal Controls.* Simultaneously with the delivery of the financial statements for the Fiscal Year Ended December 31, 2026, an auditor's report on internal control over financial reporting.

(b) *Certificate of Compliance.* Simultaneously with the delivery of the financial statements referred to in Section 6.01(a)(i), a certificate signed by an Airport Board Representative (i) stating that, to the best of his or her knowledge, the Airport Board has kept, observed, performed and fulfilled each and every covenant, provision and condition of this Agreement on the Airport Board's part to be performed and is not in default in the performance or observance of any of the terms, covenants, provisions or conditions hereof, (ii) if the Airport Board shall be in default, specifying all such defaults, the nature and status thereof and any remedial steps taken or proposed to correct such default and (iii) certifying compliance with the rate covenant set forth in Section 6.08 hereof.

(c) *Offering Circulars.* Within ten (10) Business Days of the Airport Board's issuance of securities or the incurrence of Debt, (i) copies of any prospectus, official statement, offering circular, placement memorandum, or similar or corresponding document, and any supplements thereto and updates and amendments thereof not previously supplied to the Bank, that the Airport Board makes available in connection with the offering for sale of any securities secured by a pledge of Net Revenues or Subordinate Revenues, or, in the case of any ordinance, indenture, contract or agreement by the Airport Board involving the incurrence of any Debt on a parity with or senior to the Obligations hereunder, but not involving the offering for sale of any securities related thereto, a copy of such ordinance, indenture, contract or agreement incurring the related Debt, together with, in either case, (ii) a certificate of an Airport Board Representative stating that to the best of his or her knowledge the covenants set forth in the Interlocal Agreement, the Airport Bond Agreement and the Bond Resolution, as applicable, were complied with at the time such securities were issued or such Debt was incurred and otherwise providing the Bank with such additional assurance of compliance with the covenants, terms and other provisions of this Agreement, the Fee Agreement and the other Related Documents at the time such securities were issued or such Debt was incurred.

(d) *Reserved*.

(e) *Continuing Disclosure Documents.* Simultaneously with the filing thereof, all continuing disclosure documents filed by the Airport Board with respect to any Revenue Obligations in compliance with Securities and Exchange Commission rules codified at 17 C.F.R. Section 240.15c2-12 or notice that such filing is available through the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system.

(f) *Operational and Statistical Report*. As soon as available, a copy of the Airport System's monthly operational and statistical data substantially consistent with the format set forth on the Airport System's website as of the Closing Date, the delivery of which may be satisfied by the Airport Board posting such information on the Spokane International Airport website;

(g) *Other Information.* Such other information respecting the business, properties or the condition or operations, financial or otherwise, of the Airport Board and the Airport System as the Bank may from time to time reasonably request.

Section 6.02. Notices. The Airport Board shall provide to the Bank:

(a) *Notice of Default.* Promptly after the Airport Board has knowledge, notice by telephone, promptly confirmed in writing, of any event, action or failure to take any action which constitutes an (i) a Default or an Event of Default or (ii) an "Event of Default" under the Airport Bond Agreement, the Bond Resolution or any Related Document to which the Airport Board is a party.

(b) *Other Events.* Promptly after the Airport Board has knowledge, written notice of any event which is likely to have a Material Adverse Effect with respect to its ability to repay when due its obligations under this Agreement, the Fee Agreement, the Notes and the other Related Documents.

Section 6.03. Reserved.

Section 6.04. Access to Records. The Airport Board will permit any officers, employees, or agents of the Bank to visit and inspect any of the properties of the Airport Board with respect to the Airport System and to discuss matters reasonably pertinent to an evaluation of the credit of the Airport System, all at such reasonable times as the Bank may reasonably request and upon reasonable advance notice. All information received by or provided to the Bank pursuant to this Agreement, unless otherwise made public by the Airport Board, will be held as confidential information by the Bank.

Section 6.05. Limitation on Additional Debt. The Airport Board will not request the County to issue or incur additional Bonds or other Debt that is secured by and/or payable from Revenues or Net Revenues unless the conditions set forth in the Interlocal Agreement, the Airport Board Agreement and the Bond Resolution, as applicable, are satisfied.

Unless otherwise consent to in writing by the Bank, the Airport Board will not request the County to issue or incur any Subordinate Obligations or other Debt that is secured by and/or payable from Subordinate Revenues, unless such Subordinate Obligations or other Debt are intended to be issued and/or incurred to repay all Loans outstanding under this Agreement and this Agreement will terminate following such repayment.

Section 6.06. Proceeds of Revolving Loans. The proceeds of the Revolving Loans will be used by the Airport Board solely (i) to finance or refinance capital projects related to the Airport System, (ii) to pay costs in connection with this Agreement, and (iii) for any other financing needs of the Airport Board permitted under the Act, the Interlocal Agreement, the Airport Bond Agreement and the Bond Resolution.

Section 6.07. Amendment of Related Documents. The Airport Board will not affect any amendment to or modification of the Related Documents which adversely affects the Bank's interests, security, rights or remedies or adversely affects the ability of the Airport Board to perform its obligations under this Agreement without the prior written consent of the Bank.

Section 6.08. Rates. The Airport Board shall comply with all covenants requiring it to establish, maintain and enforce schedules of rates, fees and charges for the use of the Airport System and for services rendered in connection therewith, including, without limitation, the rate covenant set forth in Section 4(c) of the Airport Bond Agreement.

Section 6.09. Performance and Compliance with Other Covenants. The Airport Board shall fully and faithfully perform each of the covenants required of it, pursuant to the provisions of the Related Documents to which it is a party.

Section 6.10. Taxes and Liabilities. The Airport Board will pay all Debt of the Airport Board and the Airport System promptly and in accordance with the terms thereof and to pay and discharge promptly all taxes, assessments, and governmental charges or levies imposed upon it with respect to the Airport System, the Airport Board or the Airport System or the income and profits of the Airport Board, or upon any of the property, real, personal, or mixed, or upon any part thereof related to the Airport System, before the same shall become in default, except for those matters which are reasonably being contested in good faith by appropriate action or proceedings or for which the Airport Board has established adequate reserves in accordance with GAAP.

Section 6.11. Further Assurances. The Airport Board agrees that it will from time to time, at its expense, promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that the Bank may reasonably request, in order to (a) perfect and protect any lien, pledge, or security interest or other right or interest given, or purported to be given, to the Bank under or in connection with this Agreement or any other Related Document or (b) enable the Bank to exercise or enforce its rights or remedies under or in connection with this Agreement, the Notes and the other Related Documents.

Section 6.12. Ratings. The Airport Board covenants and agrees that it shall at all times maintain at least two unenhanced long-term ratings from any of Fitch, Kroll, Moody's or S&P on its Bonds. The Airport Board covenants and agrees that it shall not at any time cause to be withdrawn any long-term unenhanced rating on its Bonds from any of Fitch, Kroll, Moody's or S&P if the effect of such withdrawal would be to cure a Default or an Event of Default under this Agreement or effect any change or potential change in the interest rates or Commitment Fees.

Section 6.13. Maintenance of Franchises. The Airport Board will maintain all licenses and franchises, required by the State or any other Governmental Authority for operation of the Airport System, the loss which would have a Material Adverse Effect.

Section 6.14. Compliance with Rules and Regulations. The Airport Board shall comply, and cause the Airport System to comply, with all Applicable Laws, including, without limitation, Environmental Laws which, if not complied with, could reasonably be expected to result in a Material Adverse Effect. The Airport Board shall comply, and cause the Airport System to comply, with Anti-Corruption Laws and applicable Sanctions.

Section 6.15. Maintenance and Operation of the Airport *System*. The Airport Board covenants that it will at all times maintain the Airport System, or within the limits of its authority cause the same to be maintained, in good condition and working order and to operate the same in

an efficient and economical manner at a reasonable cost and in accordance with sound business principles. In operating and maintaining the Airport System and the Airport Board will comply with all contractual provisions and agreements entered into by it and with all rules, regulations, directions or orders of any governmental, administrative or judicial body promulgating same, noncompliance with which could reasonably be expected to result in a Material Adverse Effect.

Section 6.16. Insurance. The Airport Board will keep the Airport System insured with insurers of good standing against risks, accidents or casualties against which and to the extent customarily insured against by entities operating similar properties, to the extent that such insurance is available.

Section 6.17. Incorporation of Covenants by Reference. The Airport Board agrees that it will perform and comply with each and every covenant and agreement required to be performed or observed by it in the Related Documents (including, without limitation, Section 4 of the Airport Bond Agreement), which provisions, as well as related defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety all of which shall be deemed to be made for the benefit of the Bank and shall be enforceable by the Bank against the Airport Board, which covenants, agreements, definitions and provisions shall continue in effect with regard to the Bank without regard or giving effect to any amendment or modification of such provisions or any waiver of compliance therewith unless consented to in writing by the Bank.

Section 6.18. Accounting Methods and Fiscal Year. The Airport Board will notify the Bank of any change in the Airport Board's Fiscal Year.

Section 6.19. Sovereign Immunity. To the extent that the Airport Board has or hereafter may acquire under any Applicable Law any right to immunity from legal proceedings on the grounds of sovereignty or otherwise, the Airport Board hereby irrevocably waives, to the extent permitted by law, such rights to immunity for itself in respect of its obligations arising under or related to this Agreement, the Fee Agreement, the Notes or the other Related Documents to which it is a party.

Section 6.20. Application of Revolving Loan Proceeds. The Airport Board will not take or omit to take any action, which action or omission will in any way result in the proceeds from a Revolving Loan being applied in a manner other than as provided herein and in the Act, the Interlocal Agreement, the Airport Bond Agreement and the Bond Resolution. No proceeds of any Revolving Loans shall be used for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, except to the extent permitted for a Person required to comply with Sanctions, or in any manner that would result in the violation of any Sanctions applicable to any party hereto

Section 6.21. Disclosure to Participants, Bank Transferees and Non-Bank Transferees. The Airport Board shall permit the Bank to disclose the financial information received by it pursuant to this Agreement to each Participant of the Bank, subject to confidentiality restrictions and use restrictions customary for financial institutions.

Section 6.22. Other Agreements.

(a) *Most Favored Nations.* In the event that the Airport Board shall, directly or indirectly, enter into or otherwise consent to any Bank Agreement secured by or payable from Subordinate Revenues which provides different or more restrictive covenants, different or additional events of default and/or greater rights and remedies than are provided to the Bank in this Agreement, (including without limitation, a remedy of acceleration), the Airport Board shall provide the Bank with a copy of each such Bank Agreement and such different or more restrictive covenants, different or additional events of default and/or greater rights and remedies shall automatically be deemed to be incorporated into this Agreement and the Bank shall have the benefits of such different or more restrictive covenants, different or additional events of default and/or greater rights and remedies as if specifically set forth herein. The Airport Board shall promptly enter into an amendment to this Agreement to include different or more restrictive covenants, different or additional events of default and/or greater rights and remedies; *provided* that the Bank shall have and maintain the benefit of such different or more restrictive covenants, different or additional events of default and/or greater rights and remedies even if the Airport Board fails to provide such amendment.

(b) *Maintenance of Tax-Exempt Status.* The Airport Board shall not take any action or omit to take any action which, if taken or omitted, would adversely affect the tax exempt status of the Tax-Exempt Revolving Loans.

(c) *Federal Reserve Board Regulations.* The Airport Board shall not use any portion of the proceeds of a Revolving Loan for the purpose of carrying or purchasing any Margin Stock and shall not incur any Debt which is to be reduced, retired or purchased by the Airport Board out of such proceeds.

Section 6.23. No Intervening Lien. The Airport Board hereby covenants that it will not create any Lien on Subordinate Revenues senior to the Lien on Subordinate Revenues securing the Obligations.

Section 6.24. Swap Contracts. The Airport Board shall not enter into any Swap Contract secured by a lien on Revenues, Net Revenues or Subordinate Revenues without the prior written consent of the Bank.

Section 6.25. No Right to Accelerate. The Airport Board shall not permit any Person, including, without limitation, any lender or other credit facility provider or liquidity provider, with respect to any Subordinate Obligations, or any holder of any Debt, to have a right under any resolution, indenture, or supplemental indenture relating to any such any Debt, or under any other document or agreement relating to any Debt, to cause an acceleration of such any Debt, or to otherwise declare the principal of and interest on any such any Debt to be immediately due and payable, prior to its maturity, except in accordance with the terms of the Interlocal Agreement, the Airport Bond Agreement and the Bond Resolution.

Section 6.26. Sanctions. The Airport Board will not directly or indirectly, use any proceeds from the Revolving Loans, or lend, contribute or otherwise make available such proceeds to any

Person, to fund any activities of or business with any Person, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any Person of Sanctions.

Section 6.27. Anti-Corruption Laws. The Airport Board will not directly or indirectly, use any proceeds from the Revolving Loans for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, and other similar applicable anti-corruption legislation.

ARTICLE 7

DEFAULTS

Section 7.01. Events of Default. The occurrence of any of the following events (whatever the reason for such event and whether voluntary, involuntary, or effected by operation of Law) shall be an "Event of Default" hereunder, unless waived in writing by Bank:

(a) the Airport Board fails to pay, or cause to be paid, when due, any amount of principal of or interest on any Revolving Loan when due;

(b) the Airport Board shall fail to pay any Obligation (other than the obligation to pay the principal of or interest on any Revolving Loan) when due and such failure shall continue for three (3) Business Days;

(c) failure of the Airport Board to observe or perform any of the covenants or conditions contained in Section 6.01, 6.02, 6.05, 6.07, 6.08, 6.12, 6.19, 6.20, 6.22(c), 6.23, 6.24 or 6.25 hereof;

(d) failure of the Airport Board to observe or perform any of the covenants, conditions or provisions of this Agreement or the Notes (other than as specified in clauses (a), (b) or (c) above) and failure of the Airport Board to remedy such default within thirty (30) calendar days thereafter; *provided, however*, if such failure is capable of cure but cannot reasonably be cured within thirty (30) calendar days, the Airport Board shall be entitled to an additional thirty (30) calendar days to remedy such failure so long as corrective action is instituted by the Airport Board and is diligently pursued until such failure is corrected;

(e) any representation or warranty made by the Airport Board herein or in any certificate, financial or other statement furnished by the Airport Board to the Bank pursuant to this Agreement or the Related Documents shall prove to have been untrue or incomplete in any material adverse respect when made or deemed made;

(f) the Airport Board shall apply for or consent to the appointment of, or the taking of possession by, a receiver, trustee, liquidator or custodian or the like of itself or of a substantial part of the Airport System, admit in writing its inability, or be generally unable, to pay its debts as they become due, make a general assignment for the benefit of

creditors, or commence a voluntary case as a debtor under the federal bankruptcy laws of the United States of America or file a voluntary petition or answer seeking reorganization, an arrangement with creditors or an order for relief as a debtor or seeking to take advantage of any insolvency law or file an answer admitting the material allegations of a petition filed against it in any bankruptcy, reorganization or insolvency proceeding, or action shall be taken by it for the purpose of effecting any of the foregoing;

(g) a proceeding shall be instituted, without the application or consent of the Airport Board, in any court of competent jurisdiction under any law relating to bankruptcy, insolvency, reorganization, dissolution, winding up, liquidation, seeking a composition or arrangement with creditors, a readjustment of debts, the appointment of a trustee, receiver, liquidator or custodian or the like of the Airport Board or of all or any substantial part of the Airport System, or other like relief in respect thereof under any bankruptcy or insolvency law, and the same shall result in the entry of an order for relief or any such adjudication or appointment, or continue undismissed, or pending and unstayed for any period of thirty (30) consecutive calendar days;

(h) any material provision of this Agreement, the Fee Agreement, the Notes or any Related Document shall at any time for any reason cease to be the legal, valid and binding obligation of the Airport Board or shall cease to be in full force and effect, or shall be declared to be not valid or binding in accordance with the terms thereof, or the validity or enforceability thereof shall be contested by the Airport Board or any Governmental Authority, as the case may be, shall renounce the same or deny that it has any further liability hereunder or thereunder;

(i) the Airport Board shall (i) fail to make any payment or payments when due in connection with any Bonds (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), or under any Bank Agreements or derivative transaction related thereto with respect to the Airport System, and such failure shall continue after the applicable grace period, if any, specified therein, or (ii) fail to perform or observe any term, covenant or condition on its part to be performed or observed under any of the Interlocal Agreement or the Airport Board Agreement or under any Bank Agreements or derivative transaction related thereto with respect to the Airport System, as applicable (except as described in subclause (i) hereof), if, with respect to a failure described in (ii), the effect of such failure to perform or observe is to accelerate, or to permit the acceleration of the maturity of, or cause the mandatory redemption of, such Bonds or obligations under Bank Agreements or derivative transaction related thereto;

(j) one or more final judgments or orders for the payment of money which, individually or in the aggregate, equal or exceed $10,000,000 shall have been rendered against the Airport Board with respect to the Airport System and such judgment(s) or order(s) shall not have been satisfied, stayed, vacated, discharged or bonded pending appeal within a period of thirty (30) calendar days from the date on which it was first so rendered;

(k) an "event of default" shall have occurred under any Related Document;

(l) the powers of the Airport Board shall be limited in any way or a Related Document shall be modified or amended in any way without the prior written consent of the Bank, the result of which, in either case, is to prevent the Airport Board, as the case may be, from fixing, charging or collecting rates and charges for the use and services of the Airport System in an amount sufficient to pay indebtedness payable from revenues derived from the Airport System as due;

(m) any Lien, pledge or security interest created pursuant to this Agreement to secure the Obligations shall fail to be fully enforceable with the same priority as and when such lien, pledge or security interest was first created;

(n) the unenhanced ratings assigned to the Bonds by Fitch, KROLL, Moody's or S&P shall be reduced below "BBB," "BBB," "Baa2" or "BBB", respectively, or if another rating agency is then maintaining a rating by agreement with the Airport Board, said rating shall be reduced below a level comparable to the foregoing, or either or both of said unenhanced ratings (or a comparable rating as contemplated above) shall be withdrawn or suspended for credit-related reasons other than debt maturity, redemption or defeasance;

(o) a court of competent jurisdiction has found any Bond to have been issued illegally or in violation of the Bond Resolution;

(p) the Airport System or the Airport Board's existence under Applicable Law shall dissolve or terminate; or

(q) there shall be appointed or designated with respect to the Airport System, an entity such as an organization, board, commission, authority, agency or body to monitor or declare a financial emergency or similar state of financial distress with respect to it or there shall be declared by it or by any legislative or regulatory body with competent jurisdiction over it, the existence of a state of financial emergency or similar state of financial distress in respect of it.

Section 7.02. Consequences of an Event of Default. If an Event of Default specified in Section 7.01 hereof shall occur and be continuing, the Bank may take one or more of the following actions at any time and from time to time (regardless of whether the actions are taken at the same or different times):

(a) declare the Revolving Commitment of the Bank to make Revolving Loans to be terminated by written notice to the Airport Board, whereupon such Revolving Commitment and obligation shall be terminated;

(b) either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, may take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable under this Agreement, the Notes and the other Related Documents or to enforce performance or observance of any obligation, agreement

or covenant of the Airport Board under this Agreement, the Notes and the other Related Documents, whether for specific performance of any agreement or covenant of the Airport Board or in aid of the execution of any power granted to the Bank in this Agreement or the Notes or the other Related Documents; and

(c) exercise, or cause to be exercised, any and all remedies as it may have under this Agreement, the Notes and the other Related Documents.

In each case, the Obligations of the Airport Board shall, from and after the occurrence of an Event of Default, bear interest at the Default Rate until such time as the Bank shall have waived same or said Event of Default shall have been cured.

Section 7.03. Remedies Cumulative; Solely for the Benefit of the Bank. (a) To the extent permitted by, and subject to the mandatory requirements of, Applicable Law, each and every right, power and remedy herein specifically given to the Bank in this Agreement, the Notes and the other Related Documents shall be cumulative, concurrent and nonexclusive and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy (whether specifically herein given or otherwise existing) may be exercised from time to time and as often and in such order as may be deemed expedient by the Bank, and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy.

(b) The rights and remedies of the Bank specified herein are for the sole and exclusive benefit, use and protection of the Bank, and the Bank is entitled, but shall have no duty or obligation to the Airport Board or any other Person or otherwise, to exercise or to refrain from exercising any right or remedy reserved to the Bank hereunder or under any of the other Related Documents.

Section 7.04. Waivers or Omissions. No delay or omission by the Bank in the exercise of any right, remedy or power or in the pursuit of any remedy shall impair any such right, remedy or power or be construed to be a waiver of any default on the part of the Bank or to be acquiescence therein. No express or implied waiver by the Bank of any Event of Default shall in any way be, or be construed to be, a waiver of any future or subsequent Event of Default.

Section 7.05. Discontinuance of Proceedings. In case the Bank shall proceed to invoke any right, remedy or recourse permitted under this Agreement, the Notes or the other Related Documents and shall thereafter elect to discontinue abandon the same for any reason, the Bank shall have the unqualified right so to do and, in such event, the Airport Board and the Bank shall be restored to their former positions with respect to the Obligations, this Agreement, the Notes and the other Related Documents and otherwise, and the rights, remedies, recourse and powers of the Bank hereunder shall continue as if the same had never been invoked.

Section 7.06. Injunctive Relief. The Airport Board recognizes that in the event the Airport Board fails to perform, observe or discharge any of its obligations or liabilities under this Agreement or the Notes, any remedy of law may prove to be inadequate relief to the Bank;

therefore, to the extent permitted by law, the Airport Board agrees that the Bank, if the Bank so requests, shall be entitled to temporary and permanent injunctive relief in any such case.

ARTICLE 8

MISCELLANEOUS

Section 8.01. Amendments, Etc.; Amendments and Waivers. The Bank and the Airport Board may from time to time enter into agreements amending, modifying or supplementing this Agreement, the Bank Note or the other Related Documents or changing the rights of the Bank or the Airport Board hereunder or thereunder, and the Bank may from time to time grant waivers or consents to a departure from the due performance of the obligations of the Airport Board hereunder or thereunder. Any such agreement, waiver or consent must be in writing and shall be effective only to the extent specifically set forth in such writing. In the case of any such waiver or consent relating to any provision hereof, any Default or Event of Default so waived or consented to shall be deemed to be cured and not continuing, but no such waiver or consent shall extend to any other or subsequent Default or Event of Default or impair any right consequent thereto; *provided* that no amendment to the terms "Applicable Factor," "Tax-Exempt Applicable Spread," "Commitment Termination Date," "Tax-Exempt SOFR Rate" and "Tax-Exempt Alternate Base Rate" shall be permitted without the delivery of an Approving Opinion to the Bank.

Section 8.02. Notices; Effectiveness; Electronic Communication.

(a) *Notices Generally*. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by fax transmission or e-mail transmission as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, to the address, fax number, e-mail address or telephone number specified for the Airport Board or the Bank on Schedule 8.02.

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by fax transmission shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below shall be effective as provided in such subsection (b).

(b) *Electronic Communications*. Notices and other communications to the Bank hereunder may be delivered or furnished by electronic communication (including e-mail, FPML messaging and Internet or intranet websites) pursuant to procedures approved by the Bank. The Bank or the Airport Board may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved

by it, *provided* that approval of such procedures may be limited to particular notices or communications.

Unless the Bank otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices and other communications posted to an Internet or intranet website shall be deemed received by the intended recipient upon the sender's receipt of an acknowledgement by the intended recipient (such as by the "return receipt requested" function, as available, return email address or other written acknowledgement) indicating that such notice or communication is available and identifying the website address therefor; *provided* that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

(c) *Change of Address, Etc*. Each of the Airport Board and the Bank may change its address, fax number or telephone number or e-mail address for notices and other communications hereunder by notice to the other parties hereto.

(d) *Reliance by Bank.* The Bank shall be entitled to rely and act upon any notices (including, without limitation, telephonic or electronic notices, Revolving Loan Notices and Notice of Loan Prepayment) purportedly given by or on behalf of the Airport Board even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as reasonably understood by the recipient, varied from any confirmation thereof. The Airport Board shall, to the extent permitted by law, indemnify the Bank and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Airport Board. All telephonic notices to and other telephonic communications with the Bank may be recorded by the Bank, and each of the parties hereto hereby consents to such recording.

Section 8.03. No Waiver; Cumulative Remedies; Enforcement. No failure by the Bank to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Related Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder or under any other Related Document preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Related Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Section 8.04. Costs and Expenses; Damage Waiver.

(a) *Costs and Expenses*. The Airport Board shall pay (i) all reasonable out-of-pocket expenses incurred by the Bank and its Affiliates (including the reasonable fees, charges and disbursements of counsel for the Bank), in connection with the preparation, negotiation, execution, delivery and administration of this Agreement and the other Related Documents or any

amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (ii) all out-of-pocket expenses incurred by the Bank (including the fees, charges and disbursements of any counsel for the Bank), and shall pay all fees and time charges for attorneys who may be employees of the Bank, in connection the enforcement or protection of its rights (A) in connection with this Agreement and the other Related Documents, including its rights under this Section, or (B) in connection with Revolving Loans made hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Revolving Loans.

(b) *Limitation of Liability*. To the extent permitted by applicable law (i) the Airport Board shall not assert, and the Airport Board hereby waives, any claim against the Bank and its officers, directors and employees (each such Person being called a *"Bank Related Person"*) for any Liabilities arising from the use by others of information or other materials (including, without limitation, any personal data) obtained through telecommunications, electronic or other information transmission systems (including the Internet), and (ii) the Airport Board shall assert, and hereby waives, any Liabilities against the Bank, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Related Document, or any agreement or instrument or transactions contemplated hereby or thereby, any Revolving Loan or the use of the proceeds thereof; provided that, nothing in this Section 8.04(b) shall relieve the Airport Board of any obligation it may have to indemnify an Indemnitee, as provided in Section 8.04(c), against any special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party.

(c) *Indemnity*. The Airport Board shall indemnify the Bank and its officers, directors and employees (each such Person being called an *"Indemnitee"*) against, and hold each Indemnitee harmless from, any Liabilities and related expenses, including the fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of any Related Documents or any agreement or instrument contemplated thereby, the performance by the parties hereto of their respective obligations thereunder or the consummation of the transactions contemplated hereby, (ii) any Revolving Loan or the use of the proceeds therefrom, (iii) any actual or alleged presence or Release of Hazardous Materials on or from any part of the Airport System, or any Environmental Liability related in any way related to the Airport System, or (iv) any actual or prospective proceeding relating to any of the foregoing, whether or not such proceeding is brought by the Airport Board or its creditors or any other third Person and whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee.

(d) *Payments*. All amounts due under this Section 8.04 shall be payable not later than thirty (30) days after written demand therefor.

(e) *Survival*. The agreements in this Section and the indemnity provisions of Section 8.02(c) shall survive the termination of the Revolving Commitment and this Agreement and the repayment, satisfaction or discharge of all the other Obligations.

Section 8.05. Payments Set Aside. To the extent that any payment by or on behalf of the Airport Board is made to the Bank, and such payment or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Bank in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made.

Section 8.06. Successors and Assigns; Participations. (a) *Participations*. The Bank may grant participations herein or in any of its rights and security hereunder, provided that any such participation shall grant to the Airport Board the right to continue dealing solely with the Bank. Any such participant is referred to in this agreement as a "*Participant*"; *provided, however,* that (i) no such participation by any such Participant shall in any way affect the obligations of the Bank hereunder and (ii) the Airport Board shall be required to deal only with the Bank, with respect to any matters under this Agreement and the other Related Documents and no such Participant shall be entitled to enforce any provision hereunder against the Airport Board. The Airport Board agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.02 and 8.04 hereof to the same extent as if it were a Bank hereunder; *provided, however,* that a Participant shall not be entitled to receive any greater payment under Sections 3.01 and 3.02 than the Bank would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Airport Board's prior written consent. In connection with any proposed participation, the Bank may disclose to the proposed Participant any information that the Airport Board is required to deliver to the Bank pursuant to this Agreement.

(b) *Successors and Assigns Generally*. This Agreement is a continuing obligation and shall be binding upon the Airport Board, its successors, transferees and assigns and shall inure to the benefit of the holders of the Notes and their respective permitted successors, transferees and assigns. The Airport Board may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Bank. Notwithstanding anything to the contrary set forth herein, so long as no Event of Default shall have occurred and be continuing hereunder, the Bank may not assign its obligations to fund Revolving Loans pursuant to the terms of this Agreement without the prior written consent of the Airport Board (such consent not to be unreasonably withheld). Each holder of a Note may, in its sole discretion and in accordance with applicable law, from time to time assign, sell or transfer in whole or in part, its interest in a Note in accordance with the provisions of paragraph (c) or (d) of this Section. Each holder of a Note may at any time and from time to time enter into participation agreements in accordance with the provisions of paragraph (a) of this Section. Each holder of a Note may at any time pledge or assign a security interest subject to the restrictions of paragraph (e) of this Section.

(c) *Sales and Transfers by Noteholder to a Bank Transferee*. Without limitation of the foregoing generality, the Bank may at any time sell or otherwise transfer to one or more transferees all or a portion of a Note to a Person that is (i) an Affiliate of the Bank or (ii) a trust or other

custodial arrangement established by the Bank or an Affiliate of the Bank, the owners of any beneficial interest in which are limited to "qualified institutional buyers" as defined in Rule 144A promulgated under the 1933 Act (each, a "*Bank Transferee*"). From and after the date of such sale or transfer, [BANK] (and its successors) shall continue to have all of the rights of the Bank hereunder and under the other Related Documents as if no such transfer or sale had occurred; *provided, however,* that (A) no such sale or transfer referred to in clause (c)(i) or (c)(ii) hereof shall in any way affect the obligations of the Bank hereunder, (B) any such sale or transfer referred to in clause (e)(i) or (e)(ii) hereof shall be in a minimum amount of $250,000, (C) the Airport Board shall be required to deal only with the Bank with respect to any matters under this Agreement and (D) in the case of a sale or transfer referred to in clause (c)(i) or (c)(ii) hereof, only the Bank shall be entitled to enforce the provisions of this Agreement against the Airport Board. Upon the request of the Airport Board, the Bank shall provide the addresses and related information with respect to the Bank Transferee to the Airport Board.

Anything herein to the contrary notwithstanding, if any Bank Transferee shall incur increased costs or capital adequacy requirements as contemplated by Section 3.02 hereof, and such increased costs or capital adequacy requirements are greater than those that the Bank would have incurred had it not sold or otherwise transferred all or a portion of a Note to such Bank Transferee provided for in this Section 8.06(c), then the Airport Board shall not be obligated to pay to such Bank Transferee any portion of the cost greater than that which the Airport Board would have paid under the provisions of Section 3.02 hereof had the Bank not sold or otherwise transferred all or a portion of such Note to a Bank Transferee.

(d) *Sales and Transfers by Noteholder to a Non-Bank Transferee*. Without limitation of the foregoing generality, a holder of a Note may at any time sell or otherwise transfer all or a portion of a Note to one or more transferees which are not Bank Transferees but each of which constitutes (i) a "qualified institutional buyer" as defined in Rule 144A promulgated under the 1933 Act and (ii) a commercial bank organized under the laws of the United States, or any state thereof, or any other country which is a member of the Organization for Economic Cooperation and Development, or a political subdivision of any such country, and, in any such case, having a combined capital and surplus, determined as of the date of any transfer pursuant to this clause (c), of not less than $5,000,000,000 (each a "*Non-Bank Transferee*"), if written notice of such sale or transfer, including that such sale or transfer is to a Non-Bank Transferee, together with addresses and related information with respect to the Non-Bank Transferee, shall have been given to the Airport Board and the Bank (if different than the Noteholder) by such selling holder of a Note and Non-Bank Transferee; *provided, however,* that any such sale or transfer shall be in a minimum amount of $250,000.

From and after the date the Airport Board has received written notice, (A) the Non-Bank Transferee thereunder shall be a party hereto and shall have the rights and obligations of a Noteholder (other than its obligation to fund Revolving Loans) hereunder and under the other Related Documents, and this Agreement shall be deemed to be amended to the extent, but only to the extent, necessary to effect the addition of the Non-Bank Transferee, and any reference to the assigning holder of a Note hereunder and under the other Related Documents shall thereafter refer to such transferring holder of a Note and to the Non-Bank Transferee to the extent of their respective interests, and (B) if the transferring holder of a Note no longer owns any portion of the

Note, then it shall relinquish its rights and be released from its obligations hereunder and under the other Related Documents (other than its obligation to fund Revolving Loans).

Anything herein to the contrary notwithstanding, if any Non-Bank Transferee shall incur increased costs or capital adequacy requirements as contemplated by Section 3.02 hereof, and such increased costs or capital adequacy requirements are greater than those that the Bank would have incurred had all or a portion of the Note not been sold or otherwise transferred to such Non-Bank Transferee provided for in this Section 8.06(d), then the Airport Board shall not be obligated to pay to such Non-Bank Transferee any portion of the cost greater than that which the Airport Board would have paid under the provisions of Section 3.02 hereof had all or a portion of the Note(s) not been sold or otherwise transferred to such Bank Transferee.

(e) *Certain Pledges.* The Bank may at any time pledge or grant a security interest in all or any portion of its rights under the Notes, this Agreement and the other Related Documents to secure obligations of the Bank, including any pledge or assignment to secure obligations to a Federal Reserve Bank; *provided* that no such pledge or assignment shall release the Bank from any of its obligations hereunder or substitute any such pledgee or assignee for the Bank as a party hereto.

Section 8.07. Counterparts; Integration; Effectiveness; Electronic Execution. (a) This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Related Documents and any separate letter agreements with respect to fees payable to the Bank constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Bank and when the Bank shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(b) Delivery of an executed counterpart of a signature page of (x) this Agreement, (y) any other Related Document and/or (z) any document, amendment, approval, consent, information, notice (including, for the avoidance of doubt, any notice delivered pursuant to Section 8.02), certificate, request, statement, disclosure or authorization related to this Agreement, any other Related Document and/or the transactions contemplated hereby and/or thereby (each an *"Ancillary Document"*) that is an Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement, such other Related Document or such Ancillary Document, as applicable. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement, any other Related Document and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping

system, as the case may be; *provided* that nothing herein shall require the Bank to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; *provided, further*, without limiting the foregoing, (i) to the extent the Bank has agreed to accept any Electronic Signature, the Bank shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of the Airport Board without further verification thereof and without any obligation to review the appearance or form of any such Electronic Signature and (ii) upon the request of the Bank, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, the Airport Board hereby (A) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Bank and the Airport Board, Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement, any other Related Document and/or any Ancillary Document shall have the same legal effect, validity and enforceability as any paper original, (B) the Bank may, at its option, create one or more copies of this Agreement, any other Related Document and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (C) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Related Document and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement, such other Related Document and/or such Ancillary Document, respectively, including with respect to any signature pages thereto and (D) waives any claim against any Bank-Related Person for any Liabilities arising solely from the Bank's reliance on or use of Electronic Signatures and/or transmissions by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page, including any Liabilities arising as a result of the failure of the Airport Board to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

Section 8.08. Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Related Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Bank, regardless of any investigation made by the Bank or on its behalf and notwithstanding that the Bank may have had notice or knowledge of any Default or Event of Default at the time of the funding of any Revolving Loan, and shall continue in full force until the Commitment Termination Date.

Section 8.09. Severability. If any provision of this Agreement or the other Related Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Related Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable

provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 8.10. Governing Law; Jurisdiction Etc. (a) THIS AGREEMENT AND ANY OTHER DOCUMENTS TO WHICH THE BANK SHALL BECOME A PARTY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, EXCEPT THE RIGHTS AND OBLIGATIONS OF THE AIRPORT BOARD HEREUNDER AND UNDER ANY OTHER DOCUMENTS TO WHICH THE AIRPORT BOARD SHALL BECOME A PARTY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF WASHINGTON.

[(b) TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE AIRPORT BOARD AND THE BANK AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY AND ALL CLAIMS OR CAUSES OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT AND THE RELATED DOCUMENTS.]

Section 8.11. No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or the Notes), the Airport Board acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) (i) the services regarding this Agreement provided by the Bank and any Affiliate thereof are arm's-length commercial transactions between the Airport Board, on the one hand, and the Bank and its Affiliates, on the other hand, (ii) the Airport Board has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Airport Board is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the Notes; (b) (i) the Bank and its Affiliates each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor (municipal, financial or otherwise), agent or fiduciary, for the Airport Board, or any other Person and (ii) neither the Bank nor any of its Affiliates has any obligation to the Airport Board with respect to the transactions contemplated hereby except those obligations expressly set forth herein, in the Notes; and (c) the Bank and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Airport Board, and neither the Bank nor any of its Affiliates has any obligation to disclose any of such interests to the Airport Board. To the fullest extent permitted by law, the Airport Board, hereby waives and releases any claims that it may have against the Bank or any of its Affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby.

Section 8.12. Reserved.

Section 8.13. USA Patriot Act. The Bank hereby notifies the Airport Board that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the *"USA Patriot Act"*), it is required to obtain, verify and record information that identifies the Airport Board, which information includes the name and dress of the Airport Board and other information that will allow the Bank to identify the Airport Board in accordance with the USA Patriot Act. The Airport Board agrees to, promptly following a request by the Bank, provide all such other documentation and information that the Bank requests in order to comply

with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the USA Patriot Act.

Section 8.14. Time of the Essence. Time is of the essence of the Related Documents.

Section 8.15. EMMA Postings. The Airport Board shall not file or submit or permit the filing or submission, of all or any portion of any document (or any summary thereof) entered into in connection with this Agreement or the other Related Documents (or any default, event of acceleration, termination event, modification of terms or other similar events relating to this Agreement) with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system (or any successor continuing disclosure vehicle) unless such document or portion thereof (or summary thereof), as applicable, to be so filed or submitted (i) has been provided to the Bank for review in advance of such filing or submission, and (ii) shall have been redacted to the extent reasonably required by the Bank with respect to notice addresses, signatories, wiring information and similar confidential information, *provided* that such redaction may be no greater than permitted under applicable federal securities law guidance, if any. The Airport Board acknowledges and agrees that although the Bank may request review, edits or redactions of such materials prior to filing, the Bank is not responsible for the Airport Board's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with any continuing disclosure undertaking, similar agreement or applicable securities or other laws, including but not limited to those relating to SEC Rule 15c2-12.

Section 8.16. US QFC Stay Rules. (a) *Recognition of U.S. Resolution Regimes*. In the event that any party that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of this Agreement or any Note (and any interest and obligation in or under this Agreement and the Notes and any property securing this Agreement ant the Notes) from such Covered Entity will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement (and any such interest, obligation and property) were governed by the laws of the United States or a state of the United States. In the event that any party that is a Covered Entity or a BHC Act Affiliate of such party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights against such party with respect to this Agreement are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States. The requirements of this paragraph (a) apply notwithstanding the provisions of paragraph (b).

(b) *Limitation on the Exercise of Certain Rights Related to Affiliate Insolvency Proceedings.* Notwithstanding anything to the contrary in this Agreement or any related agreement, but subject to the requirements of paragraph (a), no party to this Agreement shall be permitted to exercise any Default Right against a party that is a Covered Entity with respect to this Agreement that is related, directly or indirectly, to a BHC Act Affiliate of such Covered Entity becoming subject to Insolvency Proceedings, except to the extent the exercise of such Default Right would be permitted under 12 C.F.R. § 252.84, 12 C.F.R. § 47.5, or 12 C.F.R. § 382.4, as applicable. After a BHC Act Affiliate of a party that is a Covered Entity has become subject to Insolvency Proceedings, any party that seeks to exercise a Default Right against such Covered

Entity with respect to this Agreement shall have the burden of proof, by clear and convincing evidence, that the exercise of such Default Right is permitted hereunder.

(c) *Definitions.* Capitalized terms used in this Section 8.16 and not otherwise defined herein shall have following meanings:

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"Covered Entity" means any of the following:

(a) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(b) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(c) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"Insolvency Proceeding" means a receivership, insolvency, liquidation, resolution, or similar proceeding.

"U.S. Special Resolution Regime" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

Section 8.17. Addendum. The terms set forth in the Addendum are hereby incorporated by reference in this Agreement.

Section 8.18. Treatment of Certain Information; Confidentiality Each of the Airport Board and the Bank agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates, its auditors and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Related Document or any action or proceeding relating to this Agreement or any other Related Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or participant in, or any

prospective assignee of or participant in, any of its rights and obligations under this Agreement or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Airport Board and its obligations, this Agreement or payments hereunder, (g) on a confidential basis to (i) any rating agency in connection with rating the Airport Board or the credit facilities provided hereunder or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, (h) with the consent of the Airport Board or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Bank or any of its Affiliates on a nonconfidential basis from a source other than the Airport Board. For purposes of this Section, "Information" means all information received from the Airport Board relating to the Airport Board or any of their respective businesses, other than any such information that is available to the Bank on a nonconfidential basis prior to disclosure by the Airport Board, provided that, in the case of information received from the Airport Board after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. In addition, the Bank may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers the Bank in connection with the administration of this Agreement and the other Related Documents. Except as otherwise provided below in this paragraph, the Airport Board agrees that it will not issue any press release or similar public disclosure using the name of the Bank or its Affiliates nor will the Airport Board make any public disclosure of this Agreement or any part hereof or any statement or description of the content of this Agreement or any part hereof, without the prior written consent of the Bank. The Airport Board may, after consultation with the Bank, file (or cause to be filed) with the Municipal Securities Rulemaking Board under its Electronic Municipal Market Access (EMMA) system or otherwise a copy of this Agreement and agreements between the Bank and the Airport Board related to this Agreement, in each case redacted in a manner satisfactory to the Bank to prevent disclosure of any signatures, account information, information regarding pricing, or other proprietary or other confidential information regarding the transactions contemplated hereby, or a summary of this Agreement and such related agreements (in each case as so redacted). The Airport Board shall be permitted to include in such redacted copies of this Agreement (or summaries thereof) such information as shall be necessary to comply with requirements of applicable law (including federal or state securities laws and the regulations promulgated thereunder) and the requirements of its continuing disclosure agreements to the extent that such disclosure is required to cause the underwriting, issuance, sale or remarketing of bonds or other obligations issued by the Airport Board to be in compliance with applicable law. The Airport Board may include any such redacted copies of this Agreement and related agreements (or summaries thereof) in any official statement, offering circular or other disclosure document prepared in connection with any issuance of Debt by the Airport Board. For the avoidance of doubt, nothing herein prohibits any individual from communicating or disclosing information regarding suspected violations of laws, rules or regulations to a governmental, regulatory, or self-regulatory authority

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

SPOKANE AIRPORT BOARD

By:_____
Name: _____
Title: _____

Approved as to Form:

_____
General Counsel

[BANK]

By:_____
Name: _____
Title: _____

SCHEDULE 8.02

BANK'S LENDING OFFICE, CERTAIN ADDRESSES FOR NOTICES

AIRPORT BOARD:

[●]

BANK:

[●]

EXHIBIT A

FORM OF REVOLVING LOAN NOTICE

[Bank]

Ladies and Gentlemen:

The undersigned, an Airport Board Representative, refers to the Revolving Credit Agreement dated as of [•], 2026 (together with any amendments or supplements thereto, the *"Agreement"*), by and between Spokane Airport Board (the "Airport Board") and [BANK] (the *"Bank"*) (the terms defined therein being used herein as therein defined) and hereby requests, pursuant to Section 2.02 of the Agreement, [**a Borrowing**] [**a conversion of a Revolving Loan from one Type to the other]**, and in that connection sets forth below the following information relating to such proposed Revolving Loan (the *"Proposed Revolving Loan"*):

1. The Business Day of the Proposed Revolving Loan is _____, 20__ (the *"Loan Date"*), which is at least three (3) U.S. Government Securities Business Days after the date hereof if the Proposed Revolving Loan is a SOFR Rate Revolving Loan.

2. The principal amount of the Proposed Revolving Loan is $**[_____]**, which is not greater than the Available Commitment as of the Loan Date set forth in 1 above, unless such Proposed Revolving Loan is a continuation of an existing Revolving Loan or a conversion of an existing SOFR Rate Revolving Loan maturing on the Loan Date.

3. The aggregate amount of the Proposed Revolving Loan shall be used solely as permitted under the Agreement, the Act, the Interlocal Agreement, the Airport Bond Agreement and the Bond Resolution.

4. The Proposed Revolving Loan shall be a **[Tax-Exempt Revolving Loan] [Taxable Revolving Loan]** and the interest rate with respect to the Proposed Revolving Loan shall be **[the Tax-Exempt SOFR Rate] [the Tax-Exempt Alternate Base Rate] [the Taxable SOFR Rate] [the Taxable Alternate Base Rate]**.

[Because the Proposed Revolving Loan is a Tax-Exempt Revolving Loan, an Approving Opinion is included herewith.]

5. After giving effect to the Proposed Revolving Loan, the aggregate principal amount of all Loans outstanding under the Agreement will not exceed the Revolving Commitment, as of the Loan Date set forth in 1 above.

6. Solely with respect to a Borrowing, the undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the Loan Date, before and after giving effect thereto:

(a) the undersigned is an Airport Board Representative;

(b) the representations and warranties of the Airport Board set forth in Article 5 of the Agreement or in the Related Document to which it is a party, or which are contained in any document furnished at any time under or in connection with the Agreement, shall be true and correct on the date hereof and on such Loan Date as though made on the date hereof and on such Loan Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and except that for purposes of Section 4.02 of the Agreement, the representations and warranties contained in Section 5.12 of the Agreement shall be deemed to refer to the most recent statements furnished pursuant to clause (a) of Section 6.01 of the Agreement;

(c) no Default or Event of Default shall have occurred and be continuing on such Loan Date or would result from the proposed Borrowing or from the application of the proceeds thereof; and

(d) all conditions precedent to the Borrowing in Section 4.02 of the Agreement have been satisfied.

7. The proceeds of the Proposed Revolving Loan will be used solely for the payment of **[Costs of a Project]** or **[costs of issuance in connection with the Agreement] or [any other purpose permitted under the Act, the Interlocal Agreement, the Airport Bond Agreement and the Bond Resolution]**.

8. The Proposed Revolving Loan shall be designated as a **[AMT Revolving Obligation] [Non-AMT Revolving Obligation] [Taxable Revolving Obligation]**.

The Proposed Revolving Loan shall be made by the Bank by wire transfer of immediately available funds to the undersigned in accordance with the instructions set forth below:

SPOKANE AIRPORT BOARD

By:_____
Name: _____
Title: _____

EXHIBIT B-1

FORM OF TAX-EXEMPT NOTE

THIS TAX-EXEMPT NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE OR JURISDICTION. THE TRANSFERABILITY OF THIS TAX-EXEMPT NOTE IS SUBJECT TO THE LIMITATIONS ON TRANSFER SET FORTH IN SECTION 8.06 OF THE HEREINAFTER DEFINED AGREEMENT

UNITED STATES OF AMERICA
STATE OF WASHINGTON
SPOKANE AIRPORT BOARD
SUBORDINATE AIRPORT REVENUE SHORT-TERM REVOLVING OBLIGATION
TAX-EXEMPT NOTE

Not to exceed $[•] [•], 2026

FOR VALUE RECEIVED, the undersigned Spokane Airport Board (the *"Airport Board"*), hereby promises to pay to [BANK], or registered assigns (the *"Bank"*), in accordance with the provisions of the Agreement (as hereinafter defined), the principal outstanding amount of each Tax-Exempt Revolving Loan from time to time made by the Bank to the Airport Board under that certain Revolving Credit Agreement dated as of [•], 2026 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "*Agreement*"; the terms defined therein being used herein as therein defined), between the Airport Board and the Bank, in accordance with the terms of the Agreement.

The Airport Board promises to pay interest on the unpaid principal amount of each Tax-Exempt Revolving Loan from the date of such Tax-Exempt Revolving Loan until such principal amount is paid in full, at such interest rates and at such times as provided in the Agreement. All payments of principal and interest shall be made to the Bank in Dollars in immediately available funds at the Bank's Lending Office. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, to be paid upon demand, from the due date thereof until the date of actual payment (and before as well as after judgment) computed at the per annum rate set forth in the Agreement.

This Tax-Exempt Note is the Tax-Exempt Note referred to in the Agreement, is entitled to the benefits thereof and may be prepaid in whole or in part subject to the terms and conditions provided therein. The Tax-Exempt Revolving Loans made by the Bank shall be evidenced by one or more loan accounts or records maintained by the Bank in the ordinary course of business. The Bank may also attach schedules to this Tax-Exempt Note and endorse thereon the date, amount and maturity of its Tax-Exempt Revolving Loans and payments with respect thereto.

The Airport Board, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Tax-Exempt Note.

This Tax-Exempt Note is issued pursuant to, and entitled to the benefits of, and is subject to, the provisions of the Agreement.

THIS TAX-EXEMPT NOTE IS A LIMITED OBLIGATION OF THE AIRPORT BOARD, PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF AND LIEN ON SUBORDINATE REVENUES DERIVED BY THE AIRPORT BOARD FROM THE OPERATIONS OF THE AIRPORT SYSTEM AND CERTAIN FUNDS AND ACCOUNTS. NONE OF THE PROPERTIES OF THE AIRPORT SYSTEM ARE SUBJECT TO ANY MORTGAGE OR OTHER LIEN FOR THE BENEFIT OF THE OWNERS OF THIS TAX-EXEMPT NOTE, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF SPOKANE COUNTY, THE CITY OF SPOKANE, THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THIS TAX-EXEMPT NOTE.

THIS TAX-EXEMPT NOTE AND THE INTEREST HEREON IS JUNIOR AND SUBORDINATE IN ALL RESPECT TO THE BONDS AS TO LIEN ON AND SOURCE AND SECURITY FOR PAYMENT FROM NET REVENUES.

The Agreement provides that the occurrences of certain events constitute Events of Default. If an Event of Default occurs and is continuing, the Bank may exercise the remedies set forth in the Agreement. Under no circumstances does an Event of Default grant any right to accelerate payment of this Tax-Exempt Note. An Event of Default and its consequences may be waived as provided in the Agreement. Holders may not enforce the Agreement or this Tax-Exempt Note except as provided in the Agreement.

No member, director, officer or employee of the Airport Board shall have any personal liability for any obligations of the Airport Board under this Tax-Exempt Note, the Agreement or the Fee Agreement or for any claim based on such obligations or their creation or be subject to any personal liability or accountability by reason of the issuance thereof. Each holder, by accepting this Tax-Exempt Note, waives and releases all such liability. The waiver and release are part of the consideration for the issuance of this Tax-Exempt Note.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Washington or by the Act, the Interlocal Agreement, the Airport Bond Agreement and the Agreement to exist, to have happened or to have been performed precedent to or in the issuance of this Tax-Exempt Note exist, have happened and have been performed and that the issue of this Tax-Exempt Note, together with all other indebtedness of the Airport Board, is within every debt and other limit prescribed by said Constitution and statutes.

IN WITNESS WHEREOF, Spokane Airport Board, has caused this Tax-Exempt Note to be signed in its name and on its behalf by the signature of its [•], all as of the date specified above.

SPOKANE AIRPORT BOARD

By:_____
Name: _____
Title: _____

TAX-EXEMPT REVOLVING LOANS AND PAYMENTS WITH RESPECT THERETO

DATE	AMOUNT OF LOAN MADE	AMOUNT OF PRINCIPAL OR INTEREST PAID THIS DATE	OUTSTANDING PRINCIPAL BALANCE THIS DATE	NOTATION MADE BY

EXHIBIT B-2

FORM OF TAXABLE NOTE

THIS TAXABLE NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE OR JURISDICTION. THE TRANSFERABILITY OF THIS TAXABLE NOTE IS SUBJECT TO THE LIMITATIONS ON TRANSFER SET FORTH IN SECTION 8.06 OF THE HEREINAFTER DEFINED AGREEMENT

UNITED STATES OF AMERICA

STATE OF WASHINGTON
SPOKANE AIRPORT BOARD
SUBORDINATE AIRPORT REVENUE SHORT-TERM REVOLVING OBLIGATION
TAXABLE NOTE

$[●] [●], 2026

FOR VALUE RECEIVED, the undersigned Spokane Airport Board (the *"Airport Board"*), hereby promises to pay to [BANK], or registered assigns (the *"Bank"*), in accordance with the provisions of the Agreement (as hereinafter defined), the principal outstanding amount of each Taxable Revolving Loan from time to time made by the Bank to the Airport Board under that certain Revolving Credit Agreement dated as of [●], 2026 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "*Agreement*"; the terms defined therein being used herein as therein defined), between the Airport Board and the Bank, in accordance with the terms of the Agreement.

The Airport Board promises to pay interest on the unpaid principal amount of each Taxable Revolving Loan from the date of such Taxable Revolving Loan until such principal amount is paid in full, at such interest rates and at such times as provided in the Agreement. All payments of principal and interest shall be made to the Bank in Dollars in immediately available funds at the Bank's Lending Office. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, to be paid upon demand, from the due date thereof until the date of actual payment (and before as well as after judgment) computed at the per annum rate set forth in the Agreement.

This Taxable Note is the Taxable Note referred to in the Agreement, is entitled to the benefits thereof and may be prepaid in whole or in part subject to the terms and conditions provided therein. The Taxable Revolving Loans made by the Bank shall be evidenced by one or more loan accounts or records maintained by the Bank in the ordinary course of business. The Bank may also attach schedules to this Taxable Note and endorse thereon the date, amount and maturity of its Taxable Revolving Loans and payments with respect thereto.

The Airport Board, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Taxable Note.

This Taxable Note is issued pursuant to, and entitled to the benefits of, and is subject to, the provisions of the Agreement.

THIS TAXABLE NOTE IS A LIMITED OBLIGATION OF THE AIRPORT BOARD, PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF AND LIEN ON SUBORDINATE REVENUES DERIVED BY THE AIRPORT BOARD FROM THE OPERATIONS OF THE AIRPORT SYSTEM AND CERTAIN FUNDS AND ACCOUNTS. NONE OF THE PROPERTIES OF THE AIRPORT SYSTEM ARE SUBJECT TO ANY MORTGAGE OR OTHER LIEN FOR THE BENEFIT OF THE OWNERS OF THIS TAXABLE NOTE, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF SPOKANE COUNTY, THE CITY OF SPOKANE, THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THIS TAXABLE NOTE.

THIS TAXABLE NOTE AND THE INTEREST HEREON IS JUNIOR AND SUBORDINATE IN ALL RESPECT TO THE BONDS AS TO LIEN ON AND SOURCE AND SECURITY FOR PAYMENT FROM NET REVENUES.

The Agreement provides that the occurrences of certain events constitute Events of Default. If an Event of Default occurs and is continuing, the Bank may exercise the remedies set forth in the Agreement. Under no circumstances does an Event of Default grant any right to accelerate payment of this Taxable Note. An Event of Default and its consequences may be waived as provided in the Agreement. Holders may not enforce the Agreement or this Taxable Note except as provided in the Agreement.

No member, director, officer or employee of the Airport Board shall have any personal liability for any obligations of the Airport Board under this Taxable Note, the Agreement or the Fee Agreement or for any claim based on such obligations or their creation or be subject to any personal liability or accountability by reason of the issuance thereof. Each holder, by accepting this Taxable Note, waives and releases all such liability. The waiver and release are part of the consideration for the issuance of this Taxable Note.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Washington or by the Act, the Interlocal Agreement, the Airport Bond Agreement and the Agreement to exist, to have happened or to have been performed precedent to or in the issuance of this Taxable Note exist, have happened and have been performed and that the issue of this Taxable Note, together with all other indebtedness of the Airport Board, is within every debt and other limit prescribed by said Constitution and statutes.

IN WITNESS WHEREOF, Spokane Airport Board, has caused this Taxable Note to be signed in its name and on its behalf by the signature of its [•], all as of the date specified above.

SPOKANE AIRPORT BOARD

By:_____
Name: _____
Title: _____

TAXABLE REVOLVING LOANS
AND PAYMENTS WITH RESPECT THERETO

DATE	AMOUNT OF LOAN MADE	AMOUNT OF PRINCIPAL OR INTEREST PAID THIS DATE	OUTSTANDING PRINCIPAL BALANCE THIS DATE	NOTATION MADE BY

EXHIBIT C

FORM OF NOTICE OF LOAN PREPAYMENT

[Date]

[BANK]

The undersigned, an Airport Board Representative, refers to the Revolving Credit Agreement dated as of [•], 2026 (together with any amendments or supplements thereto, the *"Agreement"*), by and between Spokane Airport Board (the "*Airport Board*") and [BANK] (the *"Bank"*) (the terms defined therein being used herein as therein defined) and hereby notifies the Bank that on _____ pursuant to the terms of Section 2.03(a) Agreement, the Airport Board intends to prepay/repay the following Revolving Loans as more specifically set forth below:

1. The Business Day of the prepayment is _____, 20__ (the *"Prepayment Date"*), which is at least three (3) Business Days after the date hereof if the Revolving Loan to be prepaid is a SOFR Rate Revolving Loan.

2. The principal amount of the prepayment is $**[_____]**, which is a principal amount of $_____ and a whole multiple of $_____ in excess thereof.

3. The Revolving Loan to be prepaid is a:

[SOFR Rate Revolving Loan bearing interest at a [Tax-Exempt SOFR Rate][Taxable SOFR Rate],

[Alternate Base Rate Revolving Loan bearing interest at a [Tax-Exempt Alternate Base Rate][Taxable Alternate Base Rate]

Delivery of an executed counterpart of a signature page of this notice by fax transmission or other electronic mail transmission (e.g. *"pdf"* or *"tif"*) shall be effective as delivery of a manually executed counterpart of this notice.

Very truly yours,

SPOKANE AIRPORT BOARD

By:_____
Name: _____
Title: _____

EXHIBIT D

ADDITIONAL COMMITMENT REQUEST

[Date]

[BANK]

Ladies and Gentlemen:

Reference is hereby made to that certain Revolving Credit Agreement dated as of [•], 2026 (as amended, restated, or otherwise modified from time to time, the *"Credit Agreement"*), between Spokane Airport Board (the "*Airport Board*") and [BANK] (the *"Bank"*). All capitalized terms contained herein which are not specifically defined shall have the meanings assigned to such terms in the Credit Agreement.

The Airport Board hereby requests, pursuant to 2.04 of the Credit Agreement, an increase to the Commitment in an amount equal to $[_____] (the *"Additional Commitment"*).

In connection with such request, the Airport Board hereby represents and warrants that:

(a) no Default or Event of Default described in Section 7.01 of the Agreement shall have occurred and be continuing, or would result from the Additional Commitment; and

(b) each of the representations and warranties set forth in Article 5 of the Credit Agreement and in the other Related Documents are true and correct in all material respects on the effective date of such Additional Commitment, except to the extent the same expressly relate to an earlier date, in which case they shall be true and correct in all material respects (where not already qualified by materiality, otherwise in all respects) as of such earlier date.

We have enclosed along with this request the following information:

1. the outstanding amount of the Revolving Loans on the date hereof;

2. any other pertinent information previously requested by the Bank.

Very truly yours,

SPOKANE AIRPORT BOARD

By: _____
Name: _____
Title: _____

APPENDIX 3
Airport Bond Agreement

AIRPORT REVENUE BOND AGREEMENT

THIS AIRPORT REVENUE BOND AGREEMENT (this "Agreement") dated Sept. 10, 2024 (the "Effective Date"), is entered into by and between SPOKANE COUNTY, WASHINGTON (the "County"), a class A county duly organized and existing under and by virtue of the Washington State Constitution and the laws of the state of Washington (the "State"), and the SPOKANE AIRPORT BOARD (the "Airport Board"), an agency created by interlocal agreement between the County and the City of Spokane, Washington (the "City") under chapter 14.08 of the Revised Code of Washington ("RCW");

WITNESSETH:

WHEREAS, the County is a class A county duly organized and existing under and by virtue of the Washington State Constitution and the laws of the State; and

WHEREAS, on July 30, 1962, the County and the City entered into an Airport Joint Operation Agreement for the purpose of financing, constructing, improving, and operating Spokane International Airport and Felts Field, through the agency of the Airport Board, as provided by chapter 14.08 RCW; and

WHEREAS, on October 7, 2019, the County and the City replaced such agreement with an Amended Spokane County/City Airport Agreement (as may be further supplemented, amended or replaced, the "Interlocal Agreement"), continuing their association under chapter 14.08 RCW for the joint operation of Spokane International Airport, Felts Field, and Spokane International Airport Business Park facilities, and vesting the Airport Board the authority to manage and operate such facilities for aeronautical and industrial development purposes, subject to the specific limitations contained in the Interlocal Agreement; and

WHEREAS, pursuant to the terms and provisions of chapter 14.08 RCW, the County is authorized to conduct proceedings and to issue revenue bonds to acquire, construct and install improvements to its airport facilities, provide for the payment of such revenue bonds from revenues deposited to a special fund, provide covenants as it may deem necessary for the benefit of bond owners, and provide for the issuance of future parity bonds; and the County may issue and sell such bonds in accordance with chapter 39.46 RCW, including RCW 39.46.150; and

WHEREAS, pursuant to Section 4.3 of the Interlocal Agreement, the Airport Board has no independent authority to issue bonds or to incur other debts with a maturity of more than one year from the date of the obligation; and

WHEREAS, pursuant to Section 4.3 of the Interlocal Agreement, the County and the City may, by joint resolution, authorize the issuance and sale of revenue bonds or other obligations payable from airport revenues, the proceeds of which are to be used exclusively for airport purposes; and

WHEREAS, pursuant to Section 4.3 of the Interlocal Agreement, such revenue bonds or other revenue obligations shall be authorized by and issued in the name of the County; and

WHEREAS, the County has authorized the execution of this Agreement and agreed to issue revenue bonds and other obligations from time to time for airport purposes pursuant to Resolution No. _____ adopted on September __, 2024 (the "Resolution" or the "Master Resolution"); and

WHEREAS, the Airport Board has authorized the execution of this Agreement pursuant to Resolution No. 10-24 adopted on September 3, 2024; and

WHEREAS, pursuant to the Master Resolution the County has entered into various covenants for the benefit of bond owners, a number of which covenants require action by the Airport Board; and

WHEREAS, this Agreement sets forth the understanding between the parties related to the issuance of bonds and other obligations from time to time for the benefit of the Airport Board and its operations, and provides for these actions by the Airport Board as well as the actions to be taken by the County at the request or direction of the Airport Board in connection with the issuance and payment of County revenue bonds and other obligations under the terms of the Master Resolution;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties agree as follows.

Section 1. Definitions; Interpretation. Capitalized terms used but not defined herein have the meanings set forth in the recitals hereto and the Master Resolution, which are incorporated herein by this reference. In the event of conflict or inconsistency between the Master Resolution and this Agreement, the terms of the Master Resolution shall control. Additionally, in the event of conflict or inconsistency between the Interlocal Agreements and this Agreement, the terms of the Interlocal Agreement shall control.

Section 2. Agreement to Issue Bonds.

(a) *Delivery of Airport Board Series Resolution.* The County has agreed in the Interlocal Agreement and in the Master Resolution to issue Bonds from time to time upon request of the Airport Board. The Airport Board may make requests to the County to issue such Bonds upon delivery to the County of an Airport Board Series Resolution. All Airport Board Series Resolutions shall be in writing, duly adopted by the Airport Board, and contain, give direction, delegate to an Airport Board Representative to determine, or otherwise address in such Airport Board Series Resolution or other resolution of the Airport Board the following, as applicable:

(i) Provide a description of the Project to be financed with proceeds of such Series of Bonds and any other purposes of such Bonds, including but not limited to payment of issuance costs, Capitalized Interest, and funding a Reserve Requirement;

(ii) Designate any Special Facility or Special Facilities to be included in such Project;

(iii) Provide parameters for the final terms of the Bonds (which may be by Series or in the aggregate), which may include the maximum principal amount of the Bonds, redemption terms, maximum interest rate, and other terms of the Bonds dependent on pricing;

(iv) Provide whether such Series of Bonds should be issued, as applicable, as Refunding Bonds or Completion Bonds, or whether such obligations should be issued as Subordinate Obligations;

(v) If the Bonds are to be issued as Refunding Bonds, provide a description of the refunding candidates and any conditions to the refunding, including but not limited to a savings target, as applicable;

(vi) Designate Other Money Available for Debt Service and/or PFCs Available for Debt Service to the repayment such Series of Bonds, if any;

(vii) Designate Other Pledged Revenues (including CFCs) and/or Pledged PFCs, as applicable, to the repayment such Series of Bonds and authorize the County to pledge such designated funds to the repayment of the Series of Bonds;

(viii) Provide whether such Series of Bonds should be issued as Balloon Indebtedness;

(ix) Request any modifications or amendments to the covenants and conditions contained in the Master Resolution, subject to negotiating such modifications or amendments with the County and the terms of Section 13 of the Master Resolution;

(x) Designate a Reserve Requirement for such Series of Bonds, if applicable, and whether such Series of Bonds shall participate in the Common Debt Service Reserve Fund, participate in an existing Series Debt Service Reserve Fund or direct the County to create a separate Series Debt Service Reserve Fund for such Series of Bonds, and request the County to provide for the purchase of a Debt Service Reserve Fund Surety Policy to satisfy all or a portion of the Reserve Requirement; and

(xi) Subject to the determinations of the Airport Board and the County to be in the best interests of the Airport Board and the County, respectively, provide whether the issuance of such Bonds will require the execution and delivery, as applicable, of a Credit Facility and/or a Liquidity Facility and/or a Swap and the designation of all or a portion of such Series of Bonds as Designated Debt, and request the County to negotiate and execute and deliver, as applicable, a Credit Facility with a Credit Provider, a Liquidity Facility with a Liquidity Provider and/or a Swap with Swap Provider (which terms of such Credit Facility, Liquidity Facility and/or Swap will be mutually agreeable to both the County and the Airport Board).

(b) *Conditions to the Issuance of Additional Bonds.*

(i) *Certificates Required under the Master Resolution.* Prior to the issuance of any Series of Bonds (other than Initial Bonds), an Airport Board Representative shall provide all certifications (other than Consultant certificates) required under Section 6.04 (Additional Bonds Test) of the Master Resolution.

(ii) *Consultant.* If it is necessary for a Consultant to be retained to perform acts and to carry out duties under the Master Resolution or any Series Resolution, the Consultant shall be appointed by the County following consultation with the Airport Board and the approval of such appointment by the Airport Board. Unless otherwise paid from other sources of funds, costs of any Consultant shall be paid from Revenues.

(iii) *Rating Agency.* The Airport Board may authorize the County to designate Fitch, Kroll, Moody's and/or S&P or any other nationally recognized statistical rating organization for the purposes of the Master Resolution.

(iv) *Underwriter(s) or Purchaser.* The Airport Board may authorize the County to designate certain underwriter or underwriters to purchase the Bonds or Subordinate Obligations in the case of a public sale, or bank or other purchaser in the event of a private placement.

(v) *Parity or Senior Lien Pledge.* The Airport Board hereby represents and states that as of the date of this Agreement it has not previously created any charge or lien on or any security interest in the Net Revenues, Revenues, or the Debt Service Fund that remain outstanding and covenants that, until all the Bonds authorized and issued under the provisions of the Master Resolution and the interest thereon shall have been paid or are deemed to have been paid, it will not, except as otherwise provided under the Master Resolution, grant any prior or parity pledge of or any security interest in the Net Revenues, Revenues, or the Debt Service Fund or any other security that is pledged pursuant to the Master Resolution, or create or permit to be created any charge or lien thereon or any security interest therein ranking prior to or on a parity with the charge or lien of the Bonds from time to time Outstanding under the Master Resolution.

Section 3. Pledge of Revenues; Funds and Accounts.

(a) *Revenue Fund.*

(i) *Pledge of Revenues.* As long as there are any Bonds Outstanding, the Airport Board will deposit or cause to be deposited all Revenues to the Revenue Fund, and hereby pledges all Revenues, subject only to O&M Expenses of the Airport System, and the amounts to be deposited to the Debt Service Fund to pay and secure Bonds to the fullest extent of the pledge of the County under the Master Resolution.

(ii) *PFCs Available for Debt Service.* By resolution, including without limitation, by Airport Board Series Resolution, the Airport Board may designate any available PFCs as "PFCs Available for Debt Service" and shall obligate itself to impose, collect, and provide for the deposit thereof. Such resolution shall include (1) a representation by the Airport Board that such PFCs may be validly designated as and included in "PFCs Available for Debt Service" under the Master Resolution and are legally available to pay the principal of, premium, if any, and interest on all or a portion of such Series of Bonds as designated by the Airport Board, (2) the amount of PFCs that are being designated as and included in "PFCs Available for Debt Service," (3) the Debt Service Account(s) such PFCs Available for Debt Service are to be deposited to, and (4) the time period during which such PFCs will be designated as and included in PFCs Available for Debt Service.

(iii) *Pledged PFCs.* By resolution, including without limitation, by Airport Board Series Resolution, the Airport Board may designate Pledged PFCs and shall obligate itself to impose, collect, and provide for the deposit thereof. Such resolution shall include (1) a representation by the Airport Board that such money may be validly designated as and included in "Pledged PFCs" under the Master Resolution and is legally available and may be pledged to secure the payment of the principal of, premium, if any, and interest on such Series of Bonds as designated by the Airport Board, (2) a pledge of the Pledged PFCs for such purpose, and (3) the source and amount of such money and the time period during which such money will be designated as and included in Pledged PFCs.

(iv) *Other Pledged Revenues.* By resolution, including without limitation, by Airport Board Series Resolution, the Airport Board may designate any revenues not included in the definition of "Revenues" including all or any portion of CFCs to be included as "Other Pledged Revenues" that are to be pledged to the repayment of such Series of Bonds designated by the Airport Board, and shall obligate itself to impose, collect, and provide for the deposit thereof to the Revenue Fund. Such resolution shall include (1) a representation by the Airport Board that such money may be validly designated as and included in "Other Pledged Revenues" under the Master Resolution, and in the case of CFCs have been validly imposed under the Act, and may be pledged to secure the payment of the principal of, premium, if any, and interest on such Series of Bonds as designated by the Airport Board, (2) a pledge of the Other Pledged Revenues for such purpose, and (3) the source and amount of such money and the time period during which such money will be designated as and included in Other Pledged Revenues.

(v) *Other Money Available for Debt Service.* By resolution, including without limitation, by Airport Board Series Resolution, the Airport Board may designate any revenues not included in the definition of "Revenues" including all or any portion of CFCs as "Other Money Available for Debt Service" and shall obligate itself to impose, collect, and provide for such revenues. Such resolution shall include (a) a representation by the Airport Board that such Other Money Available for Debt Service is legally available to pay the principal of, premium, if any, and interest on all or a portion of such Series of Bonds designated by the Airport Board, and (b) the

source and amount of such money and the time period during which such money will be designated as and included in Other Money Available for Debt Service.

(b) *Priority of Payment.* The Airport Board shall provide in each of its annual budgets, and directs, that Revenues deposited in the Revenue Fund shall be used only for the following purposes in the following order of priority:

(i) *First - Operation and Maintenance Expenses.* To pay O&M Expenses of the Airport System, to the extent not paid from another source, as the same become due, as specified in each annual budget of the Airport Board jointly approved by the County and the City pursuant to the Interlocal Agreement.

(ii) *Second - Debt Service on Outstanding Bonds.* To make all payments, including any sinking fund installment payment with respect to each Series of Outstanding Term Bonds, required to be made into each Debt Service Account in the Debt Service Fund to pay principal of and interest on Outstanding Bonds coming due on each Payment Date, taking into account any Other Money Available for Debt Service, Pledged PFCs and/or PFCs Available for Debt Service applied to pay the principal of, including any sinking fund installment payment with respect each Series of Outstanding Term Bonds, and interest on Outstanding Bonds coming due on such Payment Date with respect to Bonds paid from such Debt Service Account under the applicable Supplemental Resolution and/or the applicable certificate described in Section 7.10 of the Master Resolution.

(iii) *Third - Common Debt Service Reserve Fund and Series Debt Service Reserve Funds.* To make all deposits required to be made to the Common Debt Service Reserve Fund, if any, at the times and in the amounts provided in Section 7.05 of the Master Resolution, and to any Series Debt Service Reserve Fund at the times and in the amounts set forth in the Supplemental Resolution pursuant to which such Series Debt Service Reserve Fund is created.

(iv) *Fourth - Subordinate Obligation Debt Service.* To pay principal of and interest on any outstanding Subordinate Obligations when due.

(v) *Fifth - Subordinate Obligation Debt Service Reserve Funds.* To fund any deficiency in any debt service reserve fund established by or for the benefit of the County in connection with any Subordinate Obligations.

(vi) *Sixth – O&M Reserve.* To fund the O&M Reserve in an amount, if any, necessary to meet the O&M Reserve Requirement.

(vii) *Seventh – Renewal and Replacement Reserves.* To fund the Renewal and Replacement Reserve in an amount, if any, necessary to meet the R&R Reserve Requirement.

(viii) *Eighth – General Airport Purposes.* After all deposits and payments have been made as described in clauses (i) through (vii) above, for any lawful Airport System purpose including paying any other outstanding revenue or interest-bearing warrants payable from Revenues, for deposit to any funds or accounts, including, without limitation for redemption of any Bonds or other Airport indebtedness and other proper purposes consistent with budget approvals.

The Airport Board may request that the County modify the application of the funds as provided in clause (iv) through (viii) above and to create additional funds and accounts to be inserted below subsection (iii) above. Any such request shall be reviewed jointly by the Airport Board and the County, and the County shall duly consider, in good faith, the approval of such modification.

(c) *Debt Service Fund; Debt Service Accounts*. The County has caused the Treasurer to create and maintain a special fund of the County designated as the "Airport Revenue Bond Debt Service Fund" (the "Debt Service Fund") for the purpose of paying and securing the payment of the principal of, including sinking fund installment payments on Term Bonds, and interest on, Outstanding Bonds. The Airport Board hereby irrevocably obligates and binds itself for as long as any Bonds remain Outstanding to include in its annual proposed budget and direct to be set aside and paid into the Debt Service Fund from Revenues, subject only to O&M Expenses of the Airport System, or money in the Revenue Fund available after priority (a) under the priority of payment in Section 7.03 of the Master Resolution, the amount required pay the principal of, including sinking fund installment payments on Term Bonds, and interest on, Outstanding Bonds on each Payment Date.

Except as otherwise provided in a Supplemental Resolution, so long as any Bonds of such Series are Outstanding, not later than the third (3rd) Business Day prior to each Payment Date, the Airport Board directs the County to transfer, or cause to be transferred, to the Bond Registrar (a) Revenues on deposit in the Debt Service Fund, (b) Other Money Available for Debt Service, if any, on deposit in the Debt Service Fund, (c) Pledged PFCs, if any, on deposit in the Debt Service Funds and/or (d) PFCs Available for Debt Service, if any, on deposit in the Debt Service Fund in an aggregate amount sufficient to pay the interest on each Series of Outstanding Bonds coming due on such Payment Date, the Principal Amount of each Series of Outstanding Bonds coming due on such Payment Date and any sinking fund installment payment, due on such Payment Date with respect to each Series of Outstanding Term Bonds.

If, on any Payment Date, the County does not have sufficient amounts in the Debt Service Fund (without regard to any amounts which may be available from the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund, as applicable) to pay in full all amounts of principal and/or interest due on such date, the Airport Board directs the County to allocate the total amount that is available to make payment on such day (without regard to any amounts in the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund, as applicable), and transfer funds to the Bond Registrar for payment of principal and interest coming due on Outstanding Bonds on such Payment Date as follows: first to the payment of interest then due on the Bonds and, if the amount available shall not be sufficient to pay in full all interest on the Bonds then due, then *pro rata* among the Series according to the amount of interest then due, and second to the payment of principal then due on the Bonds and, if the amount available shall not be sufficient to pay in full all principal on the Bonds then due, then *pro rata* among the Series according to the Principal Amount then due on the Bonds.

(d) *Common Debt Service Reserve Fund.*

(i) By Airport Board Series Resolution in connection with a Series of Bonds, the Airport Board shall designate if a Series of Bonds will participate in the Common Debt Service Reserve Fund, or shall direct the County to create, pursuant to a Supplemental Resolution, a separate Series Debt Service Reserve Fund and allow one or more Series of Bonds to participate in such Series Debt Service Reserve Fund, direct that a Series of Bonds not participate in the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund, and/or request the County to purchase a Debt Service Reserve Fund Surety Policy. Prior to entering into any Debt Service Reserve Fund Surety Policy, the parties hereto shall enter into an agreement securing the County's and the Airport Board's obligations thereunder.

(ii) In the event that federal tax law in the opinion of Bond Counsel would prohibit the Reserve Requirement with respect to the Common Debt Service Reserve Fund or any portion thereof from being satisfied with proceeds of any issue of tax-exempt or tax-advantaged Bonds, the Airport Board shall include in its annual proposed budget and direct that the County satisfy the portion of the Reserve Requirement for the Common Debt Service Reserve Fund not permitted to be funded with tax-exempt Bond proceeds with Revenues available under priority (c) under the

priority of payment in Section 7.03 of the Master Resolution, to the extent permissible under federal tax laws, in approximately equal monthly installments within sixty (60) months from the date of issuance of such Series of Bonds.

(e) *Coverage Amount.* The Airport Board may include in each of its annual budget proposals, or to otherwise direct during each Fiscal Year, the Coverage Amount, if any.

(f) *Other Reserves.* The Airport Board may include in each of its annual budget proposals, or to otherwise specify during each Fiscal Year, the amounts, if any, to be expended from the O&M Reserve to pay O&M Expenses and the amounts, if any, to be expended from the Renewal and Replacement Reserve to pay costs of improvements, repairs or extraordinary maintenance that are not provided for by moneys available in other Funds or Accounts established under the Master Resolution, including without limitation the costs of unanticipated or emergency repairs or replacements of any part of the Airport System that are properly chargeable to one or more of the cost centers established, from time to time, by the Airport Board. The Airport Board also may adjust the O&M Reserve Requirement and/or R&R Reserve Requirement from time to time in its annual budget for the applicable Fiscal Year(s).

Section 4. Bond Covenants and Agreements. So long as any Bonds remain Outstanding, the parties hereto covenant and agree as follows:

(a) *Payment of Principal and Interest.* The Airport Board hereby covenants and agrees that it will include in each of its annual proposed budgets and will duly and punctually pay or direct the County to pay from Revenues obligated to be deposited to the Debt Service Fund the principal of, premium, if any, and interest on every Bond at the place and on the dates and in the manner herein, in the Supplemental Resolutions and in the Bonds specified, provided that the Airport Board's obligation to make payment of the principal of, premium, if any, and interest on the Bonds shall be limited to payment from the Revenues, subject only to O&M Expenses of the Airport System, the funds and accounts pledged therefor pursuant to the Master Resolution and no Bondholder shall have any right to enforce payment from any other funds of the County or the Airport Board.

(b) *Performance of Covenants by Airport Board; Due Execution.* The Airport Board hereby covenants that it will faithfully perform at all times any and all covenants and agreements contained in this Agreement, and in all of its proceedings pertaining hereto. The Airport Board hereby represents that it is duly authorized to direct that Revenues, subject only to O&M Expenses of the Airport System, be deposited to the Debt Service Fund, and that, as of the date of this Agreement, the Airport Board has not pledged Revenues, Net Revenues, or other assets to secure other outstanding obligations.

(c) *Rate Covenant.*

(i) The Airport Board hereby covenants and agrees that, while any Bonds remain Outstanding, it shall establish, fix, prescribe, and collect rates, tolls, fees, rentals, and charges in connection with the Airport System and for services rendered in connection therewith, so that Revenues in each Fiscal Year will be at least equal to the following amounts:

(1) O&M Expenses of the Airport System due and payable during such Fiscal Year;

(2) the Annual Debt Service on any Outstanding Bonds required to be funded by the County in such Fiscal Year as required by the Master Resolution or any Supplemental Resolution with respect to the Outstanding Bonds;

(3) the required deposits to the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund that may be established by a Supplemental Resolution;

(4) the reimbursement owed to any Credit Provider or Liquidity Provider as required by a Supplemental Resolution;

(5) the interest on and principal of any indebtedness of the County with respect to the Airport System required to be funded during such Fiscal Year, other than for Outstanding Bonds, but including Subordinate Obligations; and

(6) funding of any debt service reserve funds created in connection with any indebtedness of the County with respect to the Airport System, other than Outstanding Bonds, but including Subordinate Obligations.

(ii) The Airport Board hereby further covenants and agrees that it shall establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with the Airport System and for services rendered in connection therewith, so that during each Fiscal Year the Net Revenues, together with any Coverage Amount, will be equal to at least 125% of Annual Debt Service on the Outstanding Bonds for such Fiscal Year. For purposes of this subsection (ii), the amount of any Coverage Amount taken into account shall not exceed 25% of Annual Debt Service on the Outstanding Bonds in such Fiscal Year.

(iii) When calculating Annual Debt Service on the Outstanding Bonds for purposes of the rate covenants set forth in subsections (i) and (ii) above, Annual Debt Service on the Outstanding Bonds shall be reduced by the amount of principal and/or interest paid with Capitalized Interest, Other Money Available for Debt Service, PFCs Available for Debt Service and/or Pledged PFCs.

(iv) The Airport Board hereby further covenants and agrees that if Revenues or Net Revenues, together with any Coverage Amount (only as applied in subsection (ii) above) in any Fiscal Year are less than the amounts specified in subsections (i) and (ii) above, it shall recommend that the County appoint a Consultant (which appointment of such Consultant shall be subject to the approval of the County, provided that such approval shall not be unreasonably withheld or delayed by the County) that will make recommendations to the Airport Board as to Airport System business operations and rates, tolls, fees, rentals, and charges for the use of the Airport System and for services rendered by the Airport Board in connection with the Airport System, and after receiving such recommendations or giving reasonable opportunity for such recommendations to be made, the Airport Board will take all lawful measures to revise the schedule of rates, tolls, fees, rentals, and charges as may be necessary to produce Revenues or Net Revenues, together with any Coverage Amount (only as applied in subsection (ii) above) in the amounts specified in subsections (i) and (ii) above in the next succeeding Fiscal Year.

(v) In the event that Revenues or Net Revenues, together with any Coverage Amount, for any Fiscal Year are less than the amounts specified in subsections (i) or (ii) above, but the County or Airport Board has, prior to or during the next succeeding Fiscal Year, promptly taken all lawful measures to revise the schedule of rates, tolls, fees, rentals, and charges as required by subsection (iv) above, such deficiency in Revenues or Net Revenues, together with any Coverage Amount, shall not constitute an Event of Default under the Master Resolution or hereunder. Nevertheless, if after taking the measures required by subsection (iv) above to revise the schedule of rates, tolls, fees, rentals, and charges, Revenues or Net Revenues, together with any Coverage Amount, in the next succeeding Fiscal Year (as evidenced by the audited financial statements of the Airport System for such Fiscal Year) are less than the amounts specified in subsections (i) or

(ii) above, such deficiency in Revenues or Net Revenues shall constitute an Event of Default under the Master Resolution and hereunder.

(d) *No Inconsistent Contract Provisions.* The Airport Board hereby covenants that no contract or contracts will be entered into or any action taken by the Airport Board that shall be inconsistent with the provisions of the Master Resolution. The Airport Board hereby further covenants that it will not take any action that will substantially impair or materially adversely affect Revenues, or will substantially impair or materially adversely affect in any manner the pledge of, security interest in, lien and charge on Revenues granted in the Master Resolution or the rights of the holders of the Bonds. The Airport Board shall be unconditionally and irrevocably obligated, so long as any of the Bonds are Outstanding and unpaid, to take all lawful action necessary or required to pay from the Revenues the principal of and interest on the Bonds and to make the other payments provided for in the Master Resolution.

(e) *Swaps and Derivatives.* In the event that the Airport Board determines that a Swap should be executed in connection with a Series of Bonds, the parties hereto agree to enter into an agreement that secures the County's and the Airport Board's, as applicable, performance under the Swap.

(f) *Repayment Obligations.* In the event that the Airport Board determines that a Credit Facility or Liquidity Facility should be procured in connection with a Series of Bonds, the parties hereto agree to enter into an agreement providing security for the County's Repayment Obligations and any repayment obligations of the Airport Board.

(g) *Maintenance of Powers.* The Airport Board hereby covenants it will not at any time voluntarily do, suffer or permit any act or thing the effect of which would be to delay either the payment of the indebtedness evidenced by any of the Bonds or the performance or observance of any of the covenants contained in the Master Resolution.

(h) *Operation and Maintenance of Airport System.* The Airport Board covenants that it shall operate and maintain the Airport System at all times in good working order and condition in compliance with all lawful orders of any governmental agency or authority having jurisdiction in the premises (provided the Airport Board shall not be required to comply with any such orders so long as the validity or application thereof shall be contested in good faith), and that all licenses and permits necessary to construct or operate any part of the Airport System shall be obtained and maintained and that all necessary repairs, improvements and replacements of the Airport System shall be made, subject to sound business judgment. Subject to the transfer of any Airport Facilities pursuant to Section 8.12 of the Master Resolution, the Airport Board shall, from time to time, duly pay and discharge, or cause to be paid and discharged, except to the extent the imposition or payment thereof is being contested in good faith, all taxes (if any), assessments or other governmental charges lawfully imposed upon the Airport System or upon any part thereof, or upon the Revenues or Net Revenues, when the same shall become due, as well as any lawful claim for labor, materials or supplies or other charges which, if unpaid, might by law become a lien or charge upon the Revenues or Net Revenues or the Airport System or any part thereof constituting part of the Airport System.

(i) *Insurance; Application of Net Insurance/Condemnation Proceeds.*

(i) Subject, in each case, to the condition that insurance is obtainable at reasonable rates and upon reasonable terms and conditions the Airport Board shall procure and maintain or cause to be procured and maintained commercial insurance with respect to the facilities constituting the Airport System and public liability insurance in such amounts and against such risks as are prudent and reasonable taking into account, but not being controlled by and subject to the discretion of the Airport Board, the amounts and types of insurance or self-insured programs provided by similar airports.

(ii) If a Consultant determines pursuant to the Master Resolution that insurance reserves are inadequate, such Consultant shall make a recommendation as to the amount of reserves that should be established and maintained, and the Airport Board shall, in a commercially reasonable manner, comply with such recommendation unless the Airport Board can establish, or cause to be established, to the satisfaction of and receive a certification from such Consultant that a lower amount is reasonable to provide adequate protection to the Airport System.

(iii) If, as a result of any event, any part of the Airport System is destroyed or severely damaged, the Airport Board shall direct that Net Insurance/Condemnation Proceeds be applied as required by the Master Resolution to: (1) repair or replace the Airport System, or portion thereof, which was damaged or destroyed, (2) provide additional revenue-producing Airport Facilities, (3) redeem Bonds, or (4) create an escrow fund pledged to pay specified Bonds and thereby cause such Bonds to be defeased as provided in Section 10 of the Master Resolution.

(j) *Accounts*. The Airport Board hereby covenants that it will keep or cause to be kept and provide or cause to be provided accurate books and records of account showing all Revenues received and all expenditures of the Airport Board relating to the Airport System. The Airport Board hereby covenants that it will keep or cause to be kept and provide or cause to be provided accurate books and records of account showing all proceeds of Bonds and Subordinate Obligations received and all expenditures of the Airport Board relating to such proceeds.

(k) *Transfer of Airport Facility or Airport Facilities*. The Airport Board shall not, except as permitted in, and subject to the terms of, the Master Resolution, transfer, sell or otherwise dispose of its interest in an Airport Facility or Airport Facilities. Proceeds of any such transfer, sale or other disposition shall be applied as provided in the Master Resolution. Prior to selling or disposing of a Significant Portion of any Airport Facilities or portions thereof, the Airport Board shall request that the County provide notice to the Ratings Agencies as required by the Master Resolution.

(l) *Completion of Specified Project; Substitution of Specified Project*. Upon the issuance of a Series of Bonds the proceeds of which are to be used for a Specified Project, the Airport Board shall proceed with due diligence to construct or acquire such Specified Project; provided, however, that the Airport Board may substitute another Project therefor as permitted by the Master Resolution, and the Airport Board shall proceed with due diligence to construct or acquire such substituted Project.

The Airport Board may determine not to proceed with any of the Specified Projects or substitute another Project or Projects for a Specified Project if, as a condition to discontinuing the acquisition or construction of a Specified Project or to the substitution of another Project or Projects therefor, the Airport Board delivers to the County a certificate of a Consultant showing that after taking into account the discontinuation of such Specified Project or the substitution of another Project or Projects therefor, the provisions of Section 8.04(a) and (b) of the Master Resolution will, nevertheless, be complied with by the Airport Board.

(m) *Annual Reporting of Audited Financial Statements*. Within 270 days after the close of each Fiscal Year, so long as any Bonds are Outstanding, the Airport Board shall have prepared financial statements including a statement of the income and expenses for such Fiscal Year and a balance sheet prepared as of the close of such Fiscal Year for the Airport System all accompanied by a certificate or opinion in writing of an Independent certified public accountant of recognized standing, selected by the Airport Board, which opinion shall include a statement that such financial statements present fairly in all material respects the financial position of the Airport System and are prepared in accordance with Generally Accepted Accounting Principles.

(n) *Covenant Against Competing Facilities*. The Airport Board hereby covenants that it will not construct, operate or enter into any agreement permitting or facilitating the construction or operation of, any facilities or structures that will compete with the operations of the Airport System in a manner that would materially and adversely affect the Airport Board's ability to comply with the covenants set forth in this Agreement or the County's ability to comply with the covenant set forth in Section 8.04 of the Master Resolution unless the amounts derived from operating such facilities are included as Revenues under the Master Resolution.

(o) *Preservation of Tax Exemption for Interest on Bonds and Subordinate Obligations*. The Airport Board hereby agrees that it will take all actions necessary to prevent interest on any Bonds and Subordinate Obligations issued as tax-exempt obligations from being included in gross income for federal tax purposes and to protect the status of any Bonds and Subordinate Obligations issued as tax-advantaged obligations under the federal tax code, and it will neither take any action nor make or permit any use of the Airport Facilities financed with proceeds of such tax-exempt or tax-advantaged Bonds or Subordinate Obligations at any time while such Bonds or Subordinate Obligations, as applicable, are Outstanding that will cause interest on the Bonds or Subordinate Obligations to be included in gross income for federal income tax purposes or cause any tax-advantaged Bonds or Subordinate Obligations to lose their tax-advantaged status.

In connection with the issuance of any Bonds or Subordinate Obligations issued as tax-exempt or tax-advantaged obligations, the Airport Board agrees to deliver to the County a certificate executed by an Airport Board Representative, in form and substance satisfactory to Bond Counsel, setting forth, among other things, the reasonable expectations of the Airport Board as of the issuance date of such obligations as to the use of proceeds of the Bonds or Subordinate Obligations and other matters to protect the status of such obligations as tax-exempt or tax-advantaged obligations under the federal tax code.

Section 5. Subordinate Obligations, Special Facilities and Other Obligations; Excluded Property.

(a) *Subordinate Obligations*. By Airport Board Series Resolution, the Airport Board may request that the County incur Subordinate Obligations.

(b) *Special Facilities.* By Airport Board Series Resolution, the Airport Board may request that the County designate new or existing Airport Facilities as Special Facilities as permitted in Section 8.07 of the Master Resolution, issue Special Facility Obligations, determine to make Revenues or such other money not included in Revenues available to pay such debt service, through a specific pledge or otherwise and subject to any covenants or other provisions of the Master Resolution, and refinance any such Special Facility Obligations with other Special Facility Obligations. An Airport Board Representative shall deliver the certificate of the Airport Board Representative required under the Master Resolution in connection with the issuance of Special Facility Obligations.

(c) *Obligations Secured by Other Revenues.* By Airport Board Series Resolution, the Airport Board may request, from time to time, that the County incur indebtedness payable solely from certain revenues of the Airport System that do not constitute Revenues and may incur indebtedness payable from and secured by both Net Revenues and certain revenues of the Airport System that do not constitute Revenues.

(d) *Excluded Property.* Subject to the provisions of the Master Resolution, the Airport Board may direct that real or personal property previously included in the Airport System be included in the definition of Excluded Property by delivering to the County a certificate of an Airport Board Representative identifying such real or personal property to be removed from the definition of the Airport System and designated as "Excluded Property," certifying that the provisions set forth in Section 8.04 of the Master

Resolution are being complied with. Such real or personal property shall only be included in the definition of Excluded Property if all requirements set forth in the definition of "Excluded Property" in the Master Resolution are met.

Section 6. Investment of Funds; Permitted Investments. Money held by the County in the Funds, Accounts, and Subaccounts created by the Master Resolution and under any Supplemental Resolution shall be invested and reinvested in the same Funds, Accounts, and Subaccounts in Permitted Investments at the direction of the Airport Board consistent with and subject to the restrictions set forth in the Interlocal Agreement, the Master Resolution and any Supplemental Resolution.

Section 7. Defaults and Remedies.

(a) *Remedies of County on Default*. Upon the occurrence of a default by the Airport Board in its obligations hereunder, the County may proceed to protect and enforce its rights in equity or at law, either in mandamus or for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, as the County may deem most effectual to protect and enforce any of its rights or interests hereunder.

(b) *Remedies of Airport Board on Default*. Upon the occurrence of a default by the County in its obligations hereunder, the Airport Board may proceed to protect and enforce its rights in equity or at law, either in mandamus or for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, as the Airport Board may deem most effectual to protect and enforce any of its rights or interests hereunder.

Section 8. No Remedy Exclusive. No remedy conferred upon or reserved to either party by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative. Either party shall be free to pursue, at the same time, each and every remedy, at law or in equity, which it may have under this Agreement, or otherwise.

Section 9. No Implied Waiver. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. For the exercise of any remedy, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 10. Agreement to Pay Attorneys' Fees and Expenses. If a default arises under any of the provisions of this Agreement and either party hereto should employ attorneys or incur other expenses for the collection of amounts due under this Agreement or the enforcement of performance or observance of any obligation or agreement on the part of the other party contained in this Agreement, on demand therefor, the non-prevailing party shall pay or reimburse the prevailing party for the reasonable fees of such attorneys and such other expenses so incurred.

Section 11. Disclosure; Continuing Disclosure Undertaking.

(a) *Initial Disclosure*. The Airport Board agrees to assist the County in preparation of information about or pertaining to the Airport Facilities and its operations for inclusion in any primary offering documents to be prepared in connection with the issuance and sale of any Bonds.

(b) *Continuing Disclosure Undertakings*. To meet the conditions of paragraph (b)(5) of United States Securities and Exchange Commission Rule 15c2-12 (the "Rule"), as applicable to a participating underwriter for a Series of Bonds, the parties acknowledge that the County will undertake for the benefit of holders of such Series of Bonds to provide, or cause to be provided, annual financial and operating

information as provided in one or more continuing disclosure certificates executed by the County (the "Undertakings"). The Airport Board agrees to provide its audited financial statements and any information about or pertaining to the Airport Facilities and its operations, if and as necessary for the County to comply with such Undertakings.

If and to the extent necessary to meet the conditions of the Rule in connection with the issuance of a Series of Bonds or Subordinate Obligations, the Airport Board agrees to deliver to the County a certificate executed by an Airport Board Representative, in form and substance satisfactory to Bond Counsel and/or disclosure counsel to the County, undertaking to provide such financial statements and any information about or pertaining to the Airport Facilities and its operations.

Section 12. Interlocal Cooperation Act Provisions. The parties acknowledge that they have entered into this Agreement pursuant to RCW 39.34.100, the Interlocal Cooperation Act, and the Interlocal Agreement for the purpose of setting forth the understanding between the parties related to the issuance of Bonds from time to time for the benefit of the Airport Board. To avail themselves of the supplemental powers and authority granted by the Interlocal Cooperation Act, the parties agree that:

(a) No separate legal or administrative entity within the meaning of RCW 39.34.030(3)(b) or "joint board" within the meaning of RCW 39.34.030(4)(a) is created by this Agreement;

(b) The County's Senior Director of Finance and Administration, or the successor to such office, is appointed as the "administrator" within the meaning of RCW 39.34.030(4)(a) responsible for administering the County's rights and duties set forth in this Agreement, and the Chief Executive Officer, or the successor to such office, of the Airport Board, or their designee, is appointed as the "administrator" within the meaning of RCW 39.34.030(4)(a) responsible for administering the Airport Board's rights and duties set forth in this Agreement; and

(c) The County and the Airport Board will file or post this Agreement as required by RCW 39.34.040.

Nothing set forth in this Agreement is intended to limit the rights and duties of the parties relating to the Airport Facilities that are established through the Interlocal Agreement or other contracts between the parties.

Section 13. Governing Law: Venue. This Agreement is governed by and shall be construed in accordance with the substantive laws of the State and shall be liberally construed so as to carry out the purposes hereof. Except as otherwise required by applicable law, any action under this Agreement shall be brought in the Superior Court of the State in and for Spokane County.

Section 14. **Notices**. Except as otherwise provided herein, all notices, consents or other communications required hereunder shall be in writing and shall be sufficiently given if addressed and hand delivered or mailed by first-class mail, as follows:

To the County:
1116 West Broadway Avenue
Spokane, Washington 99260
Attention: Senior Director of Finance and Administration

To the Airport Board
9000 W. Airport Dr., Suite 204
Spokane, WA 99224
Attention: Chief Financial Officer

The County or the Airport Board may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent. Notices shall be deemed served upon deposit of such notices in the United States mail in the manner provided above.

Section 15. **Binding Effect; Assignment**. So long as the Bonds and/or any Subordinate Obligations, and any amounts due and owing to the County in connection with the issuance of such obligations, remain Outstanding, this Agreement may not be assigned by a party without the written consent of the other party and pursuant to a resolution of the County Board and the Airport Board, respectively. This Agreement shall inure to the benefit of and shall be binding upon the County and the Airport Board and their successors, if any. Assignment of the Airport Board's duties and obligations under this Agreement shall not require the consent of holders or owners of any Bonds or Subordinate Obligations then Outstanding; provided, notice of such assignment shall be provided or cause to be provided by the County in the same manner as a notice of a listed event under the Rule.

Notwithstanding anything herein to the contrary, unless otherwise agreed to by the County pursuant to a resolution of the County Board, this Agreement may not be assigned to and the County shall not transfer, sell or otherwise dispose of its interest (or permit the City or the Airport Board to transfer, sell or otherwise dispose of their respective interest) in the Airport Facilities, or any part thereof, to an airport authority or other governmental entity formed or incorporated under State law (as it may be amended) for the purpose of owning and/or operating the Airport Facilities unless all Bonds and Subordinate Obligations then Outstanding shall be defeased, prepaid or redeemed in full on or prior to the date of such assignment, transfer, sale or other disposition.

Section 16. **Severability**. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 17. **Amendments**. This Agreement may not be amended except by written agreement between the County and the Airport Board, duly executed by a Designated County Representative and an Airport Board Representative, and pursuant to a resolution of the County Board and the Airport Board, respectively. Any such amendment shall not require the consent of or notice to holders or owners of any Bonds or Subordinate Obligations then Outstanding.

The Airport Board may request that the County adopt one or more Supplemental Resolutions in connection with the issuance of a Series of Bonds and/or to amend the Master Resolution, and to adopt one

or more resolutions in connection with the issuance of Subordinate Obligations, subject to the requirements of the Master Resolution.

Section 18. Third Party Rights. The terms of this Agreement are not intended to establish nor to create any rights in any persons or entities other than the County, the Airport Board and the respective successors of each, except for the rights of owners of Bonds and Subordinate Obligations as provided in this Agreement. Only the County, the Airport Board and the respective successors of each, and owners of Bonds and Subordinate Obligations (to the extent necessary to enforce their rights as owners of Bonds or Subordinate Obligations, as applicable) have any rights or any authority to enforce this Agreement's provisions.

Section 19. Time of Essence. Time and all terms and conditions shall be of the essence in this Agreement.

Section 20. General Authorization. The proper officials of the County and the Airport Board, and each of their respective appropriate officers, agents and representatives, are each hereby authorized and directed to take such steps, to do such acts and things, to undertake all action necessary and to execute all documents required to effect the purposes of this Agreement, the Master Resolution and any Series Resolution. Any certificates of the Airport Board required to be delivered under this Agreement or under the Master Resolution or a Series Resolution shall be delivered by an Airport Board Representative.

Section 21. Effective Date of and Termination of Agreement. This Agreement shall become effective on the Effective Date and, unless otherwise agreed to by the parties in order to facilitate future financings, this Agreement shall terminate upon payment in full of all principal of and interest on any Bonds and any Subordinate Obligations, and any amounts due and owing to the County in connection with the issuance of such obligations.

Section 22. Disclaimers with Respect to Loans. ORAL AGREEMENTS OR ORAL COMMITMENTS TO LEND MONEY, EXTEND CREDIT, OR FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

[signature page follows]

IN WITNESS WHEREOF, the County and the Airport Board have caused this Agreement to be executed in their respective names by their duly authorized officers, and have caused this Agreement to be dated as of the Effective Date.

SPOKANE COUNTY, WASHINGTON

Mary L. Kuney
Chair of the Board of County Commissioners of Spokane County, as Designated County Representative

Approved as to form:

Pacifica Law Group LLP, Bond Counsel to Spokane County, Washington

AIRPORT BOARD

Lawrence J. Krauter
Chief Executive Officer, as Airport Board Representative

Approved as to form:

Brian M. Werst
General Counsel

Submit to Clerk of the Board with available supporting materials (Resolutions, Agreements, Presentations, etc.)

AGENDA SHEET

SUBMITTING DEPARTMENT: Budget & Finance

CONTACT PERSON: Randy Bischoff

PHONE NUMBER: 477-4790

CHECK TYPE OF MEETING BELOW:

☒ Regular Legislative Session Agenda

BELOW FOR CLERK'S USE ONLY:

Clerk's Resolution No.	24-0547
Approved:	Majority/Unanimous
Denied:	Majority/Unanimous
Renews/Amends No.	
Public Works No.	
Purchasing Dept. No.	

***AGENDA TITLE** (please provide a reasonably descriptive agenda title for this item:* A Resolution of the Board of County Commissioners of Spokane County, Washington, authorizing Airport Revenue Bonds to be issued for Airport purposes; Authorizing the Execution and Delivery of the Airport Revenue Bond Agreement; Creating and Establishing a Pledge of Security Interest in and Lien and Charge on Revenues of the Airport System, subject to Operation and Maintenance expenses for the payment of such Bonds and other Obligations; making Covenants and Agreements for the benefit of Holders of such Bonds and Obligations; authorizing the Issuance and Sale of such Bonds and Obligations by Supplemental Resolution from Time to Time; and Authorizing other matters properly relating thereto.

***DESCRIPTIVE SUMMARY** (please provide anticipated fiscal and budgetary information & reason for request):* This Master Bond Resolution authorizes a County borrowing program on behalf of the Airport Board. Bonds and other obligations may be issued by the County from time to time, at the request of the Airport Board and with approval of the City of Spokane (pursuant to a Joint Resolution), the Airport Board, and the Board of County Commissioners, to finance airport related projects. This resolution establishes the pledge of airport revenues and other funds, limits the liability of the County to airport revenues, and sets forth terms and conditions and covenants related to the issuance of such bonds. Each series of bonds issued under this Master Bond Resolution will be approved by a separate supplemental resolution.

This resolution also authorizes the execution and delivery of an Airport Revenue Bond Agreement (a copy is attached as Exhibit A). The Airport Revenue Bond Agreement establishes the arrangement between the County and the Airport Board with respect to the County issuing bonds on behalf of the Airport Board. It details the process by which the Airport Board will request such bonds to be issued, specifies roles and responsibilities between the County and the Airport Board, and provides covenants of the Airport Board for the benefit of bondholders. Note that the Airport Board adopted a resolution approving execution of this Agreement on September 3, 2024.

***FISCAL IMPACT** (please provide anticipated fiscal and budgetary impact, with amount and source of funds, if applicable):* N/A

***REQUESTED BOARD ACTION** (if any):* Approve Resolution and Agreement.

Other County Departments Impacted - List any other departments that were notified in advance of this agenda item: .

This Item will need to be codified in the Spokane County Code: No

APPENDIX 4
Spokane Airport Master Resolution

RESOLUTION NO. 24-0547

SPOKANE COUNTY, WASHINGTON

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF SPOKANE COUNTY, WASHINGTON, AUTHORIZING AIRPORT REVENUE BONDS TO BE ISSUED FOR AIRPORT PURPOSES; AUTHORIZING THE EXECUTION AND DELIVERY OF THE AIRPORT REVENUE BOND AGREEMENT; CREATING AND ESTABLISHING A PLEDGE OF, SECURITY INTEREST IN AND LIEN AND CHARGE ON REVENUES OF THE AIRPORT SYSTEM, SUBJECT TO OPERATION AND MAINTENANCE EXPENSES, FOR THE PAYMENT OF SUCH BONDS AND OTHER OBLIGATIONS; MAKING COVENANTS AND AGREEMENTS FOR THE BENEFIT OF HOLDERS OF SUCH BONDS AND OBLIGATIONS; AUTHORIZING THE ISSUANCE AND SALE OF SUCH BONDS AND OBLIGATIONS BY SUPPLEMENTAL RESOLUTION FROM TIME TO TIME; AND AUTHORIZING OTHER MATTERS PROPERLY RELATING THERETO.

ADOPTED: SEPTEMBER 10, 2024

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EXHIBIT A - Airport Revenue Bond Agreement

EXHIBIT B - Form of Bond

RESOLUTION NO. 24-0547

SPOKANE COUNTY, WASHINGTON

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF SPOKANE COUNTY, WASHINGTON, AUTHORIZING AIRPORT REVENUE BONDS TO BE ISSUED FOR AIRPORT PURPOSES; AUTHORIZING THE EXECUTION AND DELIVERY OF THE AIRPORT REVENUE BOND AGREEMENT; CREATING AND ESTABLISHING A PLEDGE OF, SECURITY INTEREST IN AND LIEN AND CHARGE ON REVENUES OF THE AIRPORT SYSTEM, SUBJECT TO OPERATION AND MAINTENANCE EXPENSES, FOR THE PAYMENT OF SUCH BONDS AND OTHER OBLIGATIONS; MAKING COVENANTS AND AGREEMENTS FOR THE BENEFIT OF HOLDERS OF SUCH BONDS AND OBLIGATIONS; AUTHORIZING THE ISSUANCE AND SALE OF SUCH BONDS AND OBLIGATIONS BY SUPPLEMENTAL RESOLUTION FROM TIME TO TIME; AND AUTHORIZING OTHER MATTERS PROPERLY RELATING THERETO.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SPOKANE COUNTY, WASHINGTON (the "County Board"), as follows:

WHEREAS, Spokane County, Washington (the "County") is a class A county duly organized and existing under and by virtue of the Constitution and the laws of the state of Washington (the "State");

WHEREAS, on July 30, 1962, the County and the City of Spokane, Washington (the "City") entered into an Airport Joint Operation Agreement for the purpose of financing, constructing, improving and operating Spokane International Airport and Felts Field, through the agency of the Spokane Airport Board (the "Airport Board"), as provided by chapter 14.08 of the Revised Code of Washington ("RCW");

WHEREAS, on October 7, 2019, the County and the City replaced such agreement with an Amended Spokane County/City Airport Agreement (as may be further supplemented, amended or replaced, the "Interlocal Agreement"), continuing their association under chapter 14.08 RCW for the joint operation of Spokane International Airport, Felts Field, and Spokane International Airport Business Park facilities, and vesting the Airport Board the authority to manage and operate such facilities for aeronautical and industrial development purposes, subject to the specific limitations contained in the Interlocal Agreement;

WHEREAS, pursuant to the terms and provisions of chapter 14.08 RCW, the County is authorized to conduct proceedings and to issue revenue bonds to acquire, construct and install improvements to airport facilities, provide for the payment of such revenue bonds from revenues deposited to a special fund, along with any reserve funds, provide covenants as it may deem necessary for the benefit of bond owners, and provide for the issuance of future parity bonds; and the County may issue and sell such bonds in accordance with chapter 39.46 RCW, including RCW 39.46.150;

WHEREAS, pursuant to Section 4.3 of the Interlocal Agreement, the Airport Board has no independent authority to issue bonds or to incur other debts with a maturity of more than one year from the date of the obligation;

WHEREAS, pursuant to Section 4.3 of the Interlocal Agreement, the County and the City may, by joint resolution, authorize the issuance and sale of revenue bonds or other obligations payable from airport revenues, the proceeds of which are to be used exclusively for airport purposes;

WHEREAS, pursuant to Section 4.3 of the Interlocal Agreement, such revenue bonds or other revenue obligations shall be authorized by and issued in the name of the County;

WHEREAS, the Airport Board adopted Resolution No. 10-24 on September 3, 2024, requesting that the County adopt this Resolution authorizing the issuance of revenue bonds from time to time for airport purposes and approving the execution and delivery of an Airport Revenue Bond Agreement.

Section 1. Definitions.

As used in this Resolution, the following words and terms shall have the following meanings, unless the context or use indicates another or different meaning or intent. Unless the context indicates otherwise, words importing the singular number shall include the plural number and vice versa.

"Account" means any account established pursuant to this Resolution or any Supplemental Resolution.

"Accreted Value" means with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the amount set forth or as provided for in a Supplemental Resolution as the amount representing the initial principal amount of such Capital Appreciation Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date; provided the Accreted Value shall be determined in accordance with or as provided for in the Supplemental Resolution providing for the issuance of such Capital Appreciation Bonds. All references herein to "principal" shall include Accreted Value, as applicable.

"Act" means, collectively, chapter 14.08 RCW, chapter 39.46 RCW (including without limitation RCW 39.46.150), and all laws amendatory thereof or supplemental thereto.

"Aggregate Annual Debt Service" means, for any Fiscal Year or other applicable period, the aggregate amount of Annual Debt Service on all Outstanding Bonds calculated as described in Section 6.04(c) hereof.

"Aggregate Annual Debt Service For Reserve Requirement" means the computation of Aggregate Annual Debt Service with respect to all Outstanding Bonds participating in the Common Debt Service Reserve Fund in the then current or any future Fiscal Year, with such modifications in the assumptions thereof as is described in this definition. For purposes of determining the Aggregate Annual Debt Service For Reserve Requirement, the annual debt service with respect to any Series of Balloon Indebtedness, Tender Indebtedness or Variable Rate Indebtedness shall, upon the issuance of such Series, be calculated on the basis of the assumptions set forth in clauses (ii), (iii) or (iv) of Section 6.04(c) hereof, respectively, and the amount so determined shall not require adjustment thereafter except as appropriate to reflect reductions in the Outstanding principal amount of such Series.

"Airport Board" means the board created by the Interlocal Agreement and vested with the authority to manage and operate Spokane International Airport, Felts Field, and Spokane International Airport Business Park and related facilities, including the Rail-Truck Transload Facility, for aeronautical and industrial development purposes, subject to the specific limitations contained in the Interlocal Agreement.

"Airport Board Representative" means the Airport System Chief Executive Officer, the Airport System Chief Financial Officer, any other officer appointed by resolution of the Airport Board as an Airport Board Representative, or any successor to the functions of such offices.

"Airport Board Series Resolution" means any resolution or resolutions requesting that the County issue a Series of Bonds and directing certain matters related thereto, duly adopted by the Airport Board and delivered to the County pursuant to Section 2.01 hereof.

"Airport Facilities" or "*Airport Facility*" means a facility or group of facilities or category of facilities that constitute or are part of the Airport System.

"Airport Revenue Bond Agreement" means the Airport Revenue Bond Agreement, between the County and the Airport Board, attached hereto as Exhibit A, as such agreement may be supplemented, amended or replaced as provided therein.

"Airport System" means (i) all airports, airport sites, and all equipment and facilities for aerial navigation, flight, instruction, and air commerce, including Spokane International Airport and Auxiliary Airports, (ii) the Spokane International Airport Business Park facilities, (iii) the Rail-Truck Transload Facility, and (iv) all facilities and property related thereto, real or personal, now or hereafter (for so long as any Bonds are outstanding), owned, operated, used, leased, licensed, or managed by the County, by the City, or jointly by both through the Airport Board, or from which the Revenues are derived at such location; exclusive of any property or interest therein defined in this Resolution as "Excluded Property." The Airport System includes the real property owned by the County and the City in equal undivided shares as tenants in common that is managed and operated by the Airport Board as well as the personal property held in the name of the Airport Board, but excludes the public utility sewer and water systems owned by the City.

"Airport System Chief Executive Officer" means the Chief Executive Officer of the Airport System, as duly appointed by the Airport Board and jointly approved by the City and the County pursuant to the Interlocal Agreement, or such officer's successor in function.

"Airport System Chief Financial Officer" means the Chief Financial Officer of the Airport System, as duly appointed from time to time by the Airport System Chief Executive Officer, or such officer's successor in function.

"Annual Debt Service" means, with respect to any Bond, the aggregate amount required to be on deposit in the Debt Service Fund (including the respective Accounts therein) or such other Fund or Account during the Fiscal Year to satisfy the funding requirements for the payment of principal and interest becoming due and payable during such Fiscal Year, plus any amount payable to the Qualified Swap Provider under a Qualified Swap in accordance with the terms thereof, less any amount to be received from a Qualified Swap Provider pursuant to a Qualified Swap; provided, however, for the purposes of this definition a payment made on January 1 shall be considered part of the prior Fiscal Year.

"Auxiliary Airports" means the airport presently known as "Felts Field" and all other airports owned, operated, used, leased, licensed, or managed by the County, by the City, or jointly by both through the Airport Board in the future, except for Spokane International Airport.

"Balloon Indebtedness" means, with respect to any Series of Bonds 25% or more of the principal of which matures on the same date or within a Fiscal Year, that portion of such Series which matures on such date or within such Fiscal Year; provided, however, that to constitute Balloon Indebtedness (a) the County must designate that portion of such Series of Bonds as Balloon Indebtedness, and (b) the amount of Bonds of a Series maturing on a single date or within a Fiscal Year must equal or exceed 150% of the

amount of such Series which matures during any other Fiscal Year. For purposes of this definition, the principal amount maturing on any date shall be reduced by the amount of such Bonds scheduled to be amortized by prepayment or redemption prior to their stated maturity date. Commercial Paper shall not be considered to be Balloon Indebtedness.

"Beneficial Owner" means any person that has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Bond" or *"Bonds"* means any bonds issued under and in accordance with the provisions of Section 6 hereof, including, but not limited to, bonds, Notes, bond anticipation notes, Commercial Paper, revolving lines of credit and other instruments creating an obligation for borrowed money payable from and secured by a pledge of, security interest in and lien and charge on Revenues, subject only to O&M Expenses of the Airport System, on a parity of lien with the Initial Bonds and Repayment Obligations and Regularly Scheduled Swap Payments under a Qualified Swap to the extent provided in Sections 6.05 and 6.06 hereof, respectively. The term "Bond" or "Bonds" includes the Initial Bonds but does not include any Subordinate Obligations.

"Bond Counsel" means Pacifica Law Group LLP or an attorney at law or a firm of attorneys, of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on bonds issued by states and their political subdivisions.

"Bond Register" means the registration records maintained by the Bond Registrar on which shall appear the names and addresses of the Registered Owners of the Bonds.

"Bond Registrar" means the fiscal agent of the State or such other registrar as set forth in a Supplemental Resolution.

"Bondholder," "Holder," "holder," "Owner," "owner" or *"Registered Owner"* means the person in whose name any Bond or Bonds are registered in the Bond Register and shall include any Credit Provider or Liquidity Provider to which a Repayment Obligation is then owed, to the extent that such Repayment Obligation is deemed to be a Bond under the provisions of Section 6.05 hereof and any Qualified Swap Provider to which a Regularly Scheduled Swap Payment under a Qualified Swap is then owed, to the extent that such Regularly Scheduled Swap Payment is deemed to be a Bond under the provisions of Section 6.06 hereof. For so long as the Bonds of a Series are held in book-entry only form, DTC or its nominee shall be deemed to be the sole Registered Owner.

"Book-Entry Bonds" means those Bonds held by DTC (or its nominee) as the Bondholder thereof.

"Business Day" means a day on which banks located in New York, New York, and in Spokane County, Washington, are open, provided that such term may have a different meaning for any specified Series of Bonds if so provided pursuant to a Supplemental Resolution. For purposes of payments and other actions relating to security or liquidity enhanced Bonds, "Business Day" means a day upon which any Credit Provider or Liquidity Provider to which demands for payment under the Credit Facility or Liquidity Facility are to be presented is authorized to be open.

"Capital Appreciation Bonds" means Bonds all or a portion of the interest on which is compounded and accumulated at the rates and on the dates set forth as provided in a Supplemental Resolution and is payable only upon redemption or on the maturity date of such Bonds. Bonds that are issued as Capital Appreciation Bonds, but later convert to Bonds on which interest is paid periodically shall be Capital Appreciation Bonds until the conversion date and from and after such conversion date shall no longer be

Capital Appreciation Bonds but shall be treated as having a principal amount equal to their Accreted Value on the conversion date.

"Capitalized Interest" means proceeds of Bonds or other money not included in Revenues that are deposited in the Debt Service Fund (or the respective Account therein) as shall be described in a Supplemental Resolution upon issuance of such Bonds that are to be used to pay interest on Bonds. Proceeds of Bonds shall not be used to pay interest on Bonds beyond the period of time set forth in the Act.

"*Certificate of Authentication*" means the applicable Certificate of Authentication executed by the Bond Registrar, a form of which is provided in Exhibit B attached hereto.

"Cede & Co." means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

"Chair" means the Chair of the County Board, or any presiding officer or titular head of the County Board, or such officer's successor in functions.

"City" means the City of Spokane, Washington.

"Clerk" means the de facto or de jure Clerk of the County Board, or other officer of the County who is the custodian of the seal of the County and of the records of the proceedings of the County Board, or such officer's successor in functions.

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

"Commercial Paper" means Bonds issued as commercial paper notes from time to time with maturities of not to exceed 270 days. The term "Commercial Paper" does not include any notes issued as Subordinate Obligations.

"Common Debt Service Reserve Fund" means the "Common Debt Service Reserve Fund," created by the County and held and maintained by the Treasurer pursuant to Section 7.05 hereof.

"Completion Bonds" means Bonds issued to pay costs of completing a project for which Bonds have previously been issued and the principal amount of such Bonds being issued for completion purposes does not exceed an amount equal to 15% of the principal amount of the Bonds originally issued for such project and are reasonably allocable to the project to be completed.

"Consultant" means any Independent consultant, consulting firm, engineer, architect, engineering firm, architectural firm, accountant or accounting firm, financial or municipal advisory or investment banking firm, or other expert recognized to be well-qualified for work of the character required and retained by or on behalf of the County pursuant to the terms of the Airport Revenue Bond Agreement to perform acts and carry out the duties provided for such consultant in this Resolution.

"*Costs*" or "*Costs of the Project*" means all costs of planning, designing, developing, financing, constructing, installing, equipping, furnishing, improving, acquiring, enlarging and/or renovating a Project and placing the same in service and shall include, but not be limited to the following: (a) costs of real or personal property, rights, franchises, easements, and other interests in property, real or personal, and the cost of demolishing or removing structures and site preparation, infrastructure development, and

landscaping and acquisition of land to which structures may be removed; (b) the costs of materials and supplies, machinery, equipment, vehicles, rolling stock, furnishings, improvements, and enhancements; (c) labor and related costs and the costs of services provided, including costs of consultants, advisors, architects, engineers, accountants, planners, attorneys, and financial and feasibility consultants; (d) costs of the County, the City or the Airport Board properly and lawfully allocated to a Project and with respect to costs of its employees or other labor costs, including the cost of medical, pension, retirement and other benefits as well as salary and wages and the allocable costs of administrative, supervisory and managerial personnel and the properly allocable cost of benefits provided for such personnel; (e) financing expenses, including costs related to issuance of and securing of Bonds, costs of Credit Facilities or Liquidity Facilities, payment of interest on Bonds, deposits to the Common Debt Service Reserve Fund and/or a Series Debt Service Reserve Fund, if any; (f) any Swap Termination Payments due in connection with a Series of Bonds or the failure to issue such Series of Bonds, (g) any other cost permitted under the Act, and (h) such other costs and expenses that can be capitalized under Generally Accepted Accounting Principles in effect at the time the cost is incurred by the County, the City or the Airport Board, as applicable.

"County" means Spokane County, Washington, a class A county duly organized and existing under and by virtue of the Constitution and the laws of the State now in effect.

"County Board" means the Board of County Commissioners of the County, as duly and regularly constituted from time to time.

"County Chief Executive Officer" means the Chief Executive Officer of the County, as duly appointed from time to time, or such officer's successor in function.

"Coverage Amount" means for any Fiscal Year the amount of unencumbered funds on deposit or anticipated to be on deposit, as the case may be, on the first day of such Fiscal Year in the Revenue Fund (after all deposits and payments required by clauses (a) through (g) of Section 7.03 of this Resolution and clauses (i) through (vii) of Section 3(b) of the Airport Revenue Bond Agreement have been made as of the last day of the immediately preceding Fiscal Year).

"Credit Facility" means a policy of municipal bond insurance, a letter of credit, surety bond, line of credit, guarantee, standby purchase agreement, Debt Service Reserve Fund Surety Policy or other financial instrument that obligates a third party to make payment of or provide funds to the County for the payment of the principal of and/or interest on Bonds whether such obligation is to pay in the first instance and seek reimbursement or to pay only if the County fails to do so.

"Credit Provider" means the party obligated to make payment of principal of and/or interest on the Bonds under a Credit Facility.

"Customer Facility Charge" or "*CFC*" means any customer facility charge imposed pursuant to the Act from time to time upon customers of rental car companies accessing the Airport Facilities for the purpose of financing, designing, constructing, operating and maintaining consolidated rental car facilities and common use transportation equipment and facilities which are used to transport the customer between the consolidated car rental facilities and other Airport Facilities, or any successor provision approving such a charge or a similar charge or fee, and any interest, profits or other income derived from the investment thereof.

"Debt Service Account" means, the Account or Accounts held in the Debt Service Fund for the payment of one or more Series of Bonds.

"Debt Service Fund" means, collectively, the special fund of the County designated as the "Airport Revenue Bond Debt Service Fund" and each Debt Service Account therein, as authorized, referenced and described in Section 7.04 hereof.

"Debt Service Reserve Fund Surety Policy" means an insurance policy or surety bond, or a letter of credit, deposited for credit to the Common Debt Service Reserve Fund or a Series Debt Service Reserve Fund in lieu of or as partial substitution for cash or securities on deposit therein. Except as otherwise provided in a Supplemental Resolution, the entity providing such Debt Service Reserve Fund Surety Policy shall be rated, at the time such instrument is provided, in one of the three highest long-term Rating Categories by one or more Rating Agencies.

"Designated Debt" means a specific Bond or Bonds or portion thereof, designated by the County in which such Bond or Bonds or portion thereof shall be offset with a Swap.

"Designated County Representative" means the Chair of the County Board, the County Chief Executive Officer, the County Senior Director of Finance and Administration, any other officer appointed by resolution of the County Board as a Designated County Representative, or any successor to the functions of such offices. The signature of one Designated County Representative shall be sufficient to bind the County.

"DTC" means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Bonds, and its successors and assigns.

"Event of Default" means those events described as Events of Default in Section 12.01 hereof.

"Excluded Property" means any real or personal property previously included in the Airport System in respect of which the following have been delivered to, or are otherwise on file with, the County: (a) a certificate of an Airport Board Representative identifying such real or personal property to be removed from the definition of the Airport System and designated as "Excluded Property," certifying that the identified real or personal property is not required for Airport System operations, and certifying that the provisions set forth in Section 8.04 hereof are being complied with; (b) a certificate of an Independent certified public accountant to the effect that Net Revenues, excluding the income or revenues generated by or attributable to the real or personal property proposed to become Excluded Property, for each of the two audited Fiscal Years prior to the date of such certificate were equal to at least 150% of average Annual Debt Service on then Outstanding Bonds; (c) a certificate of a Consultant to the effect that based upon current knowledge of the operations of the Airport System, Net Revenues, excluding the income or revenues generated by or attributable to the real or personal property proposed to become Excluded Property, for the current fiscal year will be equal to at least 150% of average Annual Debt Service on then Outstanding Bonds; and (d) an opinion of Bond Counsel to the effect that the exclusion of real or personal property from the Airport System and the income or revenues generated from or attributable to such property from the pledge, charge and lien of this Resolution will not in and of itself cause the interest on any Outstanding Bond issued as tax-exempt securities to be included in gross income for purposes of the Code or otherwise impact the tax-advantaged status of any Outstanding Bond under the Code.

"Fair Market Value" means the price at which a willing buyer would purchase an investment from a willing seller in a bona fide, arm's-length transaction, except for specified investments as described in Treasury Regulation § 1.148-5(d)(6), including United States Treasury obligations, certificates of deposit, guaranteed investment contracts, and investments for yield restricted defeasance escrows. Fair Market Value is generally determined on the date on which a contract to purchase or sell an investment becomes

binding, and, to the extent required by the applicable regulations under the Code, the term "investment" will include a hedge.

"Federal Direct Payments" means amounts payable by the federal government pursuant to Sections 54AA and 6431 of the Code and any amendments thereto, or any new or similar federal program providing payments or credits to be applied to pay principal of or interest on Bonds, in connection with the issuance of Bonds, in lieu of any credit otherwise available to the bondholders of such Bonds.

"Fiscal Year" means the period of time beginning on January 1 of each given year and ending on December 31 of such given year, or such other similar period as the Airport Board designates as its fiscal year.

"Fitch" means Fitch Ratings, Inc. and its successors and assigns, and, if Fitch Ratings Inc. shall for any reason no longer perform the functions of a nationally recognized statistical rating organization, "Fitch" shall be deemed to refer to any nationally recognized statistical rating organization designated by the County.

"*Fund*" means any fund established pursuant to this Resolution or any Supplemental Resolution.

"*Generally Accepted Accounting Principles*" means the accounting principles generally accepted in the United States applied on a consistent basis that are applicable to the circumstances as of the date of determination as set forth in the pronouncements of the Governmental Accounting Standards Board, or its successor.

"Government Obligations" means those obligations now or hereafter defined as such in chapter 39.53 RCW, as such chapter may be hereafter amended or restated, constituting direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

"Independent" means, when used with respect to any specified firm or individual, such a firm or individual who (a) does not have any direct financial interest or any material indirect financial interest in the operations of the County, the City or the Airport Board, other than the payment to be received under a contract for services to be performed, and (b) is not an official, officer or employee of the County, the City or the Airport Board.

"Initial Bonds" means the first Series or multiple Series sharing the same issuance date issued by the County pursuant to this Resolution and a Supplemental Resolution.

"Interlocal Agreement" means the Amended Spokane County/City Airport Agreement, dated October 7, 2019, between the County and the City, as such agreement may be supplemented, amended or replaced pursuant to the terms thereof.

"*Joint Resolution*" means one or more joint resolutions adopted pursuant to Section 4.2 of the Interlocal Agreement.

"*Kroll*" means Kroll Bond Rating Agency, Inc. and its successors and assigns, and, if Kroll Bond Rating Agency, Inc. shall for any reason no longer perform the functions of a nationally recognized statistical rating organization, "Kroll" shall be deemed to refer to any nationally recognized statistical rating organization designated by the County.

"Letter of Representations" means the Blanket Issuer Letter of Representations from the County to DTC.

"Liquidity Facility" means a letter of credit, line of credit, standby purchase agreement or other financial instrument, including a Credit Facility, that is available to provide funds with which to purchase Bonds.

"Liquidity Provider" means the entity that is obligated to provide funds to purchase Bonds under the terms of a Liquidity Facility.

"Maximum Aggregate Annual Debt Service" means the maximum amount of Aggregate Annual Debt Service on all Outstanding Bonds in the current or any future Fiscal Year.

"Maximum Aggregate Annual Debt Service For Reserve Requirement" means the computation of Maximum Aggregate Annual Debt Service with respect to all Outstanding Bonds participating in the Common Debt Service Reserve Fund in the then current or any future Fiscal Year, with such modifications in the assumptions thereof as is described in this definition. For purposes of determining the Maximum Aggregate Annual Debt Service For Reserve Requirement, the annual debt service with respect to any Series of Balloon Indebtedness, Tender Indebtedness or Variable Rate Indebtedness shall, upon the issuance of such Series, be calculated on the basis of the assumptions set forth in clauses (ii), (iv) or (v) of Section 6.04(c) hereof, respectively, and the amount so determined shall not require adjustment thereafter except as appropriate to reflect reductions in the outstanding principal amount of such Series.

"Moody's" means Moody's Investors Service, Inc. and its successors and assigns, and, if Moody's Investors Service, Inc. shall for any reason no longer perform the functions of a nationally recognized statistical rating organization, "Moody's" shall be deemed to refer to any nationally recognized statistical rating organization designated by the County.

"Net Insurance/Condemnation Proceeds" means insurance proceeds received as a result of damage to or destruction of Airport Facilities or any condemnation award or amounts received from the sale of Airport Facilities under the threat of condemnation, less expenses (including attorneys' fees and expenses) incurred in the collection of such proceeds or award.

"Net Revenues" means, for any given period, the Revenues for such period less the O&M Expenses of the Airport System for such period.

"Notes" means Bonds that have a maturity of one year or less from their date of original issuance and that are not Commercial Paper.

"O&M Expenses" or *"Operation and Maintenance Expenses of the Airport System"* means, for any given period, the total operation and maintenance expenses of the Airport System, including any costs of Credit Facilities and Liquidity Facilities and related fees and expenses, but excluding depreciation expense, any operation and maintenance expenses of the Airport System payable from money other than Revenues including, but not limited to, any non-cash items that are required to be treated as operation and maintenance expenses of the Airport System, any non-cash pension and other postemployment benefits obligations or liabilities (except to the extent required to be cash funded), any principal or interest payments in respect of finance leases or indebtedness, including the Bonds, any costs of issuance relating to any finance leases or indebtedness including the Bonds, any Swap Termination Payments due in connection with a Series of Bonds or the failure to issue such Series of Bonds, or any operation and maintenance expenses related to any Special Facilities. O&M Expenses may be further adjusted as may be necessary to more fairly reflect the Airport System's annual operating performance (e.g. to omit other non-cash items).

"O&M Reserve" or *"Operation and Maintenance Reserve"* means the Operation and Maintenance Reserve fund or account maintained for the Airport System. Moneys in the Operation and Maintenance Reserve may be applied to pay O&M Expenses as specified by the Airport Board in its annual budget from time to time.

"O&M Reserve Requirement" means the minimum funding level for the Operation and Maintenance Reserve for a Fiscal Year equal to at least two months of O&M Expenses budgeted for the then-current Fiscal Year, or such greater amount as specified by the Airport Board in its annual budget for such Fiscal Year, as may be adjusted by the Airport Board from time to time.

"Other Money Available for Debt Service" means money that is not Revenues (for example, income or revenues generated by or attributable to Excluded Property or CFCs) and that is transferred to the Debt Service Fund to be used to pay debt service on a specific Series of Bonds. Other Pledged Revenues, PFCs Available for Debt Service and Pledged PFCs shall not be treated as or constitute Other Money Available for Debt Service.

"Other Pledged Revenues" means money, not previously constituting Revenues that are designated as and included in, for any period, "Other Pledged Revenues" pursuant to an Airport Board Series Resolution or other duly adopted resolution of the Airport Board, or certificate of an Airport Board Representative, which Airport Board Series Resolution, resolution or certificate also shall (a) include a representation by the Airport Board that such money shall be validly designated as and included by the County in "Other Pledged Revenues" under this Resolution and has been pledged by the Airport Board and shall be pledged by the County to secure the payment of the principal of, premium, if any, and interest on all or a portion of the Bonds or any Series of Bonds, and (b) specify the source and amount of such money and the time period during which such money will be designated as and included in "Other Pledged Revenues." Other Pledged Revenues may include, but are not limited to, CFCs. Other Money Available for Debt Service, PFCs Available for Debt Service and Pledged PFCs shall not be treated as or constitute "Other Pledged Revenues."

"Outstanding" when used with respect to Bonds means all Bonds that have been authenticated and delivered under this Resolution, except:

(a) Bonds cancelled or purchased by the County for cancellation or delivered to or acquired by the County for cancellation and, in all cases, with the intent to extinguish the debt represented thereby;

(b) Bonds defeased in accordance with Section 10 hereof;

(c) Bonds in lieu of which other Bonds have been authenticated under Sections 2.07 or 2.10 hereof;

(d) Bonds that have become due (at maturity or on redemption or otherwise) and for the payment of which sufficient money, including interest accrued to the due date, are held by the Bond Registrar or such other fiduciary or agent;

(e) Bonds that, under the terms of the Supplemental Resolution pursuant to which they were issued, are deemed to be no longer Outstanding;

(f) Repayment Obligations deemed to be Bonds under Section 6.05 and Regularly Scheduled Swap Payments under a Qualified Swap deemed to be Bonds under Section 6.06 hereof; and

(g) for purposes of any consent or other action to be taken by the holders of a specified percentage of Bonds under this Resolution, Bonds held by or for the account of the County or by any person controlling, controlled by or under common control with the County, unless such Bonds are pledged to secure a debt to an unrelated party.

"Participants" means the participants of DTC as provided in DTC's operational arrangements.

"Passenger Facility Charges" or *"PFCs"* means charges collected pursuant to the authority granted by the Aviation Safety and Capacity Expansion Act of 1990 (49 U.S.C. § 40117), the Aviation Investment Reform Act of 2000 and 14 C.F.R. Part 158, as amended from time to time, in respect of any component of the Airport System and interest earnings thereon, net of amounts that collecting air carriers are entitled to retain for collecting, handling and remitting such passenger facility charge revenues.

"Passenger Facility Charges Available for Debt Service" or *"PFCs Available for Debt Service"* means PFCs made available to pay debt service on one or more Series of Bonds during any period pursuant to Section 7.10 hereof.

"Payment Date" means, with respect to any Bonds, each date on which interest is due and payable thereon and each date on which principal is due and payable thereon whether by maturity or redemption thereof.

"Permitted Investments" means any investment authorized for the County by the laws of the State, but only to the extent that the same are acquired at Fair Market Value.

"Pledged Passenger Facility Charges" or *"Pledged PFCs"* means such amount of PFCs that are designated as and included in, for any period, "Pledged Passenger Facility Charges" pursuant to an Airport Board Series Resolution or other duly adopted resolution of the Airport Board, which Airport Board Series Resolution or resolution also shall include (a) a representation by the Airport Board that such PFCs, when received by the Airport Board, shall be validly designated as and included by the County in "Pledged Passenger Facility Charges" under this Resolution and have been pledged by the Airport Board and shall be pledged to secure the payment of the principal of, premium, if any, and interest on all or a portion of the Bonds, (b) a request that such Passenger Facilities Charges be pledged by the County to one or more designated Series of Bonds, (c) the amount of PFCs that are being designated as and included in "Pledged Passenger Facility Charges," and (d) the time period during which such Pledged Passenger Facility Charges will be designated as and included in "Pledged Passenger Facility Charges." Any Pledged Passenger Facility Charges shall not be deposited to the Revenue Fund, but the County shall cause the Pledged Passenger Facility Charges to be deposited to the applicable Debt Service Account within the Debt Service Fund to pay debt service on the applicable Series of Bonds as directed pursuant to the applicable Supplemental Resolution.

"Principal Amount" or *"principal amount"* means, as of any date of calculation, (a) with respect to any Capital Appreciation Bond, the difference between the stated amount to be paid at maturity and the Accreted Value being deemed unearned interest, and (b) with respect to any other Bonds, the principal amount of such Bond payable at maturity.

"*Project*" means any and all facilities, improvements and other expenditures related to the Airport System financed or refinanced in whole or in part with proceeds of a Series of Bonds.

"Project Fund" means any Project Fund created in accordance with Section 7.05 hereof.

"Qualified Swap" means any Swap (a) whose Designated Debt is all or part of a particular Series of Bonds; (b) whose Swap Provider is a Qualified Swap Provider or has been a Qualified Swap Provider within the 60 day period preceding the date on which the calculation of Annual Debt Service or Aggregate Annual Debt Service is being made; (c) which has a term not greater than the term of the Designated Debt or to a specified mandatory tender or redemption of such Designated Debt; and (d) which has been designated in a certificate of a Designated County Representative as a Qualified Swap with respect to such Bonds.

"Qualified Swap Provider" means a financial institution whose senior long-term debt obligations, or whose obligations under any Qualified Swap meet the requirements of RCW 39.96.040, or any successor statute, as amended from time to time.

"*R&R Reserve*" or "*Renewal and Replacement Reserve"* means the Renewal and Replacement Reserve fund or account maintained for the Airport System. Moneys in the Renewal and Replacement Fund are to be applied as specified by the Airport Board in its annual budget to pay costs of improvements, repairs or extraordinary maintenance that are not provided for by moneys available in other Funds or Accounts established under the Master Resolution, including without limitation the costs of unanticipated or emergency repairs or replacements of any part of the Airport System that are properly chargeable to one or more of the cost centers established, from time to time, by the Airport Board.

"*R&R Reserve Requirement*" means the minimum funding level for the Renewal and Replacement Reserve for a Fiscal Year equal to $2,000,000 or such greater amount as specified by the Airport Board in its annual budget for such Fiscal Year, as may be adjusted by the Airport Board from time to time.

"Rating Agency" and *"Rating Agencies"* means any of Fitch, Kroll, Moody's or S&P, or any other nationally recognized statistical rating organization then maintaining a rating on the Bonds.

"Rating Category" and *"Rating Categories"* means (a) with respect to any long-term rating category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier, and (b) with respect to any short-term or commercial paper rating category, all ratings designated by a particular letter or combination of letters and taking into account any numerical modifier, but not any plus or minus sign or other modifier.

"Rebate Fund" means any Fund created pursuant to a Supplemental Resolution in connection with the issuance of any Series of Bonds for the purpose of complying with the Code and providing for the collection and holding for and payment of amounts to the United States of America.

"Record Date" means, with respect to any Series of Bonds, the record date as specified in the Supplemental Resolution that provides for the issuance of such Series.

"Refunding Bonds" means any Bonds issued pursuant to Section 6.03 hereof to refund and/or defease all or a portion of any Series of Outstanding Bonds.

"Registered Owners' Trustee" means the Registered Owners' Trustee, if any, qualified and appointed pursuant to Section 12.02 hereof.

"Regularly Scheduled Swap Payments" means the regularly scheduled payments under the terms of a Swap which are due, absent any termination, default or dispute in connection with such Swap.

"Repayment Obligations" means an obligation arising under a written agreement of the County and a Credit Provider pursuant to which the County agrees to reimburse the Credit Provider for amounts

paid through a Credit Facility used to pay debt service on any Bonds and related fees and expenses, or an obligation arising under a written agreement of the County and a Liquidity Provider pursuant to which the County agrees to reimburse the Liquidity Provider for amounts paid through a Liquidity Facility used to purchase Bonds and related fees and expenses.

"Reserve Requirement" means, with respect to the Common Debt Service Reserve Fund, an amount equal to the least of (a) as of the date of calculation, Maximum Aggregate Annual Debt Service For Reserve Requirement for all Outstanding Bonds participating in the Common Debt Service Reserve Fund, (b) 10% of the original principal amount of all Outstanding Bonds participating in the Common Debt Service Reserve Fund, less the amount of original issue discount with respect to such Bonds if such original issue discount exceeded 2% of such Bonds at the time of their original issuance, and (c) as of the date of calculation, 125% of the average Aggregate Annual Debt Service For Reserve Requirement for all Outstanding Bonds participating in the Common Debt Service Reserve Fund. The Reserve Requirement with respect to any Series Debt Service Reserve Fund shall be as provided in the Supplemental Resolution establishing such Series Debt Service Reserve Fund (which Reserve Requirement may be $0 or any other amount determined as set forth therein, and may be subject to reduction as set forth in the Supplemental Resolution).

"*Resolution*" or "*Master Resolution*" means this Resolution, as amended from time to time.

"Revenue Fund" means the fund originally designated the "Spokane County Airport Operations and Maintenance Fund" heretofore created, and held and maintained by the Treasurer, into which all Revenues shall be deposited.

"Revenues" means, except to the extent specifically excluded from this definition, all income, receipts, earnings and revenues received by or accrued to the Airport Board and/or the County from the operation and ownership of the Airport System for a given period, including, but not limited to, (a) rates, tolls, fees, rentals, charges and other payments made to or owed to the Airport Board or any successor thereto for the use or availability of the Airport System, (b) amounts received or owed from the sale or provision of supplies, materials, goods and services provided by or made available by the Airport Board, including rental or business interruption insurance proceeds, received by, held by, accrued to or entitled to be received by or on behalf of the Airport Board or any successor thereto from the possession, management, charge, superintendence and control of the Airport System and its related facilities or activities and undertakings related thereto or from any other facilities wherever located with respect to which the Airport Board receives or is entitled to payments that are attributable to the Airport System or activities or undertakings related thereto, and (c) Other Pledged Revenues. Additionally, "Revenues" shall also include all income, receipts, and earnings from the investment of amounts held in the Revenue Fund, any Account in the Debt Service Fund (except Capitalized Interest on deposit therein), the Common Debt Service Reserve Fund, and any Series Debt Service Reserve Fund; and such additional revenues, if any, as are designated as "Revenues" under the terms of any Supplemental Resolution. Revenues may be further adjusted as may be necessary to more fairly reflect the Airport System's annual operating performance (e.g. to omit non-cash items).

The following, including any investment earnings thereon, are specifically excluded from Revenues: (i) any amounts received by the Airport Board, the County or the City not derived from the Airport System, (ii) Net Insurance/Condemnation Proceeds and other insurance proceeds, to the extent the use of such Net Insurance/Condemnation Proceeds or other proceeds is restricted by the terms under which they are paid to a use inconsistent with the payment of debt service on the Bonds (except to the extent Net Insurance/Condemnation Proceeds are utilized to pay O&M Expenses of the Airport System), (iii) Special Facility Revenue (to the extent there is no excess Special Facility Revenue as described in Section 8.07

hereof), (iv) PFCs (including Pledged PFCs and PFCs Available for Debt Service), and (v) the proceeds of the sale of Bonds or other obligations issued for Airport System purposes.

Additionally, the following, including any investment earnings thereon, are specifically excluded from "Revenues," unless designated as and included in Other Pledged Revenues: (A) any Swap Termination Payments paid by a Qualified Swap Provider pursuant to a Qualified Swap, (B) subject to clause (H) in this paragraph, grants and other charges authorized on or after the date of this Resolution by federal and/or State laws or regulations to be assessed to fund specific programs at the Airport System, (C) investment income derived from any money or securities that may be placed in escrow or trust to defease Bonds, (D) any arbitrage earnings which are required to be paid to the U.S. Government pursuant to Section 148 of the Code, (E) Capitalized Interest, (F) CFCs, (G) Federal Direct Payments, (H) gifts, grants, or reimbursements received for the Airport System's benefit, and (I) any income (including any investment earnings thereon) otherwise included in this definition of "Revenues" which is restricted by its terms to purposes inconsistent with the payment of debt service on the Bonds.

Further, interest earnings or other investment earnings on any Project Fund established by any Supplemental Resolution are specifically excluded from "Revenues," unless otherwise provided for in a Supplemental Resolution.

"S&P" means S&P Global Ratings, and its successors and assigns, and if S&P Global Ratings shall for any reason no longer perform the functions of a nationally recognized statistical rating organization, "S&P" shall be deemed to refer to any nationally recognized statistical rating organization designated by the County.

"Senior Director of Finance and Administration" means the Senior Director of Finance and Administration of the County, or such officer's successor in functions, if any.

"Series" means any series of Bonds issued pursuant to this Resolution and a Supplemental Resolution.

"Series Debt Service Reserve Fund" means a Fund or Funds (other than the Common Debt Service Reserve Fund) created pursuant to a Supplemental Resolution in connection with the issuance of any Series of Bonds and that is required to be funded for the purpose of providing additional security for such Series of Bonds and under certain circumstances to provide additional security for such other designated Series of Bonds issued pursuant to the terms of this Resolution and as specified in any Supplemental Resolution.

"Significant Portion" means any Airport Facilities or portions thereof that, if such facilities had been sold or disposed of at the beginning of an annual period (which includes the month of commencement of the 12 month period ending on the day of such disposition) would have resulted in a reduction in Net Revenues for such annual period of more than 5% when the actual Net Revenues for such annual period are decreased by the Revenues directly attributable to such Airport Facilities and increased by the expenses directly attributable to such Airport Facilities. Notice shall be provided to each of the Rating Agencies that are then maintaining a rating on any of the Bonds prior to the selling or disposing of a Significant Portion of any Airport Facilities or portions thereof.

"Special Facilities" or *"Special Facility"* means a facility or group of facilities or category of facilities that are designated as a Special Facility pursuant to the provisions of Section 8.07 hereof.

"Special Facility Revenue" means the contractual payments and all other revenues (other than ground rentals relating to such Special Facility) derived by or available from a Special Facility that are pledged to secure Special Facility Obligations.

"Special Facility Obligations" means bonds or other debt instruments issued pursuant to a resolution other than this Resolution to finance Special Facilities and that are not secured by nor payable from a pledge of, security interest in, or lien or charge on the Revenues but that are secured by revenues derived from Special Facilities. Such Special Facility Obligations, however, may be secured by a subordinate pledge of, security interest in, and lien and charge of Revenues that is payable from Revenues remaining after the payments and deposits to the Funds, Accounts and Subaccounts set forth in Section 7.03(a) through (c) hereof.

"Specified Project" means a Project or a group of alternative Projects that are described in a certificate of an Airport Board Representative delivered to, or otherwise on file with, the County, that is delivered to the Consultant preparing the certificate described in Section 6.04 hereof, if applicable, the revenues and expenses of which Project or of the alternative Projects are to be taken into account by such Consultant in preparing the certificate under Section 6.04(a)(ii) hereof.

"State" means the state of Washington.

"Subaccount" means any subaccount established pursuant to this Resolution or any Supplemental Resolution.

"Subordinate Obligation" means any bond, note or other debt instrument issued or otherwise entered into that is secured by a pledge of, security interest in and lien and charge on and payable from Revenues remaining after the payments and deposits to the Funds, Accounts and Subaccounts set forth in Section 7.03(a) through (c) hereof. "Subordinate Obligations" are not Bonds for purposes of this Resolution; provided, however, the County may by Supplemental Resolution elect to have the provisions of this Resolution applicable to the Bonds apply to the Subordinate Obligations issued thereunder, except that such Subordinate Obligations shall be secured by a pledge of, security interest in and lien and charge on Revenues remaining after the payments and deposits to the Funds, Accounts and Subaccounts set forth in Section 7.03(a) through (c) hereof. No bond, note or other instrument of indebtedness shall be deemed to be a "Subordinate Obligation" for purposes of this Resolution and payable from Revenues remaining after the payments and deposits to the Funds, Accounts and Subaccounts set forth in Section 7.03(a) through (c) hereof unless specifically designated as a "Subordinate Obligation" in a Supplemental Resolution or other written instrument. In connection with any Subordinate Obligation with respect to which a Swap is in effect or proposes to be in effect, the term "Subordinate Obligation" includes, collectively, both such Subordinate Obligation and either such Swap or the obligations of the County under each such Swap, as the context requires. The term "Subordinate Obligations" also includes a Swap or the obligations of the County under such Swap which has been entered into in connection with a Subordinate Obligation, as the context requires, although none of the Subordinate Obligations with respect to which such Swap was entered into remain outstanding. In connection with any Bonds with respect to which a Qualified Swap is in effect or proposed to be in effect, the term "Subordinate Obligation" includes any Swap Termination Payment if designated as a Subordinate Obligation in a Supplemental Resolution. The term "Subordinate Obligations" also includes any reimbursement obligation to credit and/or liquidity providers which has been entered into in connection with a Subordinate Obligation, as the context requires.

"Supplemental Resolution" means any document supplementing and/or amending this Resolution or providing for the issuance of Bonds and entered into as provided in Section 13 hereof.

"Swap" means any financial arrangement between the County and a Swap Provider which provides that (a) each of the parties shall pay to the other an amount or amounts calculated as if such amount were interest accruing during the term of the arrangement at a specified rate (whether fixed or a variable rate or measured against some other rate) on a Designated Debt, and payable from time to time or at a designated time or times (whether before, during or after the term of the arrangement); (b) if such amount is to be paid

before it is deemed to have accrued, the amount paid shall reflect the present value of such future amount (i.e., an upfront premium), while an amount to be paid after it is deemed to have accrued shall reflect the time value of such funds; and (c) payment dates and calculated accrual rates need not be the same for each payor, but to the extent payment dates coincide, the arrangement may (but need not) provide that one shall pay to the other any net amount due under such arrangement.

"Swap Provider" means a party to a Swap with the County.

"Swap Termination Payment" means an amount payable to or from a Qualified Swap Provider, in accordance with a Qualified Swap, to compensate the other party to the Qualified Swap for any losses and costs that such other party may incur as a result of an event of default or the early termination of the obligations, in whole or in part, of the parties under such Qualified Swap.

"Synthetic Fixed Rate Debt" means an obligation issued by the County that is combined, as Designated Debt, with a Qualified Swap and creates, in the opinion of a Consultant, a substantially fixed-rate maturity or maturities for a term not exceeding such maturity or maturities.

"Tender Indebtedness" means any Bonds or portions of Bonds a feature of which is an obligation on the part of the Bondholders, under the terms of such Bonds, to tender all or a portion of such Bonds to the County, the Bond Registrar or other fiduciary or agent or Credit Provider or Liquidity Provider for payment or purchase and requiring that such Bonds or portions of Bonds be purchased if properly presented.

"Term Bonds" means Bonds of a Series which are payable on or before their specified maturity dates from sinking fund installment payments established pursuant to the Supplemental Resolution for such Series for that purpose and calculated to retire the Bonds on or before their specified maturity dates.

"Treasurer" means the Spokane County Treasurer or such officer's successor in functions, if any.

"United States Bankruptcy Code" means 11 U.S.C. § 101 et seq., as amended or supplemented from time to time, or any successor federal act.

"Variable Rate Indebtedness" means any Bond or Bonds the interest rate on which is not, at the time in question, fixed to maturity, excluding any Commercial Paper.

Section 2. Findings; Bond Authorization; Description of the Bonds.

2.01 ***Findings; Authorization of Airport Revenue Bond Agreement; Authority to Issue Bonds.*** Pursuant to RCW 39.46.150(3), the County Board has exercised due regard for the O&M Expenses of the Airport System, and finds that the Revenues that are set aside into the special fund created hereunder are not a greater amount or proportion of the Revenues that in the County Board's judgment will be available over and above such O&M Expenses of the Airport System. The County Board further finds that the covenants set forth herein are necessary to secure the payment of the principal of and interest on Bonds, and premium on Bonds, if any.

The Airport Revenue Bond Agreement, substantially in the form and substance set forth in Exhibit A to this Resolution, is hereby approved. The Designated County Representatives are each hereby authorized to approve additions, deletions, or alterations to the Airport Revenue Bond Agreement prior to execution so long as such additions, deletions, or alterations do not substantially alter the intent and substance of this Resolution. Any Designated County Representative is hereby authorized to execute and deliver the Airport Revenue Bond Agreement.

All Bonds and other obligations issued or incurred by the County from time to time under this Resolution for the benefit of the Airport Board and its operations shall be issued or incurred, as applicable, pursuant to and subject to the satisfaction of the requirements set forth in the Airport Revenue Bond Agreement. Further, certain acts to be taken by the County under this Resolution, including but not limited to the establishment of reserves, the appointment of Consultants, the execution of Swaps in connection with a Series of Bonds, and the procurement of a Credit Facility, Liquidity Facility or Debt Service Reserve Fund Surety Policy in connection with a Series of Bonds, shall be subject to the terms of the Airport Revenue Bond Agreement,

After execution and delivery of the Airport Revenue Bond Agreement by the Airport Board and the County, upon receipt by the County of an Airport Board Series Resolution and a Joint Resolution, the County may issue the Initial Bonds and other Bonds from time to time under the terms of this Resolution for any Airport System purpose. Any Airport Board Series Resolution for a Series of Bonds shall set forth the requirements contained in the Airport Revenue Bond Agreement. In the event of conflict or inconsistency between this Resolution and any Airport Board Series Resolution, the terms of this Resolution shall control.

Bonds of a Series may be sold by negotiated public sale to an underwriter or underwriters selected by the County pursuant to the terms of one or more bond purchase contracts between the County and such underwriter(s), or any other method of sale authorized by the Act, all as set forth in the Supplemental Resolution providing for the issuance of such Bonds. The Board may determine, as set forth in such Supplemental Resolution, that it would be in the best interest of the County to delegate to each Designated County Representative, for a limited time, the authority to designate the Bonds of a Series as tax-exempt bonds or taxable bonds, and to approve the final terms for such Bonds, including but not limited to final interest rates, final maturity date, redemption terms, principal maturities, and any other terms for such Bonds.

Bonds may be issued under this Resolution only if the provisions of Section 6 hereof are satisfied. The total principal amount of Bonds of each Series Outstanding may not exceed the amount specified in the Supplemental Resolution providing for the issuance of such Bonds, except in connection with the replacement of lost, stolen or destroyed Bonds. The Bonds may be in certificated or uncertificated form, and Bonds that are issued in certificated form may be freely transferable or may be immobilized and held by a custodian for the Beneficial Owners, all as shall be set forth or permitted in the Supplemental Resolution providing for the issuance of such Bonds. The Bonds may have notations, legends or endorsements required by law or usage. Bonds will be numbered and dated as provided in the Supplemental Resolution providing for the issuance of the Series of Bonds.

All Bonds shall contain a statement to the following effect: "The Bonds are special, limited obligations of the County payable solely from, and secured by a pledge of, security interest in and lien and charge on, Revenues of the Airport System, subject only to O&M Expenses of the Airport System, obligated to be deposited to the Airport Revenue Bond Debt Service Fund and other amounts and certain funds and accounts pledged under the Master Resolution and the Supplemental Resolutions. None of the properties of the Airport System, the County or the City are subject to any mortgage or other lien for the benefit of the owners of the Bonds, and neither the full faith and credit nor the taxing power of the County, the City, the State or any political subdivision or agency of the State is pledged to the payment of the principal of, premium, if any, or interest on the Bonds. Owners of Bonds do not have any claim against the State, the City or any political subdivisions or agency of the State arising from the Bonds."

2.02 ***Bond Details and Sale of the Bonds***. The Bonds shall be issued in the principal amount, shall bear interest at a rate or rates, which may be any rate or a rate of 0% as specified therein and including variable or adjustable rates, or by such other methods as the County may from time to time determine, and

such interest may be payable periodically, in whole or in part, or may be accumulated and paid at maturity or at such other time or times as the County shall determine. Bonds shall mature and shall be subject to redemption prior to their respective maturities, all as shall be provided for in a Supplemental Resolution providing for the issuance of the Series of Bonds and permitted under the Act. The Bonds of each Series shall state that they are issued under and are secured by this Resolution, and state that regardless of the form thereof, they are "Bonds" issued hereunder and within the meaning of this Resolution.

Payments with respect to the Bonds shall be made as provided in the Supplemental Resolution providing for the issuance of such Bonds or as provided in the Bonds.

2.03 ***Bond Registrar/Bond Register***. The County hereby specifies and adopts the system of registration approved by the Washington State Finance Committee from time to time through the appointment of a state fiscal agent. Except as may be set forth in a Supplemental Resolution, the County shall cause the Bond Register to be maintained by the Bond Registrar. So long as any Bonds of a Series remain Outstanding, the Bond Registrar shall make all necessary provisions to permit the exchange or registration or transfer of Bonds at its designated office. The Bond Registrar may be removed at any time at the option of a Designated County Representative upon prior notice to the Bond Registrar and a successor Bond Registrar appointed by a Designated County Representative. No resignation or removal of the Bond Registrar shall be effective until a successor shall have been appointed and until the successor Bond Registrar shall have accepted the duties of the Bond Registrar hereunder. The Bond Registrar is authorized, on behalf of the County, to authenticate and deliver the Bonds transferred or exchanged in accordance with the provisions of such Bonds and this Resolution and to carry out all of the Bond Registrar's powers and duties under this Resolution. The Bond Registrar shall be responsible for its representations contained in the Certificate of Authentication attached to each of the Bonds.

2.04 ***Registered Ownership***. The County and the Bond Registrar, each in its discretion, may deem and treat the Registered Owner of each Bond of a Series as the absolute owner thereof for all purposes (except as otherwise provided in the Supplemental Resolution for such Series), and neither the County nor the Bond Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in this Resolution or a Supplemental Resolution, but such Bond may be transferred as provided in this Resolution or a Supplemental Resolution. All such payments made as described in this Resolution or a Supplemental Resolution shall be valid and shall satisfy and discharge the liability of the County upon such Bond to the extent of the amount or amounts so paid.

2.05 ***DTC Acceptance/Letters of Representations***. The Bonds of a Series initially shall be held in fully immobilized form by DTC acting as depository, except as otherwise provided in the Supplemental Resolution providing for the issuance of the Series of Bonds. The County has executed and delivered to DTC the Letter of Representations. Neither the County nor the Bond Registrar shall have any responsibility or obligation to Participants or the persons for whom they act as nominees (or any successor depository) with respect to the Bonds in respect of the accuracy of any records maintained by DTC (or any successor depository) or any Participant, the payment by DTC (or any successor depository) or any Participant of any amount in respect of the principal of or interest on the Bonds, any notice which is permitted or required to be given to Registered Owners under this Resolution or any Supplemental Resolutions (except such notices as shall be required to be given by the County to the Bond Registrar or to DTC (or any successor depository)), or any consent given or other action taken by DTC (or any successor depository) as the Registered Owner. For so long as any Bonds are held by a depository, DTC or its successor depository or its nominee shall be deemed to be the Registered Owner for all purposes hereunder, and all references herein to the Registered Owners means DTC (or any successor depository) or its nominee and shall not mean the Beneficial Owners.

2.06 ***Use of Depository.***

(a) Except as may be otherwise set forth in the Supplemental Resolution providing for the issuance of the Series of Bonds, the Bonds of a Series shall be registered initially in the name of "Cede & Co.", as nominee of DTC, with one Bond of a Series maturing on each of the maturity dates for the Bonds in a denomination corresponding to the total principal therein designated to mature on such date. Except as may be otherwise set forth in the Supplemental Resolution, registered ownership of such immobilized Bonds, or any portions thereof, may not thereafter be transferred except (i) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (ii) to any substitute depository appointed by a Designated County Representative pursuant to subsection (b) below or such substitute depository's successor; or (iii) to any person as provided in subsection (d) below.

(b) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Treasurer or a Designated County Representative to discontinue the system of book-entry transfers through DTC or its successor (or any substitute depository or its successor), a Designated County Representatives is authorized to appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

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

(d) Except as may be otherwise set forth in the Supplemental Resolution, in the event that (i) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (ii) the Treasurer or a Designated County Representative determines that it is in the best interest of the Beneficial Owners of the Bonds of a Series that such owners be able to obtain physical bond certificates, the ownership of such Series of Bonds may then be transferred to any person or entity as herein provided, and shall no longer be held by a depository. A Designated County Representative shall deliver a written request to the Bond Registrar, together with a supply of physical Bonds of the Series, to issue Bonds of such Series as herein provided in any authorized denomination. Upon receipt by the Bond Registrar of all then outstanding Bonds of a Series together with a written request on behalf of a Designated County Representative to the Bond Registrar, new Bonds of such Series shall be issued in the appropriate denominations and registered in the names of such persons as are requested in such written request.

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

not be obligated to register the transfer of or to exchange any Bond after the Record Date preceding the applicable principal payment or redemption date.

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

2.09 ***Place and Medium of Payment***. Except as otherwise provided in the Supplemental Resolution providing for the issuance of the Series of Bonds, the principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Except as otherwise provided in the Supplemental Resolution, interest on the Bonds shall be calculated on the basis of a year of 360 days and twelve 30 day months. For so long as all Bonds are held by a depository, payments of principal thereof and interest thereon shall be made as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations. Except as may be otherwise set forth in the Supplemental Resolution, in the event that the Bonds of a Series are no longer held by a depository, interest on the Bonds of such Series shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register on the Record Date, or upon the written request of a Registered Owner of more than $1,000,000 of Bonds of such Series (received by the Bond Registrar at least by the Record Date), such payment shall be made by the Bond Registrar by wire transfer to the account within the United States designated by the Registered Owner. Principal of the Bonds shall be payable upon presentation and surrender of such Bonds by the Registered Owners at the designated office of the Bond Registrar.

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

2.10 ***Lost, Stolen or Destroyed Bonds***. In case any Bond or Bonds shall be lost, stolen or destroyed, the Bond Registrar may authenticate and deliver a new Bond or Bonds of like date, number, and tenor to the Registered Owner thereof upon the Registered Owner's paying the expenses and charges of the County and the Bond Registrar in connection therewith and upon filing with the County evidence satisfactory to the County that such Bond was actually lost, stolen or destroyed and of such ownership thereof, and upon furnishing the County and/or the Bond Registrar with indemnity satisfactory to the County and the Bond Registrar.

Section 3. Redemption and Purchase of Bonds.

3.01 ***Redemption of Bonds***. The Bonds of each Series shall be subject to mandatory and/or optional redemption to the extent, if any, as set forth in or provided for under the Supplemental Resolution providing for the issuance of such Bonds. The County shall provide notice of redemption as set forth in such Supplemental Resolution.

3.02 ***Purchase of Bonds***. The County reserves the right to purchase any of the Bonds at any time at a price deemed reasonable by a Designated County Representative. If so provided in the Supplemental Resolution providing for the issuance of that Series of Bonds, such purchased Bonds shall be cancelled upon their purchase by the County.

Section 4. Form of Bonds. The Bonds of each Series shall be in substantially the form set forth in Exhibit B, which is incorporated herein by this reference, with applicable modifications as provided in the Supplemental Resolution providing for the issuance of such Bonds.

Section 5. Execution of Bonds. Except as otherwise provided in a Supplemental Resolution providing for the issuance of the Series of Bonds, the Bonds of each Series shall be executed on behalf of the County with the manual or facsimile signatures of the Chair of the County Board and attested by the manual or facsimile signature of the Clerk of the County Board. Except as otherwise provided in a Supplemental Resolution, the seal of the County shall be impressed, imprinted or otherwise reproduced thereon.

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

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

Section 6. Issuance of Series of Bonds. Bonds may be issued, from time to time, subject to the conditions of this Section 6.

6.01 ***Bond Issued Only Upon Delivery of an Airport Board Series Resolution and Joint Resolution Pursuant to the Interlocal Agreement***. Prior to the issuance of any Bonds under this Resolution, the County shall have received a certified copy of an Airport Board Series Resolution and a certified copy of a Joint Resolution of the City as required by the Interlocal Agreement, both in connection with the Series of Bonds to be issued.

6.02 ***Supplemental Resolution***. Bonds of each Series shall be dated, shall mature, shall bear interest, and shall be issued and reissued from time to time, all as authorized under the Act and provided for in the Supplemental Resolution providing for the issuance of such Series of Bonds. Each such Supplemental Resolution may provide for the following terms for each Series authorized thereunder: (a) authorized principal amount of the Bonds; (b) series designations; (c) general purpose of the Bonds; (d) deposit and disbursement of Bond proceeds; (e) principal and interest payment dates; (f) authorized denominations; (g) record date; (h) redemption, tender and purchase provisions; (i) whether the Bonds will be secured by the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund; (j) tax status; (k) method of sale; (l) appointment of a replacement or successor Bond Registrar and such other agents as the County shall determine to be necessary; and (m) any other terms that may be necessary to the issuance of such Bonds.

6.03 ***Refunding Bonds***. Refunding Bonds may be issued from time to time under and secured by this Resolution. Such Refunding Bonds shall be issued in accordance with the provisions of Sections 6.02 and 6.04(b)(i) hereof and chapter 39.53 RCW.

6.04 ***Additional Bonds Test.***

(a) Subject to the provisions of Section 6.04(b) hereof, as a condition to the issuance of any Series of Bonds other than the Initial Bonds, there shall be delivered to, or otherwise on file with, the County either:

(i) a certificate of an Airport Board Representative, dated as of a date between the date of pricing of the Bonds being issued and the date of delivery of such Bonds (both dates inclusive), showing that the Net Revenues for the last audited Fiscal Year or any audited and/or unaudited 12 consecutive months out of the most recent 18 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds, together with any Coverage Amount for the most recently ended Fiscal Year, were at least equal to 125% of Maximum Aggregate Annual Debt Service with respect to all Outstanding Bonds and the proposed Series of Bonds, calculated as if the proposed Series of Bonds were then Outstanding; or

(ii) a certificate of a Consultant, dated as of a date between the date of pricing of the Bonds being issued and the date of delivery of such Bonds (both dates inclusive), showing that:

(A) the Net Revenues for the last audited Fiscal Year or for any audited and/or unaudited 12 consecutive months out of the most recent 18 consecutive months immediately preceding the date of issuance of the proposed Series of Bonds, together with any Coverage Amount for the most recently ended Fiscal Year, were at least equal to 125% of the sum of the Annual Debt Service due and payable with respect to all Outstanding Bonds for such applicable period; and

(B) for the period from and including the first full Fiscal Year following the issuance of such proposed Series of Bonds during which no interest on such Series of Bonds is expected to be paid from the proceeds thereof through and including the later of: (1) the fifth full Fiscal Year following the issuance of such Series of Bonds, or (2) the second full Fiscal Year during which no interest on such Series of Bonds is expected to be paid from the proceeds thereof, the estimated Net Revenues, together with any estimated Coverage Amount, for each such Fiscal Year, will be at least equal to 125% of the Aggregate Annual Debt Service for each such Fiscal Year with respect to all Outstanding Bonds and calculated as if (aa) the proposed Series of Bonds were then Outstanding, and (bb) any future Series of Bonds were then Outstanding that the Airport Board estimates will be required to complete payment of the estimated costs of construction of such portion of the Specified Project and any other uncompleted portion of the Specified Project from which the Consultant projects additional Revenues will be generated.

For purposes of subparagraphs (i) and (ii) above, the amount of any Coverage Amount taken into account shall not exceed 25% of the Aggregate Annual Debt Service on the Outstanding Bonds, the proposed Series of Bonds and any future Series of Bonds included pursuant to subparagraph (ii)(B) of the previous paragraph.

For purposes of subsections (ii)(B) above, in estimating Net Revenues, the Consultant may take into account (1) Revenues from Specified Projects or other Airport Facilities reasonably expected to become available during the period for which the estimates are provided, (2) any increase in fees, rates, charges, rentals or other sources of Revenues that have been approved and will be in effect during the period for which the estimates are provided, and (3) any other increases in Revenues which the Consultant believes to be a reasonable assumption for such period. With respect to O&M Expenses of the Airport System, the

Consultant shall use such assumptions as the Consultant believes to be reasonable, taking into account: (x) historical O&M Expenses of the Airport System, (y) O&M Expenses of the Airport System associated with the Specified Projects and any other new Airport Facilities, and (z) such other factors, including inflation and changing operations, as the Consultant believes to be appropriate. The Consultant shall include in the certificate or in a separate accompanying report the calculations and assumptions made in determining the estimated Net Revenues and shall also set forth the calculations of Aggregate Annual Debt Service, which calculations may be based upon information provided by another Consultant.

(b) Neither of the certificates described above under subsection (a) shall be required if:

(i) the Bonds being issued are for the purpose of refunding then Outstanding Bonds and there is delivered to, or otherwise on file with, the County, instead, a certificate of the Airport Board Representative showing that Maximum Aggregate Annual Debt Service after the issuance of such Refunding Bonds will not exceed Maximum Aggregate Annual Debt Service prior to the issuance of such Refunding Bonds by more than $5,000; or

(ii) the Bonds being issued constitute Notes and there is delivered to, or otherwise on file with, the County, instead, a certificate of the Airport Board Representative showing that the principal amount of the proposed Notes being issued, together with the principal amount of any Notes then Outstanding, does not exceed 10% of the Net Revenues for any audited and/or unaudited 12 consecutive months out of the most recent 24 months immediately preceding the issuance of the proposed Notes; or

(iii) the Bonds being issued are Completion Bonds and the following written certificates are delivered to, or otherwise on file with, the County: (A) a certificate of a Consultant stating that the nature and purpose of such Project has not materially changed, and (B) a certificate of an Airport Board Representative to the effect that (1) all of the proceeds (including investment earnings on amounts in the Project Fund established for the Project) of the original Bonds issued to finance such Project have been or will be used to pay Costs of the Project, (2) the then estimated Costs of the Project exceed the sum of the Costs of the Project already paid plus money available in the Project Fund established for the Project (including unspent proceeds of Bonds previously issued for such purpose), and (3) the proceeds to be received from the issuance of such Completion Bonds, plus money available in the Project Fund established for the Project (including unspent proceeds of the Bonds previously issued for such purpose) will be sufficient to pay the remaining estimated Costs of the Project.

(c) For purposes of calculating Aggregate Annual Debt Service, the following components of debt service shall be computed as follows:

(i) in determining the amount of principal to be funded in each Fiscal Year, payment shall (unless a different clause of this subsection (c) applies for purposes of determining principal maturities or amortization) be assumed to be made on Outstanding Bonds in accordance with any amortization schedule established by the applicable Supplemental Resolution setting forth the terms of such Bonds, including, as a principal payment, the Accreted Value of any Capital Appreciation Bonds maturing or scheduled for redemption in such Fiscal Year; in determining the amount of interest to be funded in each Fiscal Year, interest payable at a fixed rate shall (except to the extent clause (ii) or (iii) of this subsection (c) applies) be assumed to be made at such fixed rate and on the required funding dates as provided in the applicable Supplemental Resolution; provided, however, that interest payable on the Bonds shall be excluded to the extent such payments are to be paid from Capitalized Interest for such Fiscal Year;

(ii) if all or any portion or portions of any Outstanding Bonds or any Bonds which are then proposed to be issued constitute Balloon Indebtedness, then, for purposes of determining Aggregate Annual Debt Service, each maturity which constitutes Balloon Indebtedness will, unless clause (iii) of this subsection (c) then applies, be treated as if it were to be amortized over a term of not more than 30 years with substantially level annual debt service payments commencing not later than the year following the year in which such Balloon Indebtedness was, or is to be, issued; the interest rate used for such computation shall be that rate determined by a Consultant to be a reasonable market rate for fixed-rate Bonds of a corresponding term issued under this Resolution on the date of such calculation, with no credit enhancement and taking into consideration whether such Bonds bear interest which is or is not excluded from gross income for federal income tax purposes; and with respect to any Bonds only a portion of which constitutes Balloon Indebtedness, the remaining portion will be treated as described in clause (i) of this subsection (c) or such other provision of this subsection (c) as will be applicable and;

(iii) any maturity of Outstanding Bonds or any Bonds that are proposed to be issued that constitutes Balloon Indebtedness and for which the stated maturity date occurs within 72 months from the date such calculation of Aggregate Annual Debt Service is made, shall be assumed to become due and payable on the stated maturity date unless there is delivered to the entity making the calculation of Aggregate Annual Debt Service a certificate of an Airport Board Representative stating the then intent that such maturity be refinanced and stating the probable terms of such refinancing, including the anticipated interest rate (which shall be a rate determined by a Consultant equal to the then current market rate assuming that such maturity were being refinanced on the date of such certificate) and the final maturity date of such refinancing (provided that such refinanced maturity shall be amortized over a term of not more than 30 years from the date of refinancing), and that the requirements of this Section may reasonably be expected to be satisfied upon such refunding; upon the receipt of such certificate, such Balloon Indebtedness shall be assumed to be refinanced in accordance with the probable terms set out in such certificate and such terms shall be used for purposes of calculating Aggregate Annual Debt Service;

(iv) if any Outstanding Bonds or any Bonds that are then proposed to be issued constitute Tender Indebtedness (but excluding Bonds as to which a Qualified Swap is in effect and to which clause (vi) of this subsection (c) applies), then, for purposes of determining Aggregate Annual Debt Service, Tender Indebtedness shall be treated as if the principal amount of such Bonds were to be amortized over a term of not more than 30 years commencing in the year in which such Series is first subject to tender and with substantially level Annual Debt Service payments and extending not later than 30 years from the date such Tender Indebtedness was originally issued; the interest rate used for such computation shall be that rate determined by a Consultant to be a reasonable market rate for fixed-rate Bonds of a corresponding term issued under this Resolution on the date of such calculation, with no credit enhancement and taking into consideration whether such Bonds bear interest which is or is not excluded from gross income for federal income tax purposes; and with respect to all funding requirements of principal and interest payments becoming due prior to the year in which such Tender Indebtedness is first subject to tender, such payments shall be treated as described in clause (i) of this subsection (c) unless the interest during that period is subject to fluctuation, in which case the interest becoming due prior to such first tender date shall be determined as provided in clause (v) of this subsection (c);

(v) if any Outstanding Bonds or any Bonds that are then proposed to be issued constitute Variable Rate Indebtedness, including obligations described in clause (vi)(B) of this subsection (c) to the extent it applies (except to the extent clause (ii) of this subsection (c) relating to Balloon Indebtedness or clause (iii) of this subsection (c) relating to Tender Indebtedness or clause (vii)(A) of this subsection (c) relating to Synthetic Fixed Rate Debt applies), the interest rate

on such Bonds shall be that rate determined by a Consultant to be a reasonable market rate for variable rate Bonds of a corresponding term and structure issued under this Resolution on the date of such calculation, with credit enhancement (taking into consideration whether such Bonds bear interest which is or is not excluded from gross income for federal income tax purposes), plus the costs of the credit enhancement;

(vi) debt service on Repayment Obligations, to the extent such obligations constitute Bonds under Section 6.05 hereof, shall be calculated as provided in Section 6.05 hereof;

(vii) (A) for purposes of computing the Aggregate Annual Debt Service of Bonds which constitute Synthetic Fixed Rate Debt, the interest rate on such Bonds shall be that rate as provided for by the terms of the Swap;

(B) for purposes of computing the Aggregate Annual Debt Service of Bonds with respect to which a Swap has been entered into whereby the County has agreed to pay the floating variable rate thereunder, no fixed interest rate amounts payable on the Bonds to which such Swap pertains shall be included in the calculation of Aggregate Annual Debt Service, and the interest rate with respect to such Bonds shall be the sum of that rate as determined in accordance with clause (v) of this subsection (c) relating to Variable Rate Indebtedness plus the difference between the interest rate on the Designated Debt and the rate received from the Swap Provider; and

(viii) with respect to Commercial Paper, the principal and interest thereon shall be calculated as if the entire maximum principal amount of such Commercial Paper authorized by a resolution or a Supplemental Resolution were to be amortized over a term of 30 years commencing in the year in which such program authorizing Commercial Paper is implemented and with substantially level Annual Debt Service payments; the interest rate used for such computation shall be that rate determined by a Consultant to be a reasonable market rate for fixed rate Bonds of a corresponding term issued under this Resolution on the date of such calculation, with no credit enhancement and taking into consideration whether such Bonds bear interest that is or is not excluded from gross income for federal income tax purposes.

When calculating Aggregate Annual Debt Service for purposes of this subsection, Aggregate Annual Debt Service shall be reduced by the amount of principal and/or interest paid or to be paid with Capitalized Interest, Other Money Available for Debt Service, PFCs Available for Debt Service and/or Pledged PFCs.

6.05 ***Repayment Obligations Afforded Status of Bonds***. If a Credit Provider or Liquidity Provider makes payment of principal of and interest on a Bond or advances funds to purchase or provide for the purchase of Bonds and is entitled to reimbursement thereof pursuant to a separate written agreement with the County, but is not reimbursed, the Repayment Obligation, or portion thereof, under such written agreement may, if so provided in the written agreement, be afforded the status of a Bond issued under this Section 6 and shall be granted the pledge of, security interest in and lien and charge on Revenues as Bonds under Section 7, and, if afforded such status, the Credit Provider or Liquidity Provider shall be the Bondholder and such Bond shall be deemed to have been issued at the time of the original Bond for which the Credit Facility or Liquidity Facility was provided and will not be subject to the provisions of Sections 6.02 through 6.04 hereof; provided, however, for purposes of Section 6.04(c)(vi) hereof, notwithstanding the stated terms of the Repayment Obligation, the payment terms of the Bond held by the Credit Provider or Liquidity Provider hereunder shall be as follows (unless otherwise provided in the written agreement with the County or a Supplemental Resolution pursuant to which the Bonds are issued): (a) interest shall be due and payable semiannually and (b) principal shall be due and payable not less

frequently than annually and in such annual amounts as to amortize the principal amount thereof in (i) 30 years or, if shorter, (ii)(A) a term extending to the maturity date of the enhanced Bonds or (B) if longer, the final maturity of the Repayment Obligation under the written agreement, and providing substantially level Annual Debt Service payments. The principal amortized as described in the prior sentence shall bear interest in accordance with the terms of the Repayment Obligation. The County may provide that any amount which comes due on the Repayment Obligation by its terms and which is in excess of the amount treated as principal of and interest on a Bond may be treated as a Subordinate Obligation. This provision shall not defeat or alter the rights of subrogation which any Credit Provider or Liquidity Provider may have under law or under the terms of any Supplemental Resolution.

6.06 ***Obligations under Qualified Swap Afforded Status of Bonds***. The obligation of the County to make Regularly Scheduled Swap Payments under a Qualified Swap with respect to a Series of Bonds may be on a parity with the obligation of the County to make payments with respect to such Series of Bonds and other Bonds under this Resolution, except as otherwise provided herein or in a Supplemental Resolution. The County may provide in any Supplemental Resolution that Regularly Scheduled Swap Payments under a Qualified Swap shall be secured by a pledge of, security interest in and lien and charge on Revenues, subject only to O&M Expenses of the Airport System, on a parity with the Bonds of such Series and all other Bonds, regardless of the principal amount, if any, of the Bonds of such Series remaining Outstanding. If so provided in the Supplemental Resolution, such Regularly Scheduled Swap Payments under a Qualified Swap shall be afforded the status of a Bond issued under this Section 6 and shall be granted the pledge of, security interest in and lien and charge on Revenues as Bonds under Section 7. In the event that a Swap Termination Payment or any other amounts other than Regularly Scheduled Swap Payments under a Qualified Swap are due and payable by the County under a Qualified Swap, such Swap Termination Payment and any such other amounts shall constitute a Subordinate Obligation hereunder.

Section 7. Pledge of Revenues; Funds and Account.

7.01 ***Pledge of, Security Interest in and Lien and Charge on Revenues***. To secure the payment of the principal and Accreted Value of, premium, if any, and interest on the Bonds, the County hereby pledges for the equal and ratable benefit of the Registered Owners from time to time of the Bonds, the following: (a) the special fund of the County designated the "Airport Revenue Bond Debt Service Fund," (b) the Revenues, subject only to O&M Expenses of the Airport System, that are obligated to be deposited to the Debt Service Fund, whether pursuant to the Airport Revenue Bond Agreement, the Interlocal Agreement or otherwise, (c) except as otherwise provided in this Resolution and any Supplemental Resolution, all money and securities (excluding money and securities on deposit in any Rebate Fund) held from time to time by the County under this Resolution and any Supplemental Resolution, including but not limited to the money and securities held in the Debt Service Fund, and to the extent provided in any Supplemental Resolution, money and securities held in any Project Fund, (d) earnings on amounts included in clauses (a), (b) and (c) of this sentence (except to the extent excluded from the definition of "Revenues"), and (e) any and all other funds, assets, rights, property or interests therein, of every kind or description which may from time to time hereafter, by delivery or by writing of any kind, be sold, transferred, conveyed, assigned, pledged, irrevocably committed, mortgaged, granted or delivered to or deposited with the County as additional security hereunder, for the equal and proportionate benefit and security of all Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall, with respect to the security provided hereby, be of equal rank without preference, priority or distinction as to any Bond over any other Bond or Bonds, except as to the timing of payment of the Bonds. As further provided in RCW 39.46.150, the amount so obligated to be paid in the Debt Service Fund shall be a lien and charge against these Revenues, subject only to O&M Expenses of the Airport System.

The Common Debt Service Reserve Fund, any Series Debt Service Reserve Fund and any Debt Service Reserve Fund Surety Policy provided at any time in satisfaction of all or a portion of the Reserve

Requirement and any other security, Liquidity Facility or Credit Facility provided for specific Bonds, a specific Series of Bonds or one or more Series of Bonds may, as provided by a Supplemental Resolution, secure only such specific Bonds, Series of Bonds or one or more Series of Bonds and, therefore, shall not be included as security for all Bonds under this Resolution unless otherwise provided by a Supplemental Resolution and money and securities held in trust as provided in Section 7.08 hereof exclusively for Bonds which have become due and payable and money and securities which are held exclusively to pay Bonds which are deemed to have been paid under Section 10 hereof shall be held solely for the payment of such specific Bonds.

The County hereby represents and states that it has not previously created any charge or lien on or any security interest in Revenues or the Debt Service Fund that remains outstanding and the County covenants that, until all the Bonds authorized and issued under the provisions of this Resolution and the interest thereon shall have been paid or are deemed to have been paid, it will not, except as otherwise provided under this Resolution, grant any prior or parity pledge of or any security interest in Revenues or the Debt Service Fund or any other security that is pledged pursuant to this Resolution, or create or permit to be created any charge or lien thereon or any security interest therein ranking prior to or on a parity with the charge and lien of the Bonds from time to time Outstanding under this Resolution. The amounts so pledged to be paid into the Debt Service Fund are hereby declared to be a prior lien and charge upon the Revenues, subject only to O&M Expenses of the Airport System, superior to all other liens and charges of any kind or nature whatsoever except for liens and charges equal in rank that may be made thereon to pay and secure the payment of the principal of, premium, if any, and interest on Bonds issued under authority of a Supplemental Resolution in accordance with the provisions of this Resolution.

The County may, as provided in and as limited by Section 8.06 hereof, grant a security interest in and lien and charge on Revenues remaining after the payments and deposits set forth in Section 7.03(a) through (c) hereof.

7.02 ***Revenue Fund.*** The County hereby covenants and agrees to hold and maintain the Revenue Fund in the office of the Treasurer, pursuant to the Interlocal Agreement and the Airport Revenue Bond Agreement. The County hereby further covenants and agrees, as long as there are any Bonds Outstanding, that it will cause all Revenues to be deposited to the Revenue Fund.

7.03 ***Priority of Payment.*** The Revenue Fund shall be held separate and apart from all other funds of the County, and Revenues deposited therein shall be used only for the following purposes in the following order of priority:

(a) *First - Operation and Maintenance Expenses.* To pay O&M Expenses of the Airport System, to the extent not paid from another source, as the same become due, as specified in each of the annual budgets of the Airport Board jointly approved by the County and the City pursuant to the Interlocal Agreement.

(b) *Second - Debt Service on Outstanding Bonds.* To make all payments, including any sinking fund installment payment with respect to each Series of Outstanding Term Bonds, required to be made into each Debt Service Account in the Debt Service Fund to pay principal of and interest on Outstanding Bonds coming due on each Payment Date, taking into account any Other Money Available for Debt Service, Pledged PFCs and/or PFCs Available for Debt Service applied to pay the principal of, including any sinking fund installment payment with respect each Series of Outstanding Term Bonds, and interest on Outstanding Bonds coming due on such Payment Date with respect to Bonds paid from such Debt Service Account.

(c) *Third - Common Debt Service Reserve Fund and Series Debt Service Reserve Funds*. To make all deposits required to be made to the Common Debt Service Reserve Fund, if any, at the times and in the amounts provided in Section 7.05 hereof, and to any Series Debt Service Reserve Fund at the times and in the amounts set forth in the Supplemental Resolution pursuant to which such Series Debt Service Reserve Fund is created.

(d) *Fourth - Subordinate Obligation Debt Service*. To pay outstanding Subordinate Obligations when due.

(e) *Fifth - Subordinate Obligation Debt Service Reserve Funds*. To fund any deficiency in any debt service reserve fund established by or for the benefit of the County in connection with any Subordinate Obligations.

(f) *Sixth - Operation and Maintenance Reserve.* To fund the Operation and Maintenance Reserve in an amount, if any, necessary to meet the O&M Reserve Requirement.

(g) *Seventh – Renewal and Replacement Reserves.* To fund the Renewal and Replacement Reserve in an amount, if any, necessary to meet the R&R Reserve Requirement.

(h) *Eighth – General Airport Purposes*. After all deposits and payments have been made as described in clauses (a) through (g) above, for any lawful Airport System purpose including paying any other outstanding revenue or interest-bearing warrants payable from Revenues, for deposit to any Funds or Accounts, including, without limitation, for redemption of any Bonds or other Airport indebtedness and other proper purposes consistent with budget approvals.

The County may modify the application of the funds as provided in clauses (d) through (h) above and to create additional funds and accounts to be inserted below subsection (c) above, pursuant to the Airport Revenue Bond Agreement.

7.04 ***Debt Service Fund; Debt Service Accounts***. The County shall create and maintain a special fund of the County designated as the "Airport Revenue Bond Debt Service Fund" (the "Debt Service Fund") for the purpose of paying and securing the payment of the principal of, including sinking fund installment payments on Term Bonds, premium, and interest on, Outstanding Bonds. The Debt Service Fund shall be held separate and apart from all other funds and accounts of the County and the Treasurer and shall be a trust fund for the owners of Outstanding Bonds. The County hereby irrevocably obligates and binds itself for as long as any Bonds remain Outstanding to set aside and pay, or cause to be set aside and paid into the Debt Service Fund from Revenues, subject only to O&M Expenses of the Airport System, or money in the Revenue Fund available after priority (a) under the priority of payment in Section 7.03 hereof, the amount required pay the principal of, including sinking fund installment payments on Term Bonds, premium, and interest on, Outstanding Bonds on each Payment Date.

At the time of issuance of each Series of Bonds, the County shall create a Debt Service Account for such Series within the Debt Service Fund. The money in the Debt Service Account shall be applied as provided in the Supplemental Resolution with regard to each such Account.

Except as otherwise provided in a Supplemental Resolution, so long as any Bonds of such Series are Outstanding, not later than the third (3rd) Business Day prior to each Payment Date, the County shall transfer, or cause to be transferred, to the Bond Registrar (a) Revenues on deposit in the Debt Service Fund, (b) Other Money Available for Debt Service, if any, on deposit in the Debt Service Fund, (c) Pledged PFCs, if any, on deposit in the Debt Service Fund and/or (d) PFCs Available for Debt Service, if any, on deposit

in the Debt Service Fund in an aggregate amount sufficient to pay the principal of, including sinking fund installment payments on Term Bonds, premium, and interest on, each Series of Outstanding Bonds coming due on such Payment Date.

If, on any Payment Date, the County does not have sufficient amounts in the Debt Service Fund (without regard to any amounts which may be available from the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund, as applicable) to pay in full all amounts due on such Payment Date, the County shall allocate the total amount that is available to make payment on such day (without regard to any amounts in the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund, as applicable), and transfer funds to the Bond Registrar for payment of principal and interest coming due on Outstanding Bonds on such Payment Date as follows: first to the payment of interest then due on the Bonds and, if the amount available shall not be sufficient to pay in full all interest on the Bonds then due, then *pro rata* among the Series according to the amount of interest then due, and second to the payment of principal then due on the Bonds and, if the amount available shall not be sufficient to pay in full all principal on the Bonds then due, then *pro rata* among the Series according to the Principal Amount then due on the Bonds.

Notwithstanding the foregoing, the County may, in the Supplemental Resolution providing for the issuance of such Series of Bonds, provide for different provisions and timing of deposits and different methods of paying principal of or interest on such Bonds depending upon the terms of such Bonds and may provide for payment through a Credit Facility with reimbursement to the Credit Provider from the respective Debt Service Account created for the Series of Bonds for which such Credit Facility is provided. The County may provide in any Supplemental Resolution that, as to any Series of Bonds Outstanding, any amounts required to be transferred to and paid into a Debt Service Account may be prepaid, in whole or in part, by being earlier transferred to and paid into that Debt Service Account, and in that event any subsequently scheduled monthly transfer, or any part thereof, which has been so prepaid need not be made at the time appointed therefor.

If Revenues, Other Money Available for Debt Service, Pledged PFCs, if any, and/or PFCs Available for Debt Service, if any, are at any time insufficient to make the required deposits to the Debt Service Fund to make payments on the Bonds, the County shall deposit from any available sources into the Debt Service Fund or into a specified Account or Accounts or Subaccount or Subaccounts therein.

7.05. ***Common Debt Service Reserve Fund.***

(a) The County shall cause the Treasurer to create and maintain the Common Debt Service Reserve Fund as a special fund of the County. The Common Debt Service Reserve Fund shall secure each Series of Bonds that the County designates, pursuant to a Supplemental Resolution, as participating in the Common Debt Service Reserve Fund. The County reserves the right, subject to the Airport Board Series Resolution in connection with a Series of Bonds, (i) to allow any Series of Bonds to participate in the Common Debt Service Reserve Fund, or (ii) to create, pursuant to a Supplemental Resolution, a separate Series Debt Service Reserve Fund and allow one or more Series of Bonds to participate in such Series Debt Service Reserve Fund, or (iii) to provide that a Series of Bonds not participate in the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund. Any Series Debt Service Reserve Fund established under a Supplemental Resolution shall be funded in an amount equal to the applicable Reserve Requirement set forth in such Supplemental Resolution. Additionally, such Supplemental Resolution shall provide for the manner of funding and replenishing of such Series Debt Service Reserve Fund and establish such other terms with respect to such Series Debt Service Reserve Fund as the County deems to be appropriate, including providing a Debt Service Reserve Fund Surety Policy in lieu thereof.

(b) (i) Except as otherwise provided herein, with respect to Bonds participating in the Common Debt Service Reserve Fund, each Supplemental Resolution providing for the issuance of such Bonds shall

require as a condition of issuance that at the time of issuance of such Bonds an amount be deposited in the Common Debt Service Reserve Fund so that, together with any Debt Service Reserve Fund Surety Policy provided pursuant to subsection (c) below, the amount on deposit in the Common Debt Service Reserve Fund will be equal to the Reserve Requirement for the Common Debt Service Reserve Fund. Any cash to be deposited in the Common Debt Service Reserve Fund may be derived from proceeds of Bonds or any other legally available source of funds. In the event that federal tax law in the opinion of Bond Counsel would prohibit the Reserve Requirement with respect to the Common Debt Service Reserve Fund or any portion thereof from being satisfied with proceeds of any issue of tax-exempt or tax-advantaged Bonds, the portion of the Reserve Requirement for the Common Debt Service Reserve Fund not permitted to be funded with tax-exempt Bond proceeds shall be satisfied with Revenues available under priority (c) under the priority of payment in Section 7.03 hereof, to the extent permissible under federal tax laws, in equal monthly installments within sixty (60) months from the date of issuance of such Series of Bonds.

(ii) Money held in the Common Debt Service Reserve Fund shall be used for the purpose of paying principal of and interest on the Bonds participating in the Common Debt Service Reserve Fund on a basis *pari passu* with all Bonds then participating in the Common Debt Service Reserve Fund. If, on any Payment Date for Bonds participating in the Common Debt Service Reserve Fund, the amounts in the Debt Service Accounts for such Bonds are insufficient to pay in full the amount then due on such Bonds, the County shall apply money held in the Common Debt Service Reserve Fund for the payment of the principal of and/or interest thereon. If amounts in the Common Debt Service Reserve Fund consist of both cash and one or more Debt Service Reserve Fund Surety Policies, the County shall make any required payments of amounts in the Common Debt Service Reserve Fund first from any cash on deposit in the Common Debt Service Reserve Fund, prior to making a draw upon any of such Debt Service Reserve Fund Surety Policy. Money held in the Common Debt Service Reserve Fund also may be used to make any deposit required to be made to the Rebate Fund created for the Bonds participating in the Common Debt Service Reserve Fund if other Revenues are not available from which such deposit can be made.

(iii) Subject to the provisions of subsection (b)(i) above, the County shall at least annually, prior to March 1 of each year, value or cause to be valued the Common Debt Service Reserve Fund on the basis of the cost thereof, plus accrued interest, adjusted for any amortization of premium or discount on the investment thereof. For purposes of determining the amount on deposit in the Common Debt Service Reserve Fund, any Debt Service Reserve Fund Surety Policy held by, or the benefit of which is available to, the County as security for the Bonds participating in the Common Debt Service Reserve Fund shall be deemed to be a deposit in the face amount of such Debt Service Reserve Fund Surety Policy or the stated amount of such Debt Service Reserve Fund Surety Policy provided, except that, if the amount available under a Debt Service Reserve Fund Surety Policy has been reduced as a result of a payment having been made thereunder or as a result of the termination, cancellation or failure of such Debt Service Reserve Fund Surety Policy and not reinstated or another Debt Service Reserve Fund Surety Policy provided, then, in valuing the Common Debt Service Reserve Fund, the value of such Debt Service Reserve Fund Surety Policy shall be reduced accordingly. If, upon any valuation of the Common Debt Service Reserve Fund, the value of the Common Debt Service Reserve Fund exceeds the Reserve Requirement with respect to the Common Debt Service Reserve Fund, the excess amount may be withdrawn and deposited to the Revenue Fund; provided that, if such amounts are used for a purpose other than payment of the principal of Bonds participating in the Common Debt Service Reserve Fund, there shall be delivered to, or otherwise on file with, the County an Opinion of Bond Counsel that the purpose for which such funds are to be used is a lawful purpose for which such proceeds may be used and that such use shall not result in the inclusion of interest on any tax-exempt Bonds in gross income of the recipient thereof under the Code or otherwise impact the tax-advantaged status of any Outstanding Bond, as applicable. If, upon any valuation of the Common Debt Service Reserve

Fund, the value is less than the Reserve Requirement with respect to the Common Debt Service Reserve Fund, the County shall replenish or cause to be replenished such amounts within thirty-six (36) months after the date of such valuation, in accordance with subsection (f) below.

(c) A Debt Service Reserve Fund Surety Policy shall be acceptable in lieu of a deposit of cash or securities into the Common Debt Service Reserve Fund, or may be substituted for amounts on deposit in the Common Debt Service Reserve Fund, only if at the time of such deposit (i) such Debt Service Reserve Fund Surety Policy extends to the maturity of the Series of Bonds of the longest maturity then Outstanding and participating in the Common Debt Service Reserve Fund, or will be replaced prior to its expiration with another Debt Service Reserve Fund Surety Policy or with cash, and (ii) the face amount of the Debt Service Reserve Fund Surety Policy, together with amounts on deposit in the Common Debt Service Reserve Fund, including the face amount of any other Debt Service Reserve Fund Surety Policy, is at least equal to the Reserve Requirement with respect to the Common Debt Service Reserve Fund.

(d) Money in the Common Debt Service Reserve Fund shall be invested and reinvested in Permitted Investments. Investments in the Common Debt Service Reserve Fund shall not have maturities which extend beyond five years. Earnings on the Common Debt Service Reserve Fund shall be paid *pro rata* to the Debt Service Accounts for the Bonds participating in the Common Debt Service Reserve Fund to be applied as a credit against the County's obligation to make its next interest payments unless an amount has been withdrawn from the Common Debt Service Reserve Fund as a result of a deficiency in the Debt Service Fund and such withdrawal has not been repaid or, as of the most recent valuation of the Common Debt Service Reserve Fund, the amount therein was valued at less than the Reserve Requirement with respect to the Common Debt Service Reserve Fund and the deficiency has not yet been restored, in either of which events the earnings shall be retained in the Common Debt Service Reserve Fund until the deficiency therein has been eliminated.

(e) All money remaining in the Common Debt Service Reserve Fund on the final Payment Date of the Bonds participating in the Common Debt Service Reserve Fund in excess of the amount required to make provisions for the payment in full of the interest and/or the principal of the Bonds of all Outstanding Series participating in the Common Debt Service Reserve Fund shall be transferred for deposit in the Revenue Fund.

(f) If the Common Debt Service Reserve Fund or a separately created Series Debt Service Reserve Fund (or Debt Service Reserve Fund Surety Policy provided in lieu thereof) have been used to make payments on Bonds secured thereby, then the County may be required to replenish the Common Debt Service Reserve Fund and such Series Debt Service Reserve Fund or reimburse the Credit Provider from Net Revenues as provided in Section 7.03(c) hereof, the full amount so withdrawn, together with interest, if any, required under the terms of the Debt Service Reserve Fund Surety Policy, or so much as shall be required to restore the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund to the Reserve Requirement with respect to the Common Debt Service Reserve Fund or such Series Debt Service Reserve Fund and to pay such interest, if any provided that (i) no amount from Revenues may be used for such purpose until all payments of principal of and/or interest on all Bonds which have become due and payable shall have been paid in full, (ii) the required payments to replenish the Common Debt Service Reserve Fund or any such Series Debt Service Reserve Fund or reimburse the Credit Provider shall be due in no more than thirty-six (36) substantially equal monthly installments commencing in the month following any such withdrawal, and (iii) if the aggregate amount of payments due on any date to replenish the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund exceeds the amount available for such purpose, the payments made for such purpose shall be allocated among the Common Debt Service Reserve Fund and any Series Debt Service Reserve Funds *pro rata* on the basis of the Outstanding Principal Amount of Bonds secured thereby. If such repayment is with respect to a draw under a Debt Service Reserve Fund Surety Policy, the Airport Board shall pay or cause the County to pay to the

provider of such Debt Service Reserve Fund Surety Policy the amount required to reimburse the provider of such Debt Service Reserve Fund Surety Policy. The amount available to be drawn under the Debt Service Reserve Fund Surety Policy shall increase by the amount of such reimbursement.

7.06 ***Project Funds***. Proceeds of each Series of Bonds which are to be used to pay the Costs of a Project shall be deposited into a Fund (each, a "*Project Fund*") to be created for such Series of Bonds as provided by this Resolution or a Supplemental Resolution. All money in each Project Fund shall be held and disbursed as provided in the Supplemental Resolution under which such Fund was created. Notwithstanding this provision, no Project Fund shall be required for a given Series of Bonds if all of the proceeds thereof (except those deposited into the Common Debt Service Reserve Fund or a Series Debt Service Reserve Fund or a Debt Service Account) are spent at the time of issuance of such Series or are used to refund and/or defease Bonds or otherwise the County determines that there is no need to create a Project Fund for such Series.

7.07 ***Additional Funds, Accounts and Subaccounts***. The County may, pursuant to a Supplemental Resolution, create additional Funds, Accounts and Subaccounts for such purposes as the County deems appropriate, including separate Funds, Accounts and Subaccounts available only for specified Bonds or Series of Bonds. Specifically, the County agrees to create and maintain within the Revenue Fund, separate Funds, Accounts or Subaccounts for the deposit of CFCs and PFCs.

7.08 ***Money Held in Trust for Matured Bonds; Unclaimed Money***. All money that shall have been withdrawn from a Debt Service Account and set aside or deposited with the Bond Registrar for the purpose of paying any of the Bonds, either at the maturity thereof or upon call for redemption, or that are set aside by the County for such purposes and for which Bonds the maturity date or redemption date shall have occurred, shall be held in trust for the respective holders of such Bonds. But any money that shall be so set aside or deposited and which shall remain unclaimed by the holders of such Bonds for a period of one (1) year after the date on which such Bonds shall have become due and payable (or such longer period as shall be required by State law) shall be paid to the County, and thereafter the holders of such Bonds shall look only to the County for payment and the County shall be obligated to make such payment, but only to the extent of the amounts so received without any interest thereon, and the Bond Registrar shall have no responsibility with respect to any of such money. The County hereby recognizes that while any Bonds are Outstanding in book-entry only form there should be no unclaimed money.

7.09 ***Additional Security***. The County may, subject to approval of the Airport Board and/or the City, as applicable, provide additional security or credit enhancement for specified Bonds or Series of Bonds with no obligation to provide such additional security or credit enhancement to other Bonds.

7.10 ***Passenger Facility Charges Available for Debt Service***. The County may for any period elect to designate any available PFCs as "PFCs Available for Debt Service" by having on file a certificate of an Airport Board Representative that includes (a) a representation of the Airport Board Representative that such PFCs, when received by the County, may be validly designated as and included in "PFCs Available for Debt Service" under this Resolution and are legally available to pay the principal of, premium, if any, and interest on all or a portion of the Bonds, (b) the amount of PFCs that are being designated as and included in "PFCs Available for Debt Service," (c) the Debt Service Account(s) such PFCs Available for Debt Service are to be deposited to, and (d) the time period during which such PFCs will be designated as and included in "PFCs Available for Debt Service." After the filing of such certificate, the County shall cause the PFCs Available for Debt Service designated therein to be deposited to the applicable Debt Service Account(s) and used to pay debt service on the applicable Series of Bonds. Notwithstanding any other provision hereof, if such PFCs Available for Debt Service are subject to any prior pledge or lien or irrevocable commitment, the application thereof to the payment of debt service on the Bonds shall be subordinate to the terms of such pledge or lien or irrevocable commitment and the certificate of an Airport

Board Representative designating the PFCs Available for Debt Service shall indicate the amount of the obligation payable in such Fiscal Year from the PFCs Available for Debt Service pursuant to such pledge or lien or irrevocable commitment.

Section 8. Bond Covenants.

8.01 ***Payment of Principal and Interest.*** The County hereby covenants and agrees that it will duly and punctually pay or cause to be paid from the Revenues obligated to be deposited to the Debt Service Fund the principal of, premium, if any, and interest on every Bond at the place and on the dates and in the manner herein, in the Supplemental Resolutions and in the Bonds specified, provided that the County's obligation to make payment of the principal of, premium, if any, and interest on the Bonds shall be limited to payment from the Revenues, subject only to O&M Expenses of the Airport System, the funds and accounts pledged therefor pursuant to this Resolution and any other source that the County may specifically provide for such purpose and no Bondholder shall have any right to enforce payment from any other funds of the County, City or the Airport Board.

8.02 ***Performance of Covenants by County; Due Execution.*** The County hereby covenants that it will faithfully perform at all times any and all covenants and agreements contained in this Resolution, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto. The County hereby represents that it is duly authorized under the Constitution and laws of the State to issue Bonds and to provide for the source of security and repayment as set forth herein, and that as of the date of this Resolution, it has not previously pledged Revenues or other assets to secure other outstanding obligations.

8.03 ***Senior Lien Obligations Prohibited.*** The County hereby covenants and agrees that so long as any Bonds are Outstanding under this Resolution, it will not issue any bonds or other obligations with a security interest in or lien and charge on Revenues, nor grant any security interest in or lien and charge on Revenues, that is senior to the Bonds.

8.04 ***Rate Covenant.***

(a) The County hereby covenants and agrees that, while any of the Bonds remain Outstanding, it shall, or shall cause the Airport Board to, establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with the Airport System and for services rendered in connection therewith, so that Revenues in each Fiscal Year will be at least equal to the following amounts:

(i) O&M Expenses of the Airport System due and payable during such Fiscal Year;

(ii) the Annual Debt Service on any Outstanding Bonds required to be funded by the County in such Fiscal Year as required by this Resolution or any Supplemental Resolution with respect to the Outstanding Bonds;

(iii) the required deposits to the Common Debt Service Reserve Fund or any Series Debt Service Reserve Fund that may be established by a Supplemental Resolution;

(iv) the reimbursement owed to any Credit Provider or Liquidity Provider as required by a Supplemental Resolution;

(v) the interest on and principal of any indebtedness of the County with respect to the Airport System required to be funded during such Fiscal Year, other than for Outstanding Bonds, but including Subordinate Obligations; and

(vi) funding of any debt service reserve funds created in connection with any indebtedness of the County with respect to the Airport System, other than Outstanding Bonds, but including Subordinate Obligations.

(b) The County hereby further covenants and agrees that it shall, or shall cause the Airport Board to, establish, fix, prescribe and collect rates, tolls, fees, rentals and charges in connection with the Airport System and for services rendered in connection therewith, so that during each Fiscal Year the Net Revenues, together with any Coverage Amount, will be equal to at least 125% of Annual Debt Service on the Outstanding Bonds for such Fiscal Year. For purposes of this subsection (b), the amount of any Coverage Amount taken into account shall not exceed 25% of Annual Debt Service on the Outstanding Bonds in such Fiscal Year.

(c) When calculating Annual Debt Service on the Outstanding Bonds for purposes of the rate covenants set forth in subsections (a) and (b) above, Annual Debt Service on the Outstanding Bonds shall be reduced by the amount of principal and/or interest paid with Capitalized Interest, Other Money Available for Debt Service, PFCs Available for Debt Service and/or Pledged PFCs.

(d) The County hereby further covenants and agrees that if Revenues or Net Revenues, together with any Coverage Amount (only as applied in subsection (b) above) in any Fiscal Year are less than the amounts specified in subsections (a) and (b) above, the County will retain and direct a Consultant to make recommendations as to Airport System business operations and rates, tolls, fees, rentals and charges for the use of the Airport System and for services rendered in connection with the Airport System, and after receiving such recommendations or giving reasonable opportunity for such recommendations to be made, the County shall take or cause the Airport Board to take all lawful measures to revise the schedule of rates, tolls, fees, rentals and charges as may be necessary to produce Revenues or Net Revenues, together with any Coverage Amount (only as applied in subsection (b) above) in the amounts specified in subsections (a) and (b) above in the next succeeding Fiscal Year.

(e) In the event that Revenues or Net Revenues, together with any Coverage Amount, for any Fiscal Year are less than the amounts specified in subsections (a) or (b) above, but the County or Airport Board has, prior to or during the next succeeding Fiscal Year, promptly taken all lawful measures to revise the schedule of rates, tolls, fees, rentals and charges as required by subsection (d) above, such deficiency in Revenues or Net Revenues, together with any Coverage Amount, shall not constitute an Event of Default under the provisions of Section 12.01(d) hereof. Nevertheless, if after taking the measures required by subsection (d) above to revise the schedule of rates, tolls, fees, rentals and charges, Revenues or Net Revenues, together with any Coverage Amount (only as applied in subsection (b) above), in the next succeeding Fiscal Year (as evidenced by the audited financial statements of the Airport System for such Fiscal Year) are less than the amounts specified in subsections (a) or (b) above, such deficiency in Revenues or Net Revenues shall constitute an Event of Default under the provisions of Section 12.01(d) hereof.

8.05 ***No Inconsistent Contract Provisions***. The County hereby covenants that no contract or contracts will be entered into or any action taken by the County that shall be inconsistent with the provisions of this Resolution. The County hereby further covenants that it will not take any action which, in the County's judgment at the time of such action, will substantially impair or materially adversely affect the Revenues of the Airport System, or will substantially impair or materially adversely affect in any manner the pledge of, security interest in and lien and charge on Revenues granted herein or the rights of the holders of the Bonds. The County shall be unconditionally and irrevocably obligated, so long as any of the Bonds are Outstanding and unpaid, to take all lawful action necessary or required to pay from the Revenues of the Airport System the payments when due on the Bonds and to make the other payments provided for herein.

8.06 ***Subordinate Obligations.*** The County may, from time to time, at the request of the Airport Board and upon receipt of a certified copy of a Joint Resolution as required by the Interlocal Agreement, incur indebtedness that is subordinate to the Bonds and which indebtedness is, in this Resolution, referred to as Subordinate Obligations. Such indebtedness shall be incurred at such times and upon such terms as the County shall determine, provided that:

(a) any resolution providing for the issuance of any Subordinate Obligations shall specifically establish or continue a lien on Revenue that is subordinate to the lien securing the Bonds, and state that such pledge of, security interest in and lien and charge on Revenues is junior and subordinate to the lien and charge on such Revenues and other assets granted to secure the Bonds; and

(b) payment of principal of, premium and interest on such Subordinate Obligations shall be permitted, provided that all deposits required to be made pursuant to Section 7.03(a) through (c) hereof, if any, are then current in accordance with Section 7.03 hereof.

8.07 ***Special Facilities.***

(a) The County shall be permitted to designate new or existing Airport Facilities as Special Facilities as permitted in this Section 8.07. Upon the request of the Airport Board, the County may, from time to time, and subject to the terms and conditions of this Section 8.07, (i) designate a separately identifiable existing facility or planned facility as a "Special Facility," (ii) pursuant to a resolution other than this Resolution and without a pledge of any Revenues (except on a subordinate basis), incur debt primarily for the purpose of acquiring, constructing, renovating or improving or providing financing or refinancing to third parties to acquire, construct, renovate or improve, such facility, (iii) provide that certain of the contractual payments derived from or related to such Special Facility, together with other income and revenues available to the County from such Special Facility to the extent necessary to make the payments required by clause (i) of Subsection (c) below, be "Special Facility Revenue" and not included as Revenues unless on terms provided in any Supplemental Resolution, and (iv) provide that the debt so incurred shall be a "Special Facility Obligation" and the principal of and interest thereon shall be payable solely from the Special Facility Revenue and the proceeds of such Special Facility Obligations set aside exclusively to pay debt service on such Special Facility Obligation (except the County may determine to make Revenues or such other money not included in Revenues available to pay such debt service, through a specific pledge or otherwise and subject to any covenants or other provisions of this Resolution (including, but not limited to Section 8.04 hereof) or such other resolution or agreements of the County). The County may from time to time refinance any such Special Facility Obligations with other Special Facility Obligations. Additionally, Special Facility Obligations may be secured by a pledge of Revenues remaining after the payments and deposits to the Funds, Accounts and Subaccounts set forth in Section 7.03(a) through (c) hereof.

(b) Special Facility Obligations shall be payable as to principal, redemption premium, if any, and interest solely from (i) a Special Facility, which shall include contractual payments pursuant to a contract (which may be in the form of a lease) relating to a Special Facility with persons, firms or corporations, either public or private, as shall undertake the operation of a Special Facility, (ii) proceeds of such Special Facility Obligations set aside exclusively to pay debt service on such Special Facility Obligations, if any, and (iii) such Revenues or other money not included in Revenues made available as provided in clause (iv) of subsection (a) above, if any.

(c) No Special Facility Obligations shall be issued by the County unless there shall be delivered to, or otherwise on file with, the County a certificate of an Airport Board Representative stating that:

(i) the estimated Special Facility Revenue pledged to the payment of the Special Facility Obligations, the proceeds of such Special Facility Obligations set aside exclusively to pay debt service on such Special Facility Obligation, if any, and such Revenues or other money made available pursuant to clause (iv) of subsection (a) above, if any, will be at least sufficient to pay the principal of and interest on such Special Facility Obligations as and when the same become due and payable, to pay all costs of operating and maintaining such Special Facility not paid for by the operator thereof or by a party other than the Airport Board or the County and to pay all sinking fund installment, reserve or other payments required by the resolution authorizing the Special Facility Obligations as the same become due; and

(ii) no Event of Default then exists under Section 12.01 hereof.

(d) To the extent Special Facility Revenue received by the County during any Fiscal Year shall exceed the amounts required to be paid pursuant to clause (A) of subsection (C) above for such Fiscal Year, such excess Special Facility Revenue, to the extent not otherwise encumbered or restricted in connection with such Special Facility Revenue financing, shall constitute Revenues.

8.08 ***Maintenance of Powers.*** The County hereby covenants that it will at all times use its best efforts to maintain the powers, functions, duties and obligations now reposed in it pursuant to the Constitution of the State and all other laws and that it will not at any time voluntarily do, suffer or permit any act or thing the effect of which would be to delay either the payment of the indebtedness evidenced by any of the Bonds or the performance or observance of any of the covenants herein contained.

8.09 ***Operation and Maintenance of Airport System.*** Subject to the transfer of any Airport Facilities pursuant to Section 8.12 hereof, the County hereby covenants that it shall, or shall cause the Airport Board to, operate and maintain the Airport System at all times in good working order and condition in compliance with all lawful orders of any governmental agency or authority having jurisdiction in the premises (provided the County and the Airport Board shall not be required to comply with any such orders so long as the validity or application thereof shall be contested in good faith), and that all licenses and permits necessary to construct or operate any part of the Airport System shall be obtained and maintained and that all necessary repairs, improvements and replacements of the Airport System shall be made, subject to sound business judgment. Subject to the transfer of any Airport Facilities pursuant to Section 8.12 hereof, the County shall, or shall cause the Airport Board to, from time to time, duly pay and discharge, or cause to be paid and discharged, except to the extent the imposition or payment thereof is being contested in good faith by the County or the Airport Board, all taxes (if any), assessments or other governmental charges lawfully imposed upon the Airport System or upon any part thereof, or upon the Revenues, when the same shall become due, as well as any lawful claim for labor, materials or supplies or other charges which, if unpaid, might by law become a lien or charge upon the Revenues or the Airport System or any part thereof constituting part of the Airport System.

8.10 Insurance; Application of Insurance Proceeds.

(a) Subject, in each case, to the condition that insurance is obtainable at reasonable rates and upon reasonable terms and conditions the County shall, or shall cause the Airport Board to, procure and maintain or cause to be procured and maintained insurance with respect to the facilities constituting the Airport System and public liability insurance in such amounts and against such risks as are, in the judgment of the Airport Board, prudent and reasonable taking into account, but not being controlled by, the amounts and types of insurance or self-insured programs provided by similar airports.

(b) If, as a result of any event, any part of the Airport System is destroyed or severely damaged, the County shall create within the Revenue Fund a special Account and shall credit the Net

Insurance/Condemnation Proceeds received by the County or the Airport Board or the City for their respective interests as a result of such event of damage or destruction to such Account and such Net Insurance/Condemnation Proceeds shall, within a reasonable period of time taking into account any terms under which insurance proceeds are paid and any insurance restrictions upon the use or timing of the use of insurance proceeds, be used to: (i) repair or replace the Airport System, or portion thereof, which was damaged or destroyed, (ii) provide additional revenue-producing Airport Facilities, (iii) redeem Bonds, or (iv) create an escrow fund pledged to pay specified Bonds and thereby cause such Bonds to be defeased as provided in Section 10 hereof.

8.11 ***Accounts***. The County hereby covenants that it will keep or cause to be kept and provide or cause to be provided accurate books and records of account showing all Revenues received and all expenditures of the County or the Airport Board relating to the Airport System and that it will keep or cause to be kept accurate books and records of account showing all money, Revenues, accounts and funds (including the Revenue Fund, Debt Service Fund and all other Funds, Accounts and Subaccounts provided for in this Resolution) that are or shall be in the control or custody of the office of the Treasurer.

8.12 ***Transfer of Airport Facility or Airport Facilities***. The County shall not, except as permitted below, transfer, sell or otherwise dispose of its interest (or permit the City or the Airport Board to transfer, sell or otherwise dispose of their respective interest) in an Airport Facility or Airport Facilities. For purposes of this Section 8.12, any transfer of an asset over which the County, the City or the Airport Board retains substantial control in accordance with the terms of such transfer, shall not, for so long as the County, the City or the Airport Board has such control, be deemed a disposition of an Airport Facility or Airport Facilities.

The County may transfer, sell or otherwise dispose of its interest (and permit the City or the Airport Board to transfer, sell or otherwise dispose of their respective interest) in an Airport Facility or Airport Facilities only if such transfer, sale or disposition complies with one or more of the following provisions:

(a) the property being disposed of is inadequate, obsolete or worn out; or

(b) the property proposed to be disposed of and all other Airport Facilities disposed of during the 12 month period ending on the day of such transfer (but excluding property disposed of under (a) above), will not, in the aggregate, constitute a Significant Portion, the proceeds are deposited into the Revenue Fund to be used as described below and the County believes that such disposal will not prevent it from fulfilling its obligations under this Resolution; or

(c) if the property being transferred, sold or disposed of does not constitute all of the Airport Facilities or that does not comprise the Spokane International Airport, the County, City and Airport Board receive fair market value for their respective interests in the property, the proceeds are deposited in the Revenue Fund to be used as described below, and prior to the disposition of such property, there is delivered to the County a certificate of a Consultant to the effect that notwithstanding such disposition, but taking into account the use of such proceeds in accordance with the expectations of the County as evidenced by a certificate of a Designated County Representative, the Consultant estimates that the County will be in compliance with Section 8.04(a) and (b) hereof during each of the first five (5) Fiscal Years immediately following such disposition; or

(d) if the property being transferred, sold or disposed of constitutes all of the Airport Facilities or that comprise the Spokane International Airport, the proceeds received by the County (representing its interests therein) and the City and Airport Board (representing their respective interests therein) from such transfer, sale or disposition shall be sufficient (along with any other available money in the Revenue Fund) to cause all Bonds then Outstanding to be defeased as provided in Section 10 hereof and the proceeds (along

with any other available money in the Revenue Fund) shall be deposited to an escrow fund pledged to the payment of all Bonds then Outstanding.

Proceeds of the transfer, sale or disposition of assets under clauses (b) or (c) above shall be deposited into the Revenue Fund and used, (i) subject to any applicable provisions of the Code, within a reasonable period of time, not to exceed three (3) years, to (A) provide additional revenue-producing Airport Facilities, (B) redeem Bonds, or (C) create an escrow fund pledged to pay specified Bonds and thereby cause such Bonds to be defeased as provided in Section 10 hereof, or (ii) for such other purposes as required or allowed by applicable federal and State law.

Airport Facilities that were financed with the proceeds of obligations the interest on which is then excluded from gross income for federal income tax purposes shall not be disposed of, except under the terms of clause (a) above, unless the County has first received a written opinion of Bond Counsel to the effect that such disposition will not cause the interest on such obligations to become includable in gross income for federal income tax purposes.

No such disposition shall be made which would cause the County to be in default of any other covenant contained in this Resolution.

Notwithstanding anything herein to the contrary, unless otherwise agreed to by the County pursuant to a resolution of the County Board, the County shall not transfer, sell or otherwise dispose of its interest (or permit the City or the Airport Board to transfer, sell or otherwise dispose of their respective interest) in the Airport Facilities, or any part thereof, to an airport authority or other governmental entity formed or incorporated under State law (as it may be amended) for the purpose of owning and/or operating the Airport Facilities unless all Bonds and Subordinate Obligations then Outstanding shall be defeased, prepaid or redeemed in full on or prior to the date of such transfer, sale or other disposition.

8.13 ***Completion of Specified Project; Substitution of Specified Project.*** The County will, upon the issuance of a Series of Bonds the proceeds of which are to be used for a Specified Project, cause the Airport Board to proceed with due diligence to construct or acquire such Specified Project; provided, however, that the Airport Board may, if the conditions set forth in this Section 8.13 are met, substitute another Project therefor and the County shall cause the Airport Board to proceed with due diligence to construct or acquire such substituted Project.

The Airport Board may determine not to proceed with any of the Specified Projects or the County may permit the Airport Board to substitute another Project or Projects for a Specified Project if, as a condition to discontinuing the acquisition or construction of a Specified Project or to the substitution of another Project or Projects therefor, (a) first, there is delivered to, or otherwise on file with, the County a certificate of a Consultant showing that after taking into account the discontinuation of such Specified Project or the substitution of another Project or Projects therefor, the provisions of Section 8.04(a) and (b) hereof will, nevertheless, be complied with, and (b) second, if the original Project was financed with the proceeds of obligations the interest on which is then excluded from gross income for federal income tax purposes, causes there to be delivered an opinion of Bond Counsel to the effect that the substitution of one Project for another Project will not cause interest on the Series of Bonds with respect to which the original Project was to be financed to be included in gross income of the recipients thereof for federal income tax purposes. If the County determines not to proceed with a Specified Project, then Bond proceeds that would have been used to acquire or construct such Specified Project shall be used, subject to the applicable provisions of the Code, to redeem Bonds, or as otherwise provided in the Supplemental Resolution pursuant to which they were issued.

8.14 ***Covenants of County Binding on County and Successors.*** All covenants, stipulations, obligations and agreements of the County contained in this Resolution shall be deemed to be covenants, stipulations, obligations and agreements of the County to the full extent authorized or permitted by law. If the powers or duties of the County shall hereafter be transferred by amendment of the Constitution of the State or any other law of the State or in any other manner there shall be a successor to the County, and if such transfer shall relate to any matter or thing permitted or required to be done under this Resolution by the County, then the entity that shall succeed to such powers or duties of the County shall act and be obligated in the place and stead of the County as in this Resolution provided, and all such covenants, stipulations, obligations and agreements shall be binding upon the successor or successors thereof from time to time and upon any officer, board, body or commission to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreement shall be transferred by or in accordance with law.

Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the County by the provision of this Resolution shall be exercised or performed by the County or by such officers, board, body or commission as may be permitted by law to exercise such powers or to perform such duties.

8.15 ***Resolution to Constitute a Contract.*** This Resolution, including all Supplemental Resolutions, is adopted by the County for the benefit of the Bondholders and constitutes a contract for the benefit of the Bondholders.

8.16 ***Obligations Secured by Other Revenues.*** The County may, from time to time and upon the request of the Airport Board, incur indebtedness payable solely from certain revenues of the Airport System that do not constitute Revenues at such times and upon such terms and conditions as the County shall determine, provided that such indebtedness shall specifically include a provision that payment of such indebtedness is neither secured by nor payable from Revenues. The County also may, from time to time and upon the request of the Airport Board, incur indebtedness payable from and secured by both Revenues and certain revenues of the Airport System that do not constitute Revenues at such times and upon such terms and conditions as the County shall determine, provided that the conditions set forth in this Resolution for the issuance of indebtedness payable from and secured by Revenues, including, without limitation, Section 6.03, hereof are met.

8.17 ***Annual Reporting of Audited Financial Statements.*** Within 270 days after the close of each Fiscal Year, so long as any Bonds are Outstanding, the County shall prepare, or cause the Airport Board to have prepared, audited financial statements including a statement of the income and expenses for such Fiscal Year and a balance sheet prepared as of the close of such Fiscal Year for the Airport System all accompanied by a certificate or opinion in writing of an Independent certified public accountant of recognized standing, which opinion shall include a statement that such financial statements present fairly in all material respects the financial position of the Airport System and are prepared in accordance with Generally Accepted Accounting Principles.

8.18 ***Covenant against Competing Facilities.*** The County hereby covenants and shall cause the Airport Board and the City to covenant, that it will not construct, operate or enter into any agreement permitting or facilitating the construction or operation of, any facilities or structures that will compete with the operations of the Airport System in a manner that would materially and adversely affect its ability to comply with the covenant set forth in Section 8.04 hereof unless the amounts derived from operating such facilities are included as Revenues under this Resolution.

8.19 ***Covenant Not To Terminate Interlocal Agreement.*** So long as any Bonds are outstanding, the County hereby covenants, and shall cause the City to covenant, that neither will terminate the Interlocal Agreement pursuant to Section 12 thereof, without the other party's approval.

Section 9. Investment of Funds; Permitted Investments. Money held by the County in the Funds, Accounts and Subaccounts created herein and under any Supplemental Resolution shall be invested and reinvested in the same Funds, Accounts and Subaccounts in Permitted Investments subject to the restrictions set forth in this Resolution and any Supplemental Resolution and subject to the investment restrictions imposed upon the County by the laws of the State and the County's investment policies.

The County covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Resolution or any Supplemental Resolution, or otherwise containing gross proceeds of tax-exempt Bonds (within the meaning of Section 148 of the Code) will be acquired and disposed of at Fair Market Value.

The County covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Resolution, or otherwise containing gross proceeds of tax-exempt Bonds (within the meaning of Section 148 of the Code) will be valued in accordance with Treasury Regulation §1.148-5(d).

Section 10. Defeasance. In the event that money and/or noncallable Government Obligations, maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of a Series of Bonds in accordance with their terms, are set aside in a special account of the County to effect such redemption and retirement, and such money and the principal of and interest on such Government Obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the applicable Debt Service Account for the payment of the principal of and interest on such Bonds so provided for, and such Bonds shall cease to be entitled to any lien, benefit or security of this Resolution except the right to receive the money so set aside and pledged, and such Bonds shall be deemed not to be Outstanding hereunder.

Section 11. General Authority; Documentation. The proper officials of the County, including the Chair, the Clerk, the Treasurer, the Designated County Representatives and each of the other appropriate officers, agents and representatives of the County are each hereby authorized and directed to take such steps, to do such other acts and things, to undertake all action necessary for the prompt execution and delivery of each Series of Bonds and further to execute all closing certificates and documents required to effect the closing and delivery of the Bonds in accordance with the terms of this Resolution and the applicable Supplemental Resolution.

Each officer, agent and representative of the County authorized herein to take such steps, to do such other acts and things, and to undertake all action necessary for the prompt execution and delivery of the Bonds may act individually to carry out the terms of this Resolution. Except as otherwise provided in Section 5, the signature of one authorized individual, including but not limited to the Designated County Representatives, shall be sufficient for purposes of the authority granted under this Resolution.

Section 12. Defaults and Remedies; Registered Owners' Trustee.

12.01 ***Events of Default.*** The County covenants and agrees with the holders and Registered Owners from time to time of the Bonds, in order to protect and safeguard the covenants and obligations undertaken by the County securing the Bonds, that the following shall constitute "Events of Default":

(a) if default is made in the due and punctual payment of the principal of and premium, if any, on any of the Bonds when the same shall become due and payable, either at maturity or by proceedings for

redemption or otherwise, including any sinking fund installment payment with respect to each Series of Outstanding Term Bonds; or

(b) if default is made in the due and punctual payment of any installment of interest on any Bonds; or

(c) if the County defaults in the observance and performance of any other of the covenants, conditions and agreements on the part of the County contained in this Resolution, except as otherwise provided herein, and such default or defaults shall have continued for a period of 90 days after the County shall have received from the Registered Owners' Trustee or from the Registered Owners of not less than 25 percent in principal amount of the Bonds then outstanding a written notice specifying and demanding the cure of such default; or

(d) the occurrence of any other Event of Default as is provided in a Supplemental Resolution.

12.02 ***Registered Owners' Trustee.*** So long as such Event of Default shall have not been remedied, a Registered Owners' Trustee may be appointed by the Registered Owners of 25 percent in principal amount of the Bonds then Outstanding, by an instrument or concurrent instruments in writing signed and acknowledged by such Registered Owners or by their attorneys-in-fact, duly authorized and delivered to such Registered Owners' Trustee, with notification thereof being given to the County. Any Registered Owners' Trustee appointed under the provisions of this Section 12.02 shall be a bank or trust company organized under the laws of the State or the State of New York or a national banking association. The bank or trust company acting as Registered Owners' Trustee may be removed at any time, and a successor Registered Owners' Trustee may be appointed, by the Registered Owners of a majority in principal amount of the Bonds, by an instrument or concurrent instruments in writing signed and acknowledged by such Registered Owners or by their attorneys-in-fact duly authorized.

The Registered Owners' Trustee appointed in the manner provided in this Section 12.02, and each successor thereto, is declared to be a trustee for the Registered Owners of all of the Bonds and is empowered to exercise all of the rights and powers herein conferred on the Registered Owners' Trustee.

12.03 ***No Acceleration; Suits at Law or in Equity.*** The Registered Owners' Trustee may, upon the happening of an Event of Default, and during the continuance thereof, take such steps and institute such suits, actions or other proceedings in its own name, or as trustee, all as it may deem appropriate for the protection and enforcement of the rights of Registered Owners, and may enforce the specific performance of any covenant, agreement or condition contained in this Resolution, or in any of the Bonds. Notwithstanding the foregoing, the Bonds shall not be subject to acceleration under any circumstances or for any reason, including without limitation upon the occurrence and continuance of an Event of Default hereunder.

Any action, suit or other proceeding instituted by the Registered Owners' Trustee shall be brought in its name as trustee for the Registered Owners and all such rights of action upon or under any of the Bonds or the provisions of this Resolution may be enforced by the Registered Owners' Trustee without the possession of any of the Bonds, and without the production of the same at any trial or proceeding relative thereto except when otherwise required by law, and the respective Registered Owners of the Bonds, by taking and holding the same, shall be conclusively deemed irrevocably to appoint the Registered Owners' Trustee the true and lawful trustee of the respective Registered Owners of the Bonds, with authority to institute any such action, suit or proceeding; to receive as trustee and deposit in trust any sums becoming distributable on account of the Bonds; to execute any paper or documents for the receipt of such money; and to do all acts with respect thereto that the Registered Owner might have done in person. Nothing contained herein shall be deemed to authorize or empower the Registered Owners' Trustee to consent to

accept or adopt, on behalf of any Registered Owner of the Bonds, any plan of reorganization or adjustment affecting the Bonds or any right of any Registered Owner thereof, or to authorize or empower the Registered Owners' Trustee to vote the claims of the Registered Owners thereof in any receivership, insolvency, liquidation, bankruptcy, reorganization or other proceeding to which the County and/or the Airport Board shall be a party.

12.04 ***Suits by Individual Registered Owners***. No Registered Owner of any one or more of the Bonds shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of same, unless an Event of Default shall have happened and be continuing and unless no Registered Owners' Trustee has been appointed as herein provided, but any remedy herein authorized to be exercised by the Registered Owners' Trustee may be exercised individually by a Registered Owner, in such individual's own name and behalf or for the benefit of all Registered Owners, in the event no Registered Owners' Trustee has been appointed, or with the consent of the Registered Owners' Trustee if such Registered Owners' Trustee has been appointed, except that nothing in this Resolution or in the Bonds shall affect or impair the obligation of the County, which is absolute and unconditional, to pay the principal of and interest on the Bonds to the respective Owners thereof at the respective due dates therein specified, or affect or impair the right of action, which is absolute and unconditional, of such Registered Owners to enforce such payment.

12.05 ***Remedies Not Exclusive.*** The remedies herein conferred upon or reserved to the Registered Owners of the Bonds and to the Registered Owners' Trustee are not intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. The privileges herein granted shall be exercised from time and time and continued so long as and as often as the occasion therefor may arise and no waiver of any default hereunder, whether by the Registered Owners' Trustee or by the Registered Owners of the Bonds, shall extend to or shall affect any subsequent default or shall impair any rights or remedies consequent thereon. No delay or omission of the Registered Owners or of the Registered Owners' Trustee to exercise any such right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein.

Section 13. Supplemental Resolutions.

13.01 ***Limitations.*** This Resolution shall not be modified or amended in any respect except as provided in and in accordance with and subject to the provisions of this Section 13.

13.02 ***Supplemental Resolutions Not Requiring Consent of Bondholders.*** The County may, from time to time and at any time, without the consent of or notice to the Bondholders, adopt Supplemental Resolutions supplementing and/or amending this Resolution or any Supplemental Resolution as follows:

(a) to provide for the issuance of a Series or multiple Series of Bonds under the provisions of Section 6 hereof and to set forth the terms of such Bonds and the special provisions which shall apply to such Bonds;

(b) to cure any formal defect, omission, inconsistency or ambiguity in, or answer any questions arising under, this Resolution or any Supplemental Resolution, provided such supplement or amendment is not materially adverse to the Bondholders;

(c) to add to the covenants and agreements of the County in this Resolution or any Supplemental Resolution other covenants and agreements, or to surrender any right or power reserved or conferred upon the County, provided such supplement or amendment shall not adversely affect the interests of the Bondholders;

(d) to confirm, as further assurance, any interest of the Bondholders in and to the pledge of Revenues or in and to the Funds, Accounts and Subaccounts held pursuant to this Resolution or to otherwise add additional security for the Bondholders;

(e) to evidence any change made in the terms of any Series of Bonds if such changes are authorized by the Supplemental Resolution at the time the Series of Bonds is issued and such change is made in accordance with the terms of such Supplemental Resolution;

(f) to comply with the requirements of the Trust Indenture Act of 1939, as amended from time to time;

(g) to modify, alter, amend or supplement this Resolution or any Supplemental Resolution in any other respect that is not materially adverse to the Bondholders;

(h) to provide for uncertificated Bonds or for the issuance of coupons and bearer Bonds or Bonds registered only as to principal;

(i) to qualify the Bonds or a Series of Bonds for a rating or ratings from a Rating Agency;

(j) to accommodate the technical, operational and structural features of Bonds that are issued or are proposed to be issued, including, but not limited to, changes needed to accommodate commercial paper, auction bonds, swaps, variable rate or adjustable rate bonds, discounted or compound interest bonds or other forms of indebtedness that the County, from time to time deems appropriate to incur;

(k) to make modifications or adjustments necessary, appropriate or desirable to accommodate the use of a Credit Facility or Liquidity Facility for specific Bonds or a specific Series of Bonds;

(l) to provide for the issuance of the Bonds pursuant to a book-entry system or as uncertified registered public obligations;

(m) to make such additions, deletions, or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on any tax-exempt Bonds, including, without limitation, the segregation of Revenues into different funds; and

(n) for any other purpose that does not materially and adversely affect the interests of the Owners of the Bonds.

Before the County shall, pursuant to this Section 13.02, adopt any Supplemental Resolution, there shall have been delivered to the County an opinion of Bond Counsel to the effect that such Supplemental Resolution: (y) is authorized or permitted by this Resolution and other applicable law, complies with their respective terms, will, upon the adoption thereof, be valid and binding upon the County in accordance with its terms and (z) will not cause interest on any of the Bonds which is then excluded from gross income of the recipient thereof for federal income tax purposes to be included in gross income for purposes of the Code or otherwise impact the tax advantaged status of the Bonds under the Code. The opinion of Bond Counsel required pursuant to clause (z) in the preceding sentence shall not be required for a Supplemental Resolution adopted in accordance with Section 13.02(a) hereof.

13.03 ***Supplemental Resolution Requiring Consent of Bondholders.***

(a) Except for any Supplemental Resolution entered into pursuant to Section 13.02 hereof and any Supplemental Resolution entered into pursuant to Section 13.03(b)) below, subject to the terms and

provisions contained in this Section 13.03 and Section 16 hereof and not otherwise, the holders of not less than 51% in aggregate Principal Amount of the Bonds then Outstanding shall have the right from time to time to consent to and approve the adoption by the County of any Supplemental Resolution for the purposes of modifying, altering, amending, supplementing or rescinding any of the terms or provisions contained in this Resolution or in a Supplemental Resolution; provided, however, that, unless approved in writing except as otherwise provided herein, by the holders of all the Bonds then Outstanding or unless such change affects less than all Series of Bonds and the following subsection (b) is applicable, nothing herein contained shall permit, or be construed as permitting, (i) a change in the scheduled times, amounts or currency of payment of the principal of or interest on any Outstanding Bonds, or (ii) a reduction in the principal amount or redemption price of any Outstanding Bonds or the rate of interest thereon, or (iii) provided that nothing herein contained, including the provisions of subsection (b) below, shall, unless approved in writing by the holders of all the Bonds then Outstanding, permit or be construed as permitting the creation of a lien (except as expressly permitted by this Resolution) upon or pledge of the Revenues created by this Resolution, ranking prior to or on a parity with the claim created by this Resolution, or (iv) except with respect to additional security which may be provided for a particular Series of Bonds, a preference or priority of any Bond or Bonds over any other Bond or Bonds with respect to the security granted therefor under this Resolution, or (v) a reduction in the aggregate Principal Amount of Bonds the consent of the Bondholders of which is required for any such Supplemental Resolution. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders of the adoption of any Supplemental Resolution as authorized in 13.02 hereof, including the granting, for the benefit of particular Series of Bonds, security in addition to the pledge of the Revenues set forth herein.

(b) The County may, from time to time and at any time, adopt a Supplemental Resolution that amends the provisions of an earlier Supplemental Resolution under which a Series or multiple Series of Bonds were issued. If such Supplemental Resolution is adopted for one of the purposes set forth in Section 13.02 hereof, no notice to or consent of the Bondholders shall be required. If such Supplemental Resolution contains provisions that affect the rights and interests of less than all Series of Bonds Outstanding and Section 13.02 hereof is not applicable, then this subsection (b) rather than subsection (a) above shall control and, subject to the terms and provisions contained in this subsection (b) and Section 16 hereof and not otherwise, the holders of not less than 51% in aggregate Principal Amount of the Bonds of all Series that are affected by such changes shall have the right from time to time to consent to any Supplemental Resolution deemed necessary or desirable by the County for the purposes of modifying, altering, amending, supplementing or rescinding any of the terms or provisions contained in such Supplemental Resolution and affecting only the Bonds of such Series; provided, however, that, unless approved in writing except as otherwise provided herein, by the holders of all the Bonds of all the affected Series then Outstanding, nothing herein contained shall permit, or be construed as permitting, (i) a change in the scheduled times, amounts or currency of payment of the principal of or interest on any Outstanding Bonds of such Series or (ii) a reduction in the principal amount or redemption price of any Outstanding Bonds of such Series or the rate of interest thereon. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders of the adoption of any Supplemental Resolution as authorized in Section 13.02 hereof, including the granting, for the benefit of particular Series of Bonds, security in addition to the pledge of the Revenues set forth herein.

(c) If at any time the County adopts any Supplemental Resolution for any of the purposes of this Section 13.03, the County shall cause notice of the proposed adoption of the Supplemental Resolution to be given by mail (or such other approved delivery method) to all Bondholders or, under subsection (b), all Bondholders of the affected Series. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall state that a copy thereof is on file at the office of the County for inspection by all Bondholders and it shall not be required that the Bondholders approve the final form of such Supplemental Resolution but it shall be sufficient if such Bondholders approve the substance thereof.

(d) The County may adopt such Supplemental Resolution in substantially the form described in such notice, but only if there shall have first been delivered to the County (i) a written consent of the Airport Board, (ii) the required consents, in writing, of Bondholders and (iii) the opinion of Bond Counsel required by the last paragraph of Section 13.02 hereof.

(e) If Bondholders of not less than the percentage of Bonds required by this Section 13.03 shall have consented to and approved the adoption thereof as herein provided, no Bondholders shall have any right to object to the adoption of such Supplemental Resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the County from adopting the same or from taking any action pursuant to the provisions thereof.

(f) Notwithstanding subsections (c) through (e) above, the County may, at its discretion, adopt a Supplemental Resolution that contains such modifications, alterations, amendments or supplements prior to receipt of the required consents in writing, of the Bondholders; provided, that such Supplemental Resolution or the applicable provisions of such Supplemental Resolution subject to the consents of the Holders shall not become effective until such time as there has been delivered to the County (i) the required consents, in writing, of Bondholders and (ii) the opinion of Bond Counsel required by the last paragraph of Section 13.02 hereof. In the event the County decides to adopt a Supplemental Resolution in accordance with this subsection (f), the notice required in subsection (c) shall make reference to a final and adopted Supplemental Resolution as opposed to a proposed Supplemental Resolution.

(g) For the purposes of this Section 13.03 the purchasers of the Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase from the County, may consent to a modification or amendment permitted by this Section 13.03 in the manner provided herein and with the same effect as a consent given by the Owner of such Bonds, except that no proof of ownership shall be required; provided, that this provision of Section 13.03 shall be disclosed prominently in the offering document, if any, for each Series of Bonds issued pursuant to this Resolution, provided that, if such consent is given by a purchaser who is purchasing as an underwriter or for resale, the nature of the modification or amendment and the provisions for the purchaser consenting thereto shall be described in the offering document prepared in connection with the primary offering of the Bonds of such Series by the County.

13.04 ***Effect of Supplemental Resolution.*** Upon adoption of any Supplemental Resolution pursuant to the provisions of this Section, this Resolution or the Supplemental Resolution shall be, and shall be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution and the Supplemental Resolution of the County, the Bond Registrar and all Bondholders and Beneficial Owners shall thereafter be determined, exercised and enforced under this Resolution and the Supplemental Resolution, if applicable, subject in all respects to such modifications and amendments.

13.05 ***Supplemental Resolutions to be Part of this Resolution.*** Any Supplemental Resolution adopted in accordance with the provisions of this Section shall thereafter form a part of this Resolution or the Supplemental Resolution which they supplement or amend, and all of the terms and conditions contained in any such Supplemental Resolution as to any provision authorized to be contained therein shall be and shall be deemed to be part of the terms and conditions of this Resolution or the Supplemental Resolution that they supplement or amend for any and all purposes.

13.06 ***Copy to Airport Board.*** After the adoption of any Supplemental Resolution in accordance with the provisions of this Section, the County shall deliver an executed copy of such Supplemental Resolution to the designated notice party identified in the Airport Revenue Bond Agreement.

Section 14. Contract and Severability of Provisions. The covenants contained in this Resolution and in the Bonds shall constitute a contract between the County and the Registered Owner of each and every Bond. Any action by the Registered Owner of any Bond shall bind all future Registered Owners of the same Bond in respect of anything done by the County or the Bond Registrar in pursuance thereof. All the covenants, promises and agreements in this Resolution contained by or on behalf of the County, or by or on behalf of the Bond Registrar, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

If any one or more of the covenants or agreements provided in this Resolution to be performed on the part of the County shall be declared by any court of competent jurisdiction on final appeal (if any appeal be taken) to be contrary to law, then such covenant or agreement 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 the Bonds.

Nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon or give to any person other than the County, the Bond Registrar, and the Registered Owners and the holders from time to time of the Bonds any rights, remedies or claims under or by reason of this Resolution or any covenant, condition or stipulation thereof; and all of the covenants, stipulations, promises and agreements in this Resolution contained by or on behalf of the County shall be for the sole and exclusive benefit of the County, the Bond Registrar, the Registered Owners and the holders from time to time of the Bonds.

Section 15. No Personal Recourse. No recourse shall be had for any claim based on this Resolution or the Bonds against any County Board member, any member of the City Council of the City, any member of the Airport Board, any officer or employee, past, present or future, of the County, the City, the Airport Board or of any successor body as such, either directly or through the County, the City, the Airport Board or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

Section 16. Credit Providers. If a Credit Facility is provided for a Series of Bonds or for specific Bonds, the County may in the Supplemental Resolution under which such Bonds are issued, provide any or all of the following rights to the Credit Provider as the County shall deem to be appropriate:

(a) the right to make requests, consent to the actions of the Registered Owners' Trustee or to otherwise direct proceedings to the same extent and in place of the Owners of the Bonds which are secured by the Credit Facility and for such purposes the Credit Provider shall be deemed to be the Holder of such Bonds; and

(b) the right to consent to Supplemental Resolutions to the same extent and in place of the Holders of the Bonds, which require the consent of the Holders of not less than 51% of the aggregate Principal Amount of the Bonds, adopted pursuant to Section 13.03 hereof, except with respect to any amendments described in Sections 13.03(a)(i) through (v) and 13.03(b)(i) or (ii) hereof which consent of the actual Holders shall still be required, of this Resolution to the same extent and in place of the Holders of the Bonds which are secured by the Credit Facility and for such purposes the Credit Provider shall be deemed to be the Holder of such Bonds.

The rights granted to any such Credit Provider shall be disregarded and be of no effect if the Credit Provider is in default of its payment obligations under its Credit Facility or fails to maintain its rating at a level higher than the underlying rating on the Bonds.

Section 17. Holidays. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Resolution, shall not be a Business Day, such

payment may, unless otherwise provided in this Resolution or, with respect to any Series of Bonds or portion of Series of Bonds, provided in the Supplemental Resolution under which such Bonds are issued, be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Resolution; provided that no interest shall accrue between the scheduled date of payment and the actual date of payment.

Section 18. Ratification. All acts taken pursuant to the authority granted in this Resolution but prior to its effective date are hereby ratified and confirmed.

Section 19. Effective Date. This Resolution shall be in full force and effect immediately upon its passage and adoption.

[signature page follows]

PASSED AND ADOPTED by the Board of County Commissioners of Spokane County, Washington, this 10th day of September, 2024.

SPOKANE COUNTY, WASHINGTON

Mary L. Kuney, Chair

Josh Kerns, Vice-Chair

Al French, Commissioner

Amber Waldref, Commissioner

Chris Jordan, Commissioner

BOARD OF COMMISSIONERS SPOKANE COUNTY SEAL SPOKANE COUNTY, WA

ATTEST:

Ginna Vasquez, Clerk of the Board
of County Commissioners

(SEAL)

CERTIFICATE

I, Ginna Vasquez, Clerk of the Board of County Commissioners of Spokane County, Washington, hereby certify as follows:

1. The foregoing resolution is a full, true and correct copy of a resolution duly passed and adopted at a regular meeting of the Board of County Commissioners of such County (the "Board");

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

3. Such resolution was adopted by the following vote:

AYES, and in favor thereof: Kuney, Kerns, French, Waldref, Jordan

NAYS:

ABSENT:

ABSTAIN:

I further certify that I have carefully compared the same with the original resolution on file and of record in my office; that such resolution is a full, true and correct copy of the original resolution adopted at such meeting; and that such resolution has not been amended, modified or rescinded since the date of its adoption, and is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the County on this 10th day of September, 2024.

SPOKANE COUNTY, WASHINGTON

Ginna Vasquez

Ginna Vasquez, Clerk of the Board
of County Commissioners

(SEAL)

EXHIBIT A

FORM OF AIRPORT REVENUE BOND AGREEMENT

(ATTACHED)

EXHIBIT B

FORM OF BOND

[DTC LANGUAGE]

UNITED STATES OF AMERICA
STATE OF WASHINGTON
COUNTY OF SPOKANE

AIRPORT REVENUE [AND REFUNDING] BOND, SERIES 20[_][NON AMT][AMT][TAXABLE]

Number		Dollars
INTEREST RATE: %	MATURITY DATE:	CUSIP NO.

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: AND NO 100/DOLLARS

SPOKANE COUNTY, WASHINGTON (the "County"), a class A county duly organized and existing under and by virtue of the Constitution and the laws of the state of Washington (the "State"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from _____, 20__, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on _____ 1, 20___, and semiannually thereafter on the first days of each succeeding _____ and _____. Both principal of and interest on this bond are payable in lawful money of the United States of America. The fiscal agent of the State has been appointed by the County as the authenticating agent, paying agent and registrar for the bonds of this issue (the "Bond Registrar"). For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the County to DTC.

The bonds of this issue are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State and Resolution No. ___-____ duly adopted by the County Board of Commissioners (the "Board") on _____, ___, and Supplemental Resolution No. ___- ___, adopted by the Board on _____, ____ (collectively the "Bond Resolution"). Capitalized terms used in this bond have the meanings given such terms in the Bond Resolution.

This bond is one of an authorized issue of bonds of like series, date, tenor, rate of interest and date of maturity, except as to number and amount in the aggregate principal amount of $_____ (the "Bonds") and is issued pursuant to the Bond Resolution to provide a portion of the funds necessary [(a) to design and construct improvements to the Airport Facilities, (b) fund the Reserve Requirement, (c) to fund Capitalized Interest, (d) to refund certain Airport revenue bonds of the County, and (e) to pay costs of issuance of the Bonds.]

[The Bonds are/are not subject to redemption prior to maturity.]

The Bonds are special, limited obligations of the County payable solely from, and secured by a pledge of, security interest in and lien and charge on, Revenues of the Airport System, subject only to O&M Expenses of the Airport System, obligated to be deposited to the Airport Revenue Bond Debt Service Fund and other amounts and certain funds and accounts pledged under the Master Resolution and the Supplemental Resolutions. None of the properties of the Airport System, the County or the City of Spokane (the "City") are subject to any mortgage or other lien for the benefit of the owners of the Bonds, and neither the full faith and credit nor the taxing power of the County, the City, the State or any political subdivision or agency of the State is pledged to the payment of the principal of, premium, if any, or interest on the Bonds. Owners of Bonds do not have any claim against the State, the City or any political subdivisions or agency of the State arising from the Bonds.

The County and the Airport Board have agreed to certain covenants for the benefit of the owners of the Bonds, as further described in the Airport Revenue Bond Agreement and the Bond Resolution.

The pledge for payment of principal of and interest on the bonds may be discharged prior to maturity of the bonds by making provision for the payment thereof on the terms and conditions set forth in the Bond Resolution.

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

IT IS HEREBY CERTIFIED that all acts, conditions and things required by the Constitution and statutes of the State to exist and to have happened, been done and performed precedent to and in the issuance of this bond exist and have happened, been done and performed and that the issuance of this bond and the bonds of this issue does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the County may incur.

IN WITNESS WHEREOF, the County has caused this bond to be signed with the facsimile signature of the Chair of the Board of County Commissioners, to be attested by the manual or facsimile signature of the Clerk of the Board of County Commissioners, and the corporate seal of the County to be impressed or a facsimile thereof to be imprinted hereon, all as of this _____ day of _____, 20___.

[SEAL]

SPOKANE COUNTY, WASHINGTON

By ___/s/ manual or facsimile_____
Chair of the Board
of County Commissioners

ATTEST:

_____/s/ manual or facsimile_____
Clerk of the Board of
County Commissioners

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This bond is one of the bonds described in the within mentioned Bond Resolution and is one of the Airport Revenue [and Refunding] Bonds, Series 20_, of Spokane County, Washington, dated _____, 20__.

WASHINGTON STATE FISCAL AGENT, as
Bond Registrar

By _____

ASSIGNMENT

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

TEN COM: as tenants in common
TEN ENT: as tenants by the entireties
JT TEN: as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT _____ Custodian _____
(Cust) (Minor)

Additional abbreviations may also be used though not in the above list.

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

Name of Transferee: _____
Address: _____
_____
Tax Identification No.: _____
the within Bond and hereby irrevocably constitutes and appoints _____
_____
to transfer such Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____ Signature: _____
Registered Owner

NOTE: The signature on this Assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEED:

_____
Bank, Trust Company or Member
Firm of the New York Stock Exchange

_____
Authorized Officer

RESOLUTION NO. 24-____

SPOKANE COUNTY, WASHINGTON

A 2024 SUPPLEMENTAL RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF SPOKANE COUNTY, WASHINGTON, RELATING TO THE AIRPORT SYSTEM; PROVIDING FOR THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF AIRPORT REVENUE BONDS TO BE ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $150,000,000 TO FINANCE CAPITAL IMPROVEMENTS TO THE SPOKANE INTERNATIONAL AIRPORT, TO CAPITALIZE INTEREST, IF NECESSARY, TO FUND A DEBT SERVICE RESERVE, IF NECESSARY, AND TO PAY COSTS OF ISSUANCE FOR THE 2024 BONDS; FIXING OR SETTING PARAMETERS WITH RESPECT TO CERTAIN TERMS AND COVENANTS OF THE 2024 BONDS; APPOINTING THE DESIGNATED COUNTY REPRESENTATIVES TO APPROVE THE FINAL TERMS OF THE SALE OF THE 2024 BONDS; AND APPROVING OTHER MATTERS RELATED THERETO.

ADOPTED: SEPTEMBER __, 2024

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Submit to Clerk of the Board with available supporting materials (Resolutions, Agreements, Presentations, etc.)

AGENDA SHEET

SUBMITTING DEPARTMENT: Budget & Finance

CONTACT PERSON: Randy Bischoff

PHONE NUMBER: 477-4790

CHECK TYPE OF MEETING BELOW:

☒ Regular Legislative Session Agenda

BELOW FOR CLERK'S USE ONLY:

Clerk's Resolution No.	24-0547
Approved:	Majority/Unanimous
Denied:	Majority/Unanimous
Renews/Amends No.	
Public Works No.	
Purchasing Dept. No.	

***AGENDA TITLE** (please provide a reasonably descriptive agenda title for this item:* A Resolution of the Board of County Commissioners of Spokane County, Washington, authorizing Airport Revenue Bonds to be issued for Airport purposes; Authorizing the Execution and Delivery of the Airport Revenue Bond Agreement; Creating and Establishing a Pledge of Security Interest in and Lien and Charge on Revenues of the Airport System, subject to Operation and Maintenance expenses for the payment of such Bonds and other Obligations; making Covenants and Agreements for the benefit of Holders of such Bonds and Obligations; authorizing the Issuance and Sale of such Bonds and Obligations by Supplemental Resolution from Time to Time; and Authorizing other matters properly relating thereto.

***DESCRIPTIVE SUMMARY** (please provide anticipated fiscal and budgetary information & reason for request):* This Master Bond Resolution authorizes a County borrowing program on behalf of the Airport Board. Bonds and other obligations may be issued by the County from time to time, at the request of the Airport Board and with approval of the City of Spokane (pursuant to a Joint Resolution), the Airport Board, and the Board of County Commissioners, to finance airport related projects. This resolution establishes the pledge of airport revenues and other funds, limits the liability of the County to airport revenues, and sets forth terms and conditions and covenants related to the issuance of such bonds. Each series of bonds issued under this Master Bond Resolution will be approved by a separate supplemental resolution.

This resolution also authorizes the execution and delivery of an Airport Revenue Bond Agreement (a copy is attached as Exhibit A). The Airport Revenue Bond Agreement establishes the arrangement between the County and the Airport Board with respect to the County issuing bonds on behalf of the Airport Board. It details the process by which the Airport Board will request such bonds to be issued, specifies roles and responsibilities between the County and the Airport Board, and provides covenants of the Airport Board for the benefit of bondholders. Note that the Airport Board adopted a resolution approving execution of this Agreement on September 3, 2024.

***FISCAL IMPACT** (please provide anticipated fiscal and budgetary impact, with amount and source of funds, if applicable):* N/A

***REQUESTED BOARD ACTION** (if any):* Approve Resolution and Agreement.

Other County Departments Impacted - List any other departments that were notified in advance of this agenda item: .

This Item will need to be codified in the Spokane County Code: No

APPENDIX 5
Interlocal Agreement

City: Resolution 2019-0086
Resolution No. 19-1338

BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON
AND
THE SPOKANE CITY COUNCIL OF SPOKANE, WASHINGTON

IN THE MATTER OF AMENDING THE AIRPORT JOINT OPERATION AGREEMENT BETWEEN SPOKANE COUNTY AND THE CITY OF SPOKANE	)))))	**RESOLUTION**

WHEREAS, the County of Spokane and the City of Spokane, Washington ("Parties"), entered into an Airport Joint Operation Agreement ("Agreement") for the purpose of financing, construction, improving, and operation, through the agency of the Spokane Airport Board (herein referred to as "Board"), Spokane International Airport and Felts Field, as provided by Chapter 182, Laws of Washington, 1945, codified as RCW 14.08; and

WHEREAS, said airport facilities have been operated under that certain Airport Joint Operation Agreement dated July 30, 1962, as amended and supplemented by various joint resolutions, ordinances, agreements, and other actions from time to time; and

WHEREAS, the County of Spokane and the City of Spokane now desire to amend the Agreement and adopt a new Agreement.

NOW, THEREFORE, BE IT HEREBY RESOLVED, by the Board of County Commissioners of Spokane County, Washington, that the Spokane County Board of County Commissioners approves the amendments to the Agreement, as set forth in Attachment "A", attached hereto and incorporated by reference. Attachment "A" will identify by striking and underlying changes in the Agreement.

BE IT FURTHER RESOLVED by the Spokane County Board of County Commissioners, that but for the changes proved for and identified in Attachment "A", all other terms and provisions within the Agreement shall remain in full force and effect without any changes or modifications.

ADOPTED by the Spokane City Council this 7 day of October, 2019.

Terri L. Pfister, City Clerk

Approved as to form:

City Attorney

PASSED AND ADOPTED this 17th day of Sept., 2019.

BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

MARY L. KUNEY, Chair

ATTEST:

AL FRENCH, Vice-Chair

Ginna Vasquez, Clerk of the Board

JOSH KERNS, Commissioner

AMENDED SPOKANE COUNTY/CITY AIRPORT AGREEMENT

WHEREAS, the County of Spokane and the City of Spokane, Washington, on July 30, 1962, entered into an Airport Joint Operation Agreement for the purposes of financing, constructing, improving, and operating, through the agency of the Spokane Airport Board (herein referred to as "Board"), Spokane International Airport and Felts Field, as provided by Chapter 182, Laws of Washington, 1945, codified as RCW 14.08; and

WHEREAS, said airport facilities have been operated under that 1962 Agreement, as amended and supplemented by various joint resolutions, ordinances, agreements, and other actions from time to time; and

WHEREAS, the County of Spokane and the City of Spokane now desire to amend the Agreement and adopt a new Agreement;

NOW, THEREFORE, the County of Spokane, Washington (referred to herein as "County"), and the City of Spokane, in Spokane County, Washington (referred to herein as "City"), and hereafter collectively referred to as "Parties," agree as follows:

1. PURPOSE. It is the purpose of the Parties to continue their association under Chapter 14.08 RCW to provide for joint operation of Spokane International Airport, Felts Field Airport, and Spokane International Airport Business Park facilities (herein collectively referred to as "Airport"), by replacing that 1962 Agreement with a new Agreement.

1.1 The Parties intend to vest the Board, to the fullest extent permissible by State and Federal law, with complete authority for the management and operation of the Airport for aeronautical and industrial development purposes subject to the specific limitations herein contained.

1.2 All existing rules, regulations, contracts, offices, and other actions and circumstances previously adopted or approved by the Board or the Parties acting jointly and not in conflict with this Agreement are unaffected and shall remain in full force and effect until terminated or amended in accordance with this Agreement.

2. AIRPORT PROPERTY. The "Airport" consists of Spokane International Airport, Felts Field, and Spokane International Airport Business Park, and such other property as may hereafter be acquired.

2.1 It is recognized that the property of the Airport has been acquired at various times in various ways, including surplus property grant deeds from the United States of America, purchased through Federal Aviation Administration (FAA) or its predecessor, funds, and donations. Rather than maintain abstracts of title for each segment of the Airport, it is agreed that all real property and fixtures, except as provided hereinbelow, shall be held by the County and City in equal undivided shares as tenants in common, subject to any valid future interest reserved or excepted by deed.

2.2 Personal property (except City utility properties) shall be acquired, held, and disposed of in the name of the Board. Upon termination of this Agreement and dissolution of the Board, personal property shall be deemed owned by the City and County as tenants in common.

2.3 Notwithstanding Paragraph 2.1, City shall own and have the control, operation, and maintenance of all public utility sewer and water systems within the Airport, including, but not limited to, all present and future utility systems, tangible property, pipes and pumps, storage tanks, and fire hydrants, whether located underground or above ground, and intangible property such as franchises and easements.

3. FEDERAL RULES, REGULATIONS AND REQUIREMENTS. It is recognized that part of the land of the Spokane International Airport and Spokane International Airport Business Park was acquired from the United States of America by grant deed which contains reversion, restrictions, and obligations on the use of such properties for aeronautical and nonaeronautical purposes.

3.1 It is further recognized that the Airport has received grants from the federal government by or through its Federal Aviation Administration or its predecessors or other federal departments or agencies which have also imposed restrictions, conditions, and obligations on the use of Airport properties and further require that the revenues received be devoted to aeronautical purposes. The Parties hereby expressly ratify and confirm all previous grant agreements in existence at the time of execution of this Agreement and agree to be bound by any conditions or obligations imposed therein. Any future grant or other form of federal financial assistance for the Airport shall be subject to approval and acceptance by the Board, which is delegated authority to act on behalf of the City and County to enter into grant agreements on behalf of each the City and County.

3.2 In the event the Parties desire to terminate this Agreement, notice shall first be given to the Federal Aviation Administration of the intent to terminate this Agreement and of any change affecting ownership, control, operation, or performance of any conditions or obligations required by the grants or other federal financial assistance programs. It is also recognized that any termination or disposition of the properties of the Airport shall require prior FAA approval unless otherwise provided for by federal law or regulation.

4. AIRPORT FINANCES. It is intended that the expenses of operating Spokane International Airport, Felts Field, and Spokane International Airport Business Park shall be paid, to the maximum extent possible, from the operating revenues of each entity.

4.1 The Airport fiscal year shall be the calendar year.

4.2 The Board shall submit a proposed comprehensive balanced operating budget for the Spokane International Airport, Felts Field, and Spokane International Airport Business Park by the first Monday in the month of December for the ensuing fiscal year. Separate operating budgets and accounting records will be presented for each of the three cost centers described above and the comprehensive budget must be jointly approved by the Parties prior to the end of the current calendar year in which the proposed budget is submitted.

4.3 The Board shall have no independent authority to issue bonds or to incur other debts with a date of maturity of more than one year from the date of the obligation.

In the event there is a deficit in a principal or interest payment necessary to pay a bonded indebtedness, then the Parties shall each fund one-half of said deficit.

The Parties may, by joint resolution, authorize the issuance and sale of revenue bonds or other obligations payable from Airport revenues, the proceeds of which are to be used exclusively for Airport purposes. After the proper adoption of a joint resolution by both the City and the County, the revenue bonds or other revenue obligations shall be authorized by and issued in the name of Spokane County.

General obligation debt may also be issued for Airport purposes for projects authorized by law. If a general obligation debt is proposed to be issued, the Parties shall adopt a joint resolution evidencing the intent to incur said debt. The Parties then each shall

separately authorize its portion of the total debt in the manner required by law for each Party, respectively.

5. AIRPORT FUNDS. All Airport funds arising from the sale of bonds, proportionate contributions of the Parties, federal funds, all revenues from the operations of the Airport, and all other funds of whatever nature or source allocable to the Airport or its operations shall be deposited and maintained in appropriate accounts in the office of the Treasurer of Spokane County. All disbursements from said Airport funds shall be made by order of the Board, in accordance with the annual Airport budgets, this Agreement and such rules and regulations and for such purposes as the Parties acting jointly shall, from time to time, prescribe.

5.1 Airport funds shall be administered and accounted for in accordance with the rules, regulations, and principles established and approved by the Auditor of the State of Washington, subject only to contrary federal audit requirements.

5.2 Idle funds may be invested by the County Treasurer under direction of the Board in accordance with the laws governing investment of County funds. Earnings from investment of Airport funds, less statutory administrative costs, shall be credited to the Airport funds.

6. ALLOCATION OF FUNDS. The primary purpose of this Agreement is to provide for the continued joint operation, maintenance, and control of airport facilities for air navigation purposes. The management of associated facilities for industrial development, foreign trade zones, and other commercial purposes are secondary to the primary purpose described above.

6.1 As specified in the annual budget, revenues shall be applied to the following purposes, in the order listed:

(a) Maintenance and operation expenses, including salaries and other personnel costs;

(b) Principal and interest and any required reserve deposits on outstanding bonds and any other bonds having a parity of lien;

(c) Principal and interest on the revenue bonds having a junior lien to any outstanding bonds;

(d) Any outstanding revenue or interest bearing warrants;

(e) Accumulation of reserve funds;

(f) Early redemption of revenue bonds or other Airport indebtedness;

(g) Other proper purposes consistent with operating budget approvals.

7. AIRPORT BOARD. The Board shall consist of seven members, serving at the pleasure of their appointive party, and shall be appointed to a three-year term except as provided below. The City shall appoint three members; the County shall appoint three members; and the City and County, acting jointly, shall appoint one member. One of the three members appointed by the City to the Airport Board shall be a member of the City Council, and one of the three members appointed by the County to the Airport Board shall be a member of the Board of County Commissioners; these appointments shall immediately terminate if the appointee is no longer a member of the Council or Board of County Commissioners.

7.1 City and County each shall endeavor to ensure that its appointees are qualified by reason of education or experience in matters pertaining to aviation and industrial development.

7.2 In case of vacancy, a person shall be appointed by the appropriate appointing authority to the unexpired term in the same manner as the member whose position is vacant.

7.3 Members of the Board shall serve without compensation. Board members may receive from Airport funds reimbursement for expenses incurred in the course of official business, or when travel is necessary, a travel advance or per diem allowance consistent with procedures approved by the State Auditor.

7.4 The Board may purchase liability insurance with such limits as it deems reasonable for the purpose of protecting the Board and Airport employees against liability for personal or bodily injuries and property damages arising from its acts or omissions while performing or in good faith purporting to perform its official duties.

In the event that the Board may not purchase insurance at reasonable rates, the Board may adopt resolutions providing for the indemnification, including reasonable costs and attorney's fees, against liability for personal or bodily injuries and property damages arising from its acts or omissions while performing or in good faith purporting to perform its official duties.

8. POWERS OF THE AIRPORT BOARD. The Board shall have the authority to exercise all of the powers granted to municipalities pursuant to the provisions of RCW 14.08 et seq. in the management, operation, and control of the Airport for aviation and business park purposes, subject to final approval of the annual comprehensive budget except that:

(a) Eminent domain power must be exercised jointly by the Parties;

(b) The acquisition, sale, transfer, or disposal of real property, except the grant of a lease, must be by joint action of the Parties;

(c) Policy regulations governing conduct and use of the Airport to be enforced through a judicial proceeding, if not adopted by the joint action of the Parties, must be adopted pursuant to the requirements of City or County ordinances and resolutions. The Airport Board may adopt reasonable rules and regulations for the control and management of the Airport not requiring judicial enforcement, including, but not limited to, minimum standards for aeronautical and nonaeronautical activities;

(d) Contracts for public works and procurements of goods and services must satisfy the legal and procedural requirements of the City;

(e) The employment and termination of the Airport Chief Executive Officer must be jointly approved by the City and County;

(f) Capital improvements of Airport property, for aeronautical, commercial, and industrial purposes, shall be in general accordance with an Airport Layout Plan jointly adopted by the Board, City, and County, and approved by the FAA; and

(g) All aviation capital improvements and land uses conforming with said Airport Layout Plan shall not be subject to City of County zoning regulations.

9. UTILITIES.

9.1 City has assumed responsibility for the maintenance and operation of the Spokane International Airport water and sanitary sewage disposal system, excluding any septic tanks, cesspools, or similar onsite sewage disposal systems in existence on Airport property.

9.2 Ownership of lines, wells, pumping stations, and other component parts of the water and sanitary sewage disposal systems within the boundaries of the property owned jointly by the City and the County for Airport operations, excluding on-site sewage

disposal systems, as noted above, have vested in the City in the same manner and subject to the same regulations and procedures as if those facilities were located within the City limits.

9.3 The City shall be responsible for maintenance and operation of all utility lines and component parts. The cost of new water meters, installation costs, the upgrading of existing meters, and any other costs usually related to meter installation will be borne by the user.

9.4 All decisions relating to operation of existing or future lines including the active nature of substandard or high maintenance lines will be made by the City.

9.5 All future expansion and upgrading of such systems will be done in accordance with City policy in effect at the time and will become the property of the City; provided that, the City may authorize, upon the recommendation of the Airport Board, the construction and installation of sewer lines, water lines, pumping stations, wells and other component parts of the water and sanitary sewage disposal systems within the Airport boundaries by private contract.

9.6 Utility service shall be provided to users located on SIA property at in-City rates. All rules and regulations which apply to in-City users will apply to said SIA users. Any user who had a service agreement with the Airport shall enter into a new agreement with the City.

9.7 A Utilities Plan shall be maintained by the City which will depict all utility lines and facilities and the appropriate City departments shall be given the necessary easement for access to those existing lines and facilities for service and maintenance. The City will coordinate its utility planning and development with the Airport Board and in

compliance with United States Federal Aviation Administration (hereinafter "FAA") rules and regulations in order to minimize any interference with Airport operations and all construction and expansion of the water and sewer systems shall then be added to the Utility Plan with the necessary access extended as with the existing system. Easements for the Airport utilities system, as well as real property site requirements, shall be provided at no cost to the City.

9.8 If it becomes necessary, in the expansion of the Airport utilities system, to form a local improvement district to provide for said expansion, then the City and the County agree, as co-owners of the Airport property, to jointly sign petitions as authorized and required by law for the formation of said local improvement district. If utility service is expanded by the formation of a local improvement district, or other similar method, then the City and County agree that assessments may be placed against any Airport property not being used for Airport purposes in the proportion that said property specially benefits from the construction, improvement, and/or expansion of the utility service.

10. PERSONNEL. The Board shall employ, subject to City and County approval A Chief Executive Officer who shall direct the administration of all matters pertaining to Spokane International Airport, Felts Field, and Airport Business Park, all as in accordance with the FAA approved Airport Layout Plan.

10.1 The Chief Executive Officer may employ or contract for personnel to operate the Airport. Any employees shall be employees of the Airport and shall not be considered employees of either Party. The Board, however, may contract with either Party or other recognized service providers for payroll, withholding, unemployment, worker's

compensation, and fringe benefits, and accounting and administrative services as the Board, from time to time, shall prescribe.

10.2 The Board may employ, or contract with a private body or political subdivision of the state to furnish, law enforcement and firefighting services and personnel in accordance with RCW 14.08.120(2) and FAA rules and regulations.

10.3 The Board shall retain legal counsel other than from the offices of the Prosecuting Attorney and City Attorney.

11. AMENDMENT. This Agreement may be amended at any time by mutual agreement of the Parties.

This Agreement is intended to set forth the basic agreement between the Parties. Nothing herein prevents City, County, and Board from agreeing to any specific matter consistent with this Agreement.

12. TERMINATION. Either Party may terminate this Agreement effective at the end of any calendar year, by serving written notice on the other before the 1st day of October of the previous year. The terminating Party shall also give notice to the Board, the FAA and to other agencies with jurisdiction over or a financial interest in the Airport.

12.1 After notice of termination has been given, if the Parties do not, by the 31st day of December of what will be the last year of joint operation under this Agreement, reach an agreement regarding the takeover by either Party, or other operation of the Airport, or the abandonment and liquidation of the Airport, then the terminating Party will acquire the assets and assume the liabilities of the Airport, except that the City Utilities facilities remain the property of the City. Should it become necessary to engage independent appraisal or arbitration services to determine the amount and nature of payments between

the Parties to compensate for any difference in the value of assets and liabilities, the Parties agree to share the costs equally.

IN WITNESS WHEREOF, this Agreement has been signed and sealed in duplicate in Spokane, Washington, by:

CITY OF SPOKANE

Terri L. Pfister, City Clerk

Approved as to form:

City Attorney

SPOKANE COUNTY

Commissioner Mary L. Kuney, Chair

Commissioner Al French, Vice-Chair

Commissioner Josh Kerns, Vice-Chair

BOARD OF COMMISSIONERS SPOKANE COUNTY SEAL SPOKANE COUNTY, WA

ATTEST:

Ginna Vasquez, Clerk of the Board

APPENDIX 6
Financial Reports and Related Information

Spokane Airport Board Traffic Stats:
https://www.spokaneairports.com/corporate/resources/

Spokane Airport Board 2025 ACFR:
https://www.spokaneairports.com/corporate/resources/#reports-documents

Spokane Airport Board 2026 Budget:
https://www.spokaneairports.com/corporate/resources/#reports-documents

Series 2024 Official Statement:
https://emma.msrb.org/P21857897-P21422185-P21865876.pdf

S&P and Moody's Rating Reports:
https://www.spokaneairports.com/corporate/resources/#reports-documents

IRMA Letter:
https://www.spokaneairports.com/corporate/resources/#reports-documents