

EXHIBIT A

Refunded Bonds

Designation/ Name of Issue	Date of Issue	Original Principal Amount	Principal Amount Refunded	Maturities to be Refunded “Refunded Bonds”	Redemption Date and Redemption Price
Water System Revenue Bonds, 2001	11/01/2001	\$52,525,000	\$44,320,000	2012 through 2021, inclusive; 2026 and 2031	June 29, 2012 at par
Water System and Refunding Revenue Bonds, 2003	05/12/2023	\$27,320,000	\$151,340,000	Partial maturities of each of the years 2014 through 2020, inclusive, and full maturities of each of the years 2021 through 2025, inclusive, 2028 and 2033	September 1, 2013 at par
Water System Revenue Bonds, 2004	10/25/2004	\$84,750,000	\$68,125,000	2015 through 2029, inclusive, and 2034	September 1, 2014 at par

EXHIBIT B

Allocation of Bonds

Maturity	2001 Refunded Bonds (Current Ref.)	2003 Refunded Bonds (Advance Ref.)	2004 Refunded Bonds (Advance Ref.)	Total
2012	\$1,420,000	\$ 580,000	\$ 445,000	\$ 2,445,000
2013	1,260,000	-	-	1,260,000
2014	1,290,000	7,210,000	-	8,500,000
2015	1,335,000	7,490,000	2,000,000	10,825,000
2016	1,395,000	7,840,000	2,100,000	11,335,000
2017	1,460,000	8,180,000	2,205,000	11,845,000
2018	1,535,000	8,550,000	2,315,000	12,400,000
2019	1,605,000	8,955,000	2,430,000	12,990,000
2020	1,685,000	9,460,000	2,550,000	13,695,000
2021	1,775,000	11,095,000	2,680,000	15,550,000
2022	1,865,000	11,755,000	2,815,000	16,435,000
2023	1,950,000	12,105,000	2,955,000	17,010,000
2024	2,055,000	3,425,000	3,100,000	8,580,000
2025	2,160,000	3,595,000	3,255,000	9,010,000
2026	2,270,000	3,775,000	3,420,000	9,465,000
2027	2,385,000	3,960,000	3,590,000	9,935,000
2028	2,485,000	4,120,000	3,735,000	10,340,000
2029	2,580,000	4,285,000	3,885,000	10,750,000
2030	2,670,000	4,410,000	4,000,000	11,080,000
2031	2,805,000	4,635,000	4,195,000	11,635,000
2032	-	4,865,000	4,405,000	9,270,000
2033	-	5,060,000	4,585,000	9,645,000
2034	-	-	4,770,000	4,770,000

EXHIBIT C

Bond Form

No. R- _____ **\$** _____

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

UNITED STATES OF AMERICA

STATE OF WASHINGTON

THE CITY OF SEATTLE

WATER SYSTEM REFUNDING REVENUE BOND, 2012

Interest Rate: _____ **Maturity Date:** _____ **CUSIP No.:** _____
_____ %

Registered Owner: **CEDE & CO.**

Principal Amount: _____ **THOUSAND AND NO/100 DOLLARS**

THE CITY OF SEATTLE, WASHINGTON (the "City"), a municipal corporation of the State of Washington, promises to pay to the Registered Owner identified above on the Maturity Date identified above from the Water Revenue Bond Account of the City (the "Bond Account") maintained by the City to pay this Bond the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) thereon from the date of this Bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum set forth above, payable semiannually on each March 1 and September 1, commencing September 1, 2012, to the maturity or earlier redemption of this Bond. If this Bond is not redeemed when properly presented at its maturity or call date, then interest shall continue to accrue at the Interest Rate identified above until this Bond, both principal and interest, is paid in full or until sufficient money for its payment in full has been deposited in the Bond Account and this Bond has been called for payment by giving notice to the Registered Owner.

Principal of, premium, if any, and interest on this Bond are payable in lawful money of the United States of America. Principal and premium, if any, are payable only to the Registered Owner upon presentation and surrender of this Bond at the principal office of the fiscal agency of the City (presently, The

1 Bank of New York Mellon, New York, New York) or such other paying agents as designated by the City upon
2 notice to the Registered Owners of the Bonds (the "Bond Registrar"). Payment of each installment of interest
3 shall be made to the Registered Owner whose name appears on the registration books of the City maintained
4 by the Bond Registrar (the "Bond Register") at the close of business on the 15th day of the month preceding
5 the interest payment date (the "Record Date"), and shall be paid by check or draft of the Bond Registrar mailed
6 on the interest payment date to the Registered Owner at the address appearing on the Bond Register or, when
7 requested in writing by a registered owner of \$1,000,000 or more principal in amount of the Bonds prior to the
8 applicable record date, by wire transfer to an account in the United States on the interest payment date.
9 Notwithstanding the foregoing, as long as this Bond is registered in the name of Cede & Co., as nominee of
10 The Depository Trust Company ("DTC"), payment of principal, premium, if any, and interest shall be made as
11 provided in the Letter of Representations.

8 This Bond is one of an authorized issue of Bonds designated The City of Seattle, Washington, Water
9 System Refunding Revenue Bonds, 20__ (the "Bonds"), aggregating \$_____ in principal amount,
10 maturing annually in the years 2012 through 20__, inclusive, [and 20__,] of like date, tenor and effect, except
11 as to maturity dates, interest rates, options of redemption, denominations and numbers. The Bonds are issued
12 by the City pursuant to Ordinance 121939, as amended by Ordinance 122837, and Resolution _____ of
13 the City (together, the "Bond Legislation") for the purpose of providing all or part of the funds with which to
14 carry out the refunding of all or a portion of the City's outstanding Water System Revenue Bonds, 2001, Water
15 System and Refunding Revenue Bonds, 2003 and Water System Revenue Bonds, 2004, and to pay the
16 administrative costs of the refunding and the issuance costs of selling the Bonds. The Bonds are issued in fully
17 registered form in the denomination of \$5,000 or any integral multiple thereof within a single maturity.

14 The Bonds are special limited obligations of the City payable solely out of the Bond Account,
15 including the Reserve Subaccount therein, into which account the City has irrevocably pledged to set aside and
16 pay certain fixed amounts out of the Net Revenue of the Water System, namely, amounts sufficient to pay the
17 principal of and interest on the Parity Bonds when due and to satisfy the Reserve Requirement, all at the times
18 and in the manner set forth in the Bond Legislation.

17 The Net Revenue of the Water System is pledged to make the required payments into the Bond
18 Account, which pledge constitutes a lien and charge upon such Net Revenue on a parity with the lien and
19 charge of the Outstanding Parity Bonds and any Future Parity Bonds.

19 THE BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY
20 FROM THE SOURCES IDENTIFIED HEREIN AND IN THE BOND LEGISLATION AND ARE NOT
21 GENERAL OBLIGATIONS OF THE CITY, THE STATE OF WASHINGTON OR ANY OTHER
22 POLITICAL SUBDIVISION THEREOF. THE BONDS DO NOT CONSTITUTE A LIEN OR CHARGE
23 UPON ANY GENERAL FUND OR UPON ANY MONEY OR OTHER PROPERTY OF THE CITY, THE
24 STATE OR ANY OTHER POLITICAL SUBDIVISION THEREOF NOT SPECIFICALLY PLEDGED
25 THERETO BY THE BOND LEGISLATION.

23 The Bonds are subject to redemption as provided in the Bond Legislation.

24 The City further reserves the right and option to purchase any or all of the Bonds in the open market at
25 any time at any price acceptable to the City plus accrued interest to the date of such purchase. Bonds so
26 purchased shall be retired and canceled.

1 Reference is made to the Bond Legislation for other covenants and declarations of the City and other
2 terms and conditions upon which this Bond has been issued, which terms and conditions, including, but not
3 limited to, terms pertaining to defeasance, are made a part hereof by this reference. Reference is also made to
4 the Bond Legislation for the definitions of the capitalized terms used and not otherwise defined herein. The
City irrevocably and unconditionally covenants that it will keep and perform all of the covenants of this Bond
and of the Bond Legislation.

5 In the manner and subject to the limitations set forth in the Bond Legislation, this Bond may be
6 transferred by the Registered Owner or by such Owner's authorized agent at the Bond Registrar on completion
7 of the assignment form appearing hereon and surrender and cancellation of this Bond. Upon such transfer, a
8 new Bond (or Bonds, at the option of the new Registered Owner) of an equal aggregate principal amount and
9 of the same interest rate and maturity in any authorized denomination will be issued to the new Registered
Owner, without charge, in exchange therefor. This Bond and other Bonds may be surrendered to the Bond
Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same
interest rate and maturity in any authorized denomination. The Bond Registrar shall not be obligated to
transfer or exchange any Bond after notice of redemption of such Bond has been prepared.

10 The City and the Bond Registrar may deem and treat the Registered Owner of this Bond as its absolute
11 owner for the purpose of receiving payment of principal, premium, if any, and interest and for all other
12 purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary other than
proper notice of assignment. As used herein, Registered Owner means the person or entity named as
Registered Owner of this Bond on the front hereof and on the Bond Register.

13 This Bond shall not be valid or become obligatory for any purpose until the Certificate of
14 Authentication hereon has been signed by the Bond Registrar.

15 The principal of and premium, if any, and interest on this Bond shall be paid only to the Registered
16 Owner as of the Record Date set forth above and to no other person or entity, and this Bond may not be
assigned except on the Bond Register.

17 It is certified and declared that all acts, conditions and things required to be done precedent to and in
18 the issuance of this Bond have been done, have happened and have been performed as required by law.

19 IN WITNESS WHEREOF, the City has caused this Bond to be executed on behalf of the City by the
20 facsimile signatures of its Mayor and Director of Finance and a facsimile reproduction of the seal of the City
to be printed hereon, this 30th day of May, 2012.

21 THE CITY OF SEATTLE, WASHINGTON

22 By

Mayor

23 By

24 Director of Finance

1 Date of Authentication: _____

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3 **CERTIFICATE OF AUTHENTICATION**

4 This Bond is one of the fully registered The City of Seattle, Washington, Water System Refunding
5 Revenue Bonds, 2012, described in the Bond Legislation.

6 **WASHINGTON STATE FISCAL AGENT**
7 **Bond Registrar**

8 By _____
9 **Authorized Signer**

10 **ASSIGNMENT**

11 For value received, the undersigned Registered Owner does sell, assign and transfer unto:

12 _____
13 (name, address and social security or other identifying number of assignee)

14 the within-mentioned Bond and irrevocably constitutes and appoints _____
15 _____ to transfer the same on the Bond Register with full power of
16 substitution in the premises.

17 DATED: _____

18 _____
19 **Registered Owner**

20 (NOTE: The signature above must correspond with the name
21 of the Registered Owner as it appears on the front of this
22 Bond in every particular, without alteration or enlargement or
23 any change whatsoever.)

24 Signature Guaranteed:

25 _____
26 (NOTE: Signature must be guaranteed
pursuant to law.)

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EXHIBIT D

Notice of Bond Sale

OFFICIAL NOTICE OF BOND SALE

THE CITY OF SEATTLE, WASHINGTON

\$246,525,000*

WATER SYSTEM REFUNDING REVENUE BONDS, 2012

Electronic bids for the purchase of The City of Seattle Water System Refunding Revenue Bonds, 2012 (the "Bonds"), will be received by The City of Seattle, Washington (the "City"), by the Director of Finance via the PARITY Electronic Bid Submission System ("Parity"), in the manner described below on

MAY 15, 2012, AT 8:00 A.M., PACIFIC TIME,

or such other day or time and under such other terms and conditions as may be established by the Director of Finance and communicated by the News Service as described under "Modification, Cancellation, Postponement."

Bids must be submitted electronically via Parity in accordance with this Official Notice of Bond Sale. For further information about Parity, potential bidders may contact Parity at (212) 404-8102. Hard copy bids will not be accepted.

No bid will be received after the time for receiving bids specified above. All proper bids received with respect to the Bonds will be considered and acted on by the City Council at approximately 1:30 p.m., Pacific Time, on May 15, 2012. No bid will be awarded until the City Council has adopted a resolution accepting the bid at its meeting.

Modification, Cancellation, Postponement. Bidders are advised that the City may modify the terms of this Official Notice of Bond Sale prior to the time for receipt of bids, including to change the principal amount and principal payments of the Bonds if the City elects not to refund all or any of the bonds expected to be refunded with the Bonds or because the City elects to change the principal amounts or the redemption provisions. Any such modification will be announced through The Bond Buyer Wire (available on TM3, the Thomson Municipal Market Monitor, at <http://www.tm3.com>, which reference is not incorporated herein by reference) (the "News Service"), prior to 1:00 p.m., Pacific Time, on May 14, 2012. In addition, the City may cancel or postpone the date and time for the receipt of bids for the Bonds at any time prior to the receipt of the bids. Notice of such cancellation or postponement will be communicated through the News Service as soon as practicable following such cancellation or postponement. As an accommodation to bidders, telephone, facsimile, or electronic notice of any amendment or modification of this Official Notice of Bond Sale will be given to any bidder requesting such notice from the City's Financial Advisor at the address and phone number provided under "Contact Information" below. Failure of any bidder to receive such notice will not affect the legality of the sale.

Each bidder (and not the City) is responsible for the timely electronic delivery of its bid. The official time will be determined by the City and not by any bidder or qualified electronic bid provider.

* Preliminary, subject to change.

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CONTACT INFORMATION

Finance Division	Michael van Dyck City of Seattle (206) 684-8347 <i>michael.vandyck@seattle.gov</i>
Financial Advisor	Rob Shelley, Seattle-Northwest Securities Office phone: (206) 628-2879 Day of sale phone: (206) 601-2249 <i>rshelley@snwsc.com</i>
Bond Counsel	Marc Greenough, Foster Pepper PLLC (206) 447-7888 <i>greem@foster.com</i>

DESCRIPTION OF THE BONDS

Bond Details

The Bonds will be dated the date of their initial delivery. Interest on the Bonds will be payable semiannually on each March 1 and September 1, beginning September 1, 2012.

Registration and Book-Entry Only System

The Bonds are issuable only as fully registered bonds and when issued will be registered in the name of Cede & Co. as registered owner and nominee for the Depository Trust Company ("DTC"), New York, New York. DTC will act as initial securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof within a single maturity. Purchasers will not receive certificates representing their interest in the Bonds purchased. The principal of and interest on the Bonds are payable by the City's Bond Registrar, currently the fiscal agent of the State of Washington (currently The Bank of New York Mellon in New York, New York) to DTC, which is obligated in turn to remit such payments to its participants for subsequent disbursement to beneficial owners of the Bonds.

Election of Maturities

The successful bidder for the Bonds shall designate whether some or all of the principal amounts of the Bonds maturing on and after September 1, 2023, shall be retired as shown in the table below as serial bonds maturing in such year or as amortization installments of Term Bonds maturing in the years specified by the bidder. Term Bonds, if any, must consist of the total principal payments of two or more consecutive years and mature in the latest of those years.

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<u>Years (September 1)</u>	<u>Serial Maturities or Amortization Installments⁽¹⁾</u>	<u>Years (September 1)</u>	<u>Serial Maturities or Amortization Installments⁽¹⁾</u>
2012	\$ 3,195,000	2024	\$ 8,490,000 ⁽²⁾
2013	1,890,000	2025	8,915,000 ⁽²⁾
2014	9,625,000	2026	9,365,000 ⁽²⁾
2015	11,860,000	2027	9,840,000 ⁽²⁾
2016	12,190,000	2028	10,330,000 ⁽²⁾
2017	12,495,000	2029	10,850,000 ⁽²⁾
2018	12,955,000	2030	11,395,000 ⁽²⁾
2019	13,450,000	2031	11,970,000 ⁽²⁾
2020	14,045,000	2032	9,530,000 ⁽²⁾
2021	15,775,000	2033	10,015,000 ⁽²⁾
2022	16,510,000	2034	4,905,000 ⁽²⁾
2023	16,930,000 ⁽²⁾		

- (1) Preliminary, subject to change.
 (2) These amounts will constitute principal maturities of the Bonds unless Term Bonds are specified by the successful bidder, in which case the amounts so specified will constitute mandatory sinking fund redemptions of Term Bonds.

Redemption

Optional Redemption. The Bonds maturing on and before September 1, 2022, are not subject to redemption prior to maturity. The City reserves the right and option to redeem the Bonds maturing on and after September 1, 2023, prior to their stated maturity dates at any time on or after September 1, 2022, as a whole or in part, at a price of par plus accrued interest to the date fixed for redemption. See "Preliminary Official Statement—Description of the Bonds—Redemption of the Bonds."

Mandatory Redemption. A portion of the Bonds will be subject to mandatory redemption if Term Bonds are designated by the successful bidder for the Bonds. See "Preliminary Official Statement—Description of the Bonds—Redemption of the Bonds."

Selection of Bonds for Redemption. If fewer than all of the Bonds are to be redeemed prior to maturity, the selection of such Bonds for redemption shall be made as described in the Preliminary Official Statement in "Description of the Bonds—Redemption of the Bonds."

Purpose

The Bonds are being issued to refund, depending on market conditions, certain outstanding obligations of the Water System and to pay the administrative costs of the refunding and the costs of issuing the Bonds.

Security

The Bonds are special limited obligations of the City payable solely out of the Bond Account. The Net Revenue of the Water System and all money and investments held in the Bond Account, the Rate Stabilization Account and the Construction Account (with certain limited exceptions) are pledged to the payment of all Parity Bonds, including the Bonds. This pledge constitutes a lien and charge upon the Net Revenue prior and superior to any other liens or charges.

THE BONDS DO NOT CONSTITUTE GENERAL OBLIGATIONS OF THE CITY, THE STATE OF WASHINGTON (THE "STATE") OR ANY POLITICAL SUBDIVISION OF THE STATE, OR A CHARGE UPON ANY GENERAL FUND OR UPON ANY MONEY OR OTHER PROPERTY OF THE CITY, THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE NOT SPECIFICALLY PLEDGED THERETO BY THE LEGISLATION AUTHORIZING THE ISSUANCE OF THE BONDS. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, NOR ANY REVENUES OF THE CITY DERIVED FROM SOURCES OTHER THAN THE WATER SYSTEM, ARE PLEDGED TO THE PAYMENT OF THE BONDS.

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3 **BIDDING INFORMATION AND AWARD**

4 Bidders are invited to submit bids for the purchase of the Bonds fixing the interest rate or rates that the Bonds
5 will bear. Interest rates included as part of a bid shall be in multiples of 1/8 or 1/20 of 1%, or any
6 combination thereof. No more than one rate of interest may be fixed for any one maturity of the Bonds.

7 No bid will be considered for the Bonds that is less than an amount equal to 110% of the par value of the
8 Bonds nor more than an amount equal to 121% of the par value of the Bonds. Each individual maturity must
9 be reoffered at a yield that will produce a price of not less than 98% of the principal amount for that maturity.
10 For the purpose of this paragraph, "price" means the lesser of the price at the redemption date, if any, or the
11 price at the maturity date.

12 Bids for the Bonds must be unconditional. No bid for less than the entire offering of the Bonds will be
13 accepted. Bids may not be withdrawn or revised after the time that bids are due. The City strongly encourages
14 the inclusion of women and minority business enterprise firms in bidding syndicates.

15 **Bidding Process**

16 Electronic bids for the Bonds must be submitted via a qualified electronic bid provider only. The City has
17 designated Parity as the qualified electronic bid provider for purposes of receiving electronic bids for the
18 Bonds.

19 By submitting an electronic bid for the Bonds, each bidder thereby agrees to the following terms and
20 conditions:

- 21 (i) If any provision in this Official Notice of Bond Sale conflicts with information or terms provided or
22 required by Parity, this Official Notice of Bond Sale (including any amendments issued by the City
23 through the News Service) shall control.
- 24 (ii) Each bidder is solely responsible for making necessary arrangements to access Parity for purposes of
25 submitting a timely bid in compliance with the requirements of this Official Notice of Bond Sale
26 (including any amendments issued by the City through the News Service).
- (iii) The City has no duty or obligation to provide or assure access to Parity, and the City shall not be
responsible for the proper operation of Parity, or have any liability for any delays or interruptions or
any damages caused by use or attempted use of Parity.
- (iv) Parity is acting as an independent contractor, and is not acting for or on behalf of the City.
- (v) The City is not responsible for ensuring or verifying bidder compliance with Parity's procedures.
- (vi) If a bid is accepted by the City, this Official Notice of Bond Sale (including any amendments issued by
the City through the News Service) and the information that is submitted electronically through Parity
shall form a contract, and the bidder shall be bound by the terms of such contract.
- (vii) Information provided by Parity to bidders shall form no part of any bid or of any contract between the
successful bidder and the City unless that information is included in this Official Notice of Bond Sale.

Good Faith Deposit

To be considered by the City Council, a bid must be backed by a good faith deposit in the amount of
\$2,500,000. The good faith deposit for the Bonds must be paid by federal funds wire transfer within
90 minutes after the verbal award to the successful bidder for the Bonds. Wiring instructions will be provided
to the successful bidder at the time of the verbal award.

The good faith deposit for the Bonds shall be retained by the City as security for the performance of the
successful bidder and shall be applied to the purchase price of the Bonds upon the delivery of the Bonds to the
successful bidder. Pending delivery of the Bonds, the good faith deposit may be invested for the sole benefit of
the City. If the Bonds are ready for delivery and the successful bidder fails or neglects to complete the
purchase of the Bonds within 30 days following the acceptance of its bid, the good faith deposit shall be
retained by the City as reasonable liquidated damages and not as a penalty.

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Award

The Bonds will be sold to the bidder making a bid that conforms to the terms of the offering and is, based on the City's determination of the lowest true interest cost, the best bid. The true interest cost to the City will be the rate that, when used to discount to the date of the Bonds all future payments of principal and interest (using semiannual compounding and a 30/360 day basis), produces an amount equal to the bid amount, without regard to the interest accrued to the date of delivery of the Bonds. The true interest cost calculations for any bids received on the Bonds will be performed by the City's Financial Advisor, and the City will base its determination of the best bid for the Bonds solely on such calculations. If there are two or more equal bids for the Bonds and those bids are the best bids received, the Director of Finance will determine by lot which bid will be presented to the City Council.

The City reserves the right to reject any or all bids submitted and to waive any formality or irregularity in any bid or the bidding process. If all bids for the Bonds are rejected, then the Bonds may be sold in the manner provided by law. Any bid presented after the time specified for the receipt of bids will not be accepted, and any bid not backed by the required good faith deposit will not be considered by the City Council. The successful bid for the Bonds shall remain in effect until 5:00 p.m., Pacific Time, on the date set for the receipt of bids.

Adjustment of Principal Amounts and Bid Price After Receipt of Bids

The City has reserved the right to increase or decrease the preliminary principal amount of the Bonds by an amount not to exceed 10% of the principal amount of the Bonds following the time for receipt of the bids. The City also reserves the right to increase or decrease the preliminary principal amount of any maturity of the Bonds shown in this Official Notice of Bond Sale by an amount not to exceed the greater of \$750,000 or 15% of the preliminary principal amount of that maturity.

If the preliminary principal amount of the Bonds is adjusted by the City, the price bid by the successful bidder for the Bonds will be adjusted by the City on a proportionate basis to reflect an increase or decrease in the principal amount and maturity schedule. In the event that the City elects to alter the bond size of the Bonds after the bid pursuant to this Official Notice of Bond Sale, the underwriter's discount, expressed in dollars per thousand, will be held constant. The City will not be responsible in the event that any adjustment affects (i) the net compensation to be realized by the successful bidder, or (ii) the true interest cost of the winning bid or its ranking relative to other bids

Issue Price Information

Upon award of the Bonds, the successful bidder for the Bonds shall advise the City and Bond Counsel of the initial reoffering prices to the public of each maturity of the Bonds (the "Initial Reoffering Prices"), for the City's inclusion in the final Official Statement for the Bonds. Prior to delivery of the Bonds, the successful bidder shall furnish to the City and Bond Counsel a certificate in form and substance acceptable to Bond Counsel:

- (i) confirming the Initial Reoffering Prices,
- (ii) certifying that a *bona fide* offering of the Bonds has been made to the public (excluding bond houses, brokers, and other intermediaries),
- (iii) stating the first price at which a substantial amount (at least 10%) of each maturity of the Bonds was sold to the public (excluding bond houses, brokers, and other intermediaries),
- (iv) if the first price at which a substantial amount of any maturity of the Bonds is sold does not conform to the Initial Reoffering Price of that maturity, providing an explanation of the facts and circumstances that resulted in that nonconformity, and
- (v) stating which maturities, if any, are amortization installments of Term Bonds maturing in the years specified by the bidder.

A draft form of such certificate will be available prior to the sale date from the City's Financial Advisor. See "Contact Information" in this Official Notice of Bond Sale.

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Insurance

Bids for the Bonds shall not be conditioned upon obtaining insurance or any other credit enhancement, or upon the City's acceptance of any of the terms of insurance or other credit enhancement. If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor, any purchase of such insurance or commitment therefor shall be at the sole option and expense of the bidder, and any increased costs of issuance of the Bonds resulting by reason of such insurance, unless otherwise paid, shall be paid by such bidder, but shall not, in any event, be paid by the City. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued shall not in any way relieve the successful bidder of its contractual obligations arising from the acceptance of its proposal for the purchase of the Bonds.

If the successful bidder purchases insurance for any of the Bonds, the City may require the successful bidder to furnish to the City and Bond Counsel a certificate in form and substance acceptable to Bond Counsel confirming that the present value (calculated using the same yield as the yield on the insured Bonds) of the insurance premium is less than the present value (calculated using the same yield as the yield on the insured Bonds) of the interest cost savings represented by the comparative differences between interest amounts that would have been payable on the various maturities of the insured Bonds at interest rates on the insured Bonds issued with and without the insurance on the insured Bonds.

DELIVERY

The City will deliver the Bonds (consisting of one certificate for each maturity of the Bonds) to DTC in New York, New York, or to the Bond Registrar on behalf of DTC by Fast Automated Securities Transfer, prior to the date of closing. Closing shall occur within 30 days after the sale date. Settlement shall be in immediately available federal funds in Seattle, Washington, on the date of delivery.

If, prior to the delivery of the Bonds, the interest receivable by the owners of the Bonds becomes includable in gross income for federal income tax purposes, or becomes subject to federal income tax other than as described in the Preliminary Official Statement, the successful bidder for the Bonds, at its option, may be relieved of its obligation to purchase the Bonds and, in that case, the good faith deposit accompanying its bid will be returned without interest.

Legal Opinion

The approving legal opinion of Foster Pepper PLLC, Seattle, Washington, Bond Counsel, will be provided to the successful bidder for the Bonds at the time of the delivery of the Bonds. A no-litigation certificate will be included in the closing documents for the Bonds.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will appear on the Bonds, but neither the failure to insert such numbers on the Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder for the Bonds to accept delivery of and pay for the Bonds in accordance with the terms of this Official Notice of Bond Sale.

The successful bidder for the Bonds is responsible for obtaining CUSIP numbers for the Bonds. The charge of the CUSIP Service Bureau shall be paid by such successful bidder; however, all expenses for printing CUSIP numbers on the Bonds shall be paid by the City.

CONTINUING DISCLOSURE UNDERTAKING

In order to assist bidders in complying with paragraph (b)(5) of United States Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12"), the City will undertake to provide certain annual financial information and notices of the occurrence of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and also will be set forth in the final Official Statement.

1
2
3 **OFFICIAL STATEMENT**

4 **Preliminary Official Statement**

5 The Preliminary Official Statement is in a form that the City expects to deem final for the purpose of
6 paragraph (b)(1) of Rule 15c2-12, but is subject to revision, amendment, and completion in a final Official
7 Statement, which the City will deliver, at the City's expense, to the successful bidder through its designated
8 representative not later than seven business days after the City's acceptance of the successful bidder's bid, in
9 sufficient quantities to permit the successful bidder to comply with Rule 15c2-12.

10 By submitting the successful proposal for the Bonds, the successful bidder's designated senior representative
11 agrees:

- 12 (i) to provide to the City's Debt Manager, in writing, within 24 hours after the acceptance of the bid,
13 pricing and other related information, including Initial Reoffering Prices of the Bonds, necessary for
14 completion of the final Official Statement (see "Issue Price Information");
- 15 (ii) to disseminate to all members of the underwriting syndicate, if any, copies of the final Official
16 Statement, including any amendments or supplements prepared by the City;
- 17 (iii) to take any and all actions necessary to comply with applicable rules of the Securities and Exchange
18 Commission and Municipal Securities Rulemaking Board governing the offering, sale, and delivery of
19 the Bonds to ultimate purchasers, including the delivery of a final Official Statement to each investor
20 who purchases Bonds; and
- 21 (iv) to file the final Official Statement or cause it to be filed with the Municipal Securities Rulemaking
22 Board within one business day following its receipt from the City.

23 The Preliminary Official Statement may be obtained from i-Deal Prospectus, a service of i-Deal LLC, at
24 *www.i-dealprospectus.com* (which reference is not incorporated herein by reference), telephone (212) 849-5024.
25 In addition, the Preliminary Official Statement may be obtained upon request to the City's Debt Manager or
26 Financial Advisor. See "Contact Information" in this Official Notice of Bond Sale.

Official Statement

At closing, the City will furnish a certificate of an official or officials of the City stating that, to the best
knowledge of such official(s) and relying on the opinions of Bond Counsel where appropriate, as of the date of
the Official Statement and as of the date of delivery of the Bonds,

- (i) the information (including financial information) regarding the City and Seattle Public Utilities
(including the Water System) contained in the Official Statement was and is true and correct in all
material respects and did not and does not contain any untrue statement of a material fact or omit any
statement or information which is necessary to make the statements therein, in light of the
circumstances under which they were made, not misleading; and
- (ii) the descriptions and statements, including financial data, of or pertaining to entities other than the
City and their activities contained in the Official Statement have been obtained from sources that the
City believes to be reliable and the City has no reason to believe that they are untrue in any material
respect (however, the City will make no representation regarding Bond Counsel's form of opinion or
the information provided by or obtained from DTC, The Bank of New York Mellon, or any entity
providing bond insurance, reserve insurance, or other credit facility).

DATED at Seattle, Washington, this 9th day of May, 2012.

22 /s/ Glen M. Lee
23 Director of Finance

EXHIBIT E

Printed Version of All Electronic Bids for the Bonds

PARITY Result Screen

Page 1 of 1

08:51:17 a.m. PST	Upcoming Calendar	Overview	Compare	Summary
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Bid Results

Seattle
\$246,525,000 Water System Refunding Revenue Bonds,
2012

The following bids were submitted using **PARITY**[®] and displayed ranked by lowest TIC.

Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
<input checked="" type="checkbox"/> Reoffering	Citigroup Global Markets Inc.	2.622622
<input type="checkbox"/>	Bank of America Merrill Lynch	2.648102
<input type="checkbox"/>	Wells Fargo Bank, National Association	2.666743
<input type="checkbox"/>	Barclays Capital Inc.	2.675048
<input type="checkbox"/>	J.P. Morgan Securities LLC	2.705548
<input type="checkbox"/>	Goldman, Sachs & Co.	2.708646
<input type="checkbox"/>	Morgan Stanley & Co Inc.	2.717318
<input type="checkbox"/>	US Bancorp Investments, Inc.	2.822731

*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

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PARITY Reoffering

Result

**Citigroup Global Markets Inc.'s Reoffering
 Scale**



Seattle

**\$246,525,000 Water System Refunding Revenue Bonds,
 2012**

Maturity Date	Amount \$	Coupon %	Yield %	Dollar Price	Call Date
09/01/2012	3,195M	2.0000	0.2000	100.454	
09/01/2013	1,890M	3.0000	0.3000	103.373	
09/01/2014	9,625M	4.0000	0.4000	108.065	
09/01/2015	11,860M	5.0000	0.5500	114.325	
09/01/2016	12,190M	5.0000	0.6900	118.031	
09/01/2017	12,495M	5.0000	0.8700	121.159	
09/01/2018	12,955M	5.0000	1.0700	123.706	
09/01/2019	13,450M	5.0000	1.2600	125.843	
09/01/2020	14,045M	5.0000	1.4900	127.159	
09/01/2021	15,775M	5.0000	1.7200	127.943	
09/01/2022	16,510M	5.0000	1.8800	128.968	
09/01/2023	16,930M	5.0000	2.0600	127.044	09/01/2022
09/01/2024	8,490M	5.0000	2.1900	125.676	09/01/2022
09/01/2025	8,915M	5.0000	2.3100	124.428	09/01/2022
09/01/2026	9,365M	5.0000	2.4400	123.093	09/01/2022
09/01/2027	9,840M	4.0000	2.7200	111.382	09/01/2022
09/01/2028	10,330M	4.0000	2.8500	110.158	09/01/2022
09/01/2029	10,850M	3.0000	3.1000	98.668	
09/01/2030	11,395M	5.0000	2.6400	121.073	09/01/2022
09/01/2031	11,970M	5.0000	2.7000	120.474	09/01/2022
09/01/2032	9,530M	4.0000	3.1600	107.303	09/01/2022
09/01/2033	10,015M	4.0000	3.2300	106.671	09/01/2022

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?fram...> 5/15/2012

PARITY Reoffering

09/01/2034	4,905M	4.0000	3.3000	106.043	09/01/2022
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Accrued Interest: \$0.00

Gross Production: \$293,108,491.90

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<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?fram...> 5/15/2012

PARITY Bid Form

Upcoming Calendar Overview Result Excel

Citigroup Global Markets Inc. - New York ,
NY's Bid



Seattle

**\$246,525,000 Water System Refunding Revenue Bonds,
2012**

For the aggregate principal amount of \$246,525,000.00, we will pay you \$291,949,824.40, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	3,195M	2.0000
09/01/2013	1,890M	3.0000
09/01/2014	9,625M	4.0000
09/01/2015	11,860M	5.0000
09/01/2016	12,190M	5.0000
09/01/2017	12,495M	5.0000
09/01/2018	12,955M	5.0000
09/01/2019	13,450M	5.0000
09/01/2020	14,045M	5.0000
09/01/2021	15,775M	5.0000
09/01/2022	16,510M	5.0000
09/01/2023	16,930M	5.0000
09/01/2024	8,490M	5.0000
09/01/2025	8,915M	5.0000
09/01/2026	9,365M	5.0000
09/01/2027	9,840M	4.0000
09/01/2028	10,330M	4.0000
09/01/2029	10,850M	3.0000
09/01/2030	11,395M	5.0000
09/01/2031	11,970M	5.0000

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?fram...> 5/15/2012

PARITY Bid Form

Upcoming Calendar Overview Result Excel

Bank of America Merrill Lynch - New York ,
NY's Bid



Seattle

\$246,525,000 Water System Refunding Revenue Bonds,
2012

For the aggregate principal amount of \$246,525,000.00, we will pay you \$295,230,949.49, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	3,195M	3.0000
09/01/2013	1,890M	3.0000
09/01/2014	9,625M	4.0000
09/01/2015	11,860M	5.0000
09/01/2016	12,190M	5.0000
09/01/2017	12,495M	5.0000
09/01/2018	12,955M	5.0000
09/01/2019	13,450M	5.0000
09/01/2020	14,045M	5.0000
09/01/2021	15,775M	5.0000
09/01/2022	16,510M	5.0000
09/01/2023	16,930M	5.0000
09/01/2024	8,490M	5.0000
09/01/2025	8,915M	5.0000
09/01/2026	9,365M	5.0000
09/01/2027	9,840M	5.0000
09/01/2028	10,330M	3.0000
09/01/2029	10,850M	5.0000
09/01/2030	11,395M	5.0000
09/01/2031	11,970M	5.0000

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?fram...> 5/15/2012

Upcoming Calendar Overview Result Excel

**Wells Fargo Bank, National Association -
Charlotte , NC's Bid**



Seattle

**\$246,525,000 Water System Refunding Revenue Bonds,
2012**

For the aggregate principal amount of \$246,525,000.00, we will pay you \$295,580,223.35, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	3,195M	4.0000
09/01/2013	1,890M	4.0000
09/01/2014	9,625M	4.0000
09/01/2015	11,860M	5.0000
09/01/2016	12,190M	5.0000
09/01/2017	12,495M	5.0000
09/01/2018	12,955M	5.0000
09/01/2019	13,450M	5.0000
09/01/2020	14,045M	5.0000
09/01/2021	15,775M	5.0000
09/01/2022	16,510M	5.0000
09/01/2023	16,930M	5.0000
09/01/2024	8,490M	5.0000
09/01/2025	8,915M	5.0000
09/01/2026	9,365M	5.0000
09/01/2027	9,840M	5.0000
09/01/2028	10,330M	5.0000
09/01/2029	10,850M	4.0000
09/01/2030	11,395M	4.0000
09/01/2031	11,970M	5.0000

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?fram...> 5/15/2012

PARITY Bid Form

Upcoming Calendar Overview Result Excel

Barclays Capital Inc. - New York , NY's Bid 
Seattle
\$246,525,000 Water System Refunding Revenue Bonds,
2012

For the aggregate principal amount of \$246,525,000.00, we will pay you \$290,234,871.10, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	3,195M	2.0000
09/01/2013	1,890M	3.0000
09/01/2014	9,625M	4.0000
09/01/2015	11,860M	5.0000
09/01/2016	12,190M	5.0000
09/01/2017	12,495M	5.0000
09/01/2018	12,955M	5.0000
09/01/2019	13,450M	5.0000
09/01/2020	14,045M	5.0000
09/01/2021	15,775M	5.0000
09/01/2022	16,510M	5.0000
09/01/2023	16,930M	5.0000
09/01/2024	8,490M	5.0000
09/01/2025	8,915M	5.0000
09/01/2026	9,365M	5.0000
09/01/2027	9,840M	5.0000
09/01/2028	10,330M	3.0000
09/01/2029	10,850M	3.1250
09/01/2030	11,395M	5.0000
09/01/2031	11,970M	5.0000
09/01/2032	9,530M	4.0000

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?fram...> 5/15/2012

PARITY Bid Form

Upcoming Calendar Overview Result Excel

**J.P. Morgan Securities LLC - New York , NY's
Bid**



Seattle

**\$246,525,000 Water System Refunding Revenue Bonds,
2012**

For the aggregate principal amount of \$246,525,000.00, we will pay you \$291,927,450.63, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	3,195M	2.0000
09/01/2013	1,890M	3.0000
09/01/2014	9,625M	4.0000
09/01/2015	11,860M	5.0000
09/01/2016	12,190M	5.0000
09/01/2017	12,495M	5.0000
09/01/2018	12,955M	5.0000
09/01/2019	13,450M	5.0000
09/01/2020	14,045M	5.0000
09/01/2021	15,775M	5.0000
09/01/2022	16,510M	5.0000
09/01/2023	16,930M	5.0000
09/01/2024	8,490M	5.0000
09/01/2025	8,915M	5.0000
09/01/2026	9,365M	5.0000
09/01/2027	9,840M	5.0000
09/01/2028	10,330M	5.0000
09/01/2029	10,850M	5.0000
09/01/2030	11,395M	4.0000
09/01/2031	11,970M	4.0000

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?fram...> 5/15/2012

PARITY Bid Form

Upcoming Calendar Overview Result Excel

Goldman, Sachs & Co. - New York , NY's Bid 
Seattle
\$246,525,000 Water System Refunding Revenue Bonds,
2012

For the aggregate principal amount of \$246,525,000.00, we will pay you \$296,339,985.27, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	3,195M	3.0000
09/01/2013	1,890M	3.0000
09/01/2014	9,625M	4.0000
09/01/2015	11,860M	5.0000
09/01/2016	12,190M	5.0000
09/01/2017	12,495M	5.0000
09/01/2018	12,955M	5.0000
09/01/2019	13,450M	5.0000
09/01/2020	14,045M	5.0000
09/01/2021	15,775M	5.0000
09/01/2022	16,510M	5.0000
09/01/2023	16,930M	5.0000
09/01/2024	8,490M	5.0000
09/01/2025	8,915M	5.0000
09/01/2026	9,365M	5.0000
09/01/2027	9,840M	5.0000
09/01/2028	10,330M	4.0000
09/01/2029	10,850M	4.0000
09/01/2030	11,395M	5.0000
09/01/2031	11,970M	5.0000
09/01/2032	9,530M	5.0000

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?fram...> 5/15/2012

PARITY Bid Form

Upcoming Calendar Overview Result Excel

**Morgan Stanley & Co Inc. - New York , NY's
Bid**



Seattle

**\$246,525,000 Water System Refunding Revenue Bonds,
2012**

For the aggregate principal amount of \$246,525,000.00, we will pay you \$292,157,776.80, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	3,195M	4.0000
09/01/2013	1,890M	4.0000
09/01/2014	9,625M	4.0000
09/01/2015	11,860M	5.0000
09/01/2016	12,190M	5.0000
09/01/2017	12,495M	5.0000
09/01/2018	12,955M	5.0000
09/01/2019	13,450M	5.0000
09/01/2020	14,045M	5.0000
09/01/2021	15,775M	5.0000
09/01/2022	16,510M	5.0000
09/01/2023	16,930M	5.0000
09/01/2024	8,490M	5.0000
09/01/2025	8,915M	3.0000
09/01/2026	9,365M	5.2500
09/01/2027	9,840M	4.0000
09/01/2028	10,330M	5.0000
09/01/2029	10,850M	5.0000
09/01/2030	11,395M	5.0000
09/01/2031	11,970M	5.0000

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?fram...> 5/15/2012

Upcoming Calendar Overview Result Excel

**US Bancorp Investments, Inc. - New York ,
NY's Bid**



Seattle

**\$246,525,000 Water System Refunding Revenue Bonds,
2012**

For the aggregate principal amount of \$246,525,000.00, we will pay you \$294,248,553.67, plus accrued interest from the date of issue to the date of delivery. The Bonds are to bear interest at the following rate(s):

Maturity Date	Amount \$	Coupon %
09/01/2012	3,195M	2.0000
09/01/2013	1,890M	2.0000
09/01/2014	9,625M	4.0000
09/01/2015	11,860M	5.0000
09/01/2016	12,190M	5.0000
09/01/2017	12,495M	5.0000
09/01/2018	12,955M	5.0000
09/01/2019	13,450M	5.0000
09/01/2020	14,045M	5.0000
09/01/2021	15,775M	5.0000
09/01/2022	16,510M	5.0000
09/01/2023	16,930M	5.0000
09/01/2024	8,490M	5.0000
09/01/2025	8,915M	5.0000
09/01/2026	9,365M	5.2500
09/01/2027	9,840M	5.0000
09/01/2028	10,330M	4.0000
09/01/2029		
09/01/2030		
09/01/2031	34,215M	5.2500

<https://www.newissuehome.i-deal.com/Parity/asp/main.asp?fram...> 5/15/2012

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EXHIBIT F

Form of Refunding Trust Agreement

THIS AGREEMENT is made and entered into as of the 30th day of May, 2012, by and between THE CITY OF SEATTLE, WASHINGTON (the “City”), a municipal corporation, and U.S. BANK NATIONAL ASSOCIATION of Seattle, Washington (the “Refunding Trustee”).

WHEREAS, the City now has outstanding \$44,320,000 par value of its Water System Revenue Bonds, 2001, maturing on November 1 of each of the years 2012 through 2021, inclusive, 2026 and 2031, and all bearing interest at the rate of 5.00% (the “2001 Refunded Bonds”); and

WHEREAS, the City now has outstanding \$185,725,000 par value of its Water System and Refunding Revenue Bonds, 2003, maturing on September 1 of each of the years 2012 through 2025, inclusive, 2028 and 2033, and bearing interest at various rates ranging from 4.00% to 5.00% and the City wishes to refund a portion of those bonds maturing in 2014 through 2020, inclusive, and all of those bonds maturing in 2021 through 2025, inclusive, 2028 and 2033 all in the principal amount of \$151,340,000, as shown in Schedule 1, attached hereto (the “2003 Refunded Bonds”); and

WHEREAS, the City now has outstanding \$68,125,000 par value of its Water System Revenue Bonds, 2004, maturing on September 1 of each of the years 2015 through 2029, inclusive, and 2034, and all bearing interest at the rate of 5.00% (the “2004 Refunded Bonds”); and

WHEREAS, the 2001 Refunded Bonds, the 2003 Refunded Bonds and the 2004 Refunded Bonds are collectively referred to herein as the “Refunded Bonds;” and

WHEREAS, pursuant to Ordinance 121939, as amended by Ordinance 122837, and Resolution 31382 of the City (collectively, the “Bond Legislation”), the City has determined that the Refunded Bonds be refunded out of the proceeds of the sale of its Water System Refunding Revenue Bonds, 2012 (the “Bonds”), for the purpose of realizing a debt service savings for the City; and

WHEREAS, the payment, through refunding of the Refunded Bonds will be accomplished pursuant to this Refunding Trust Agreement (including Exhibit A attached hereto) and the Bond Legislation, which documents provide for and, for the purpose of Sections 103, 148, and 149(d) of the Internal Revenue Code of 1986, as amended (the “Code”), are to be considered as the Refunding Plan, by:

(a) The delivery by the City to the Refunding Trustee of the proceeds of the Bonds[allocated to the Refunding Plan and other money of the City];

(b) The purchase by the Refunding Trustee of the noncallable direct obligations of the United States of America listed on Exhibit A attached hereto and made a part hereof by this reference or substituted obligations purchased pursuant to Section 2 of this Agreement (the “Acquired Obligations”) at or prior to the date the Bonds are delivered to the original purchaser thereof and the City receives full payment therefor (the “Date of Closing”), which Acquired Obligations satisfy the requirements of the Verification described in paragraph (c);

(c) The delivery to the City and the Refunding Trustee of a verification (the “Verification”) by a nationally recognized independent certified public accounting firm

1 verifying the mathematical accuracy of the computations (which computations shall be
2 attached to that report) showing that the Acquired Obligations to be purchased by the
3 Refunding Trustee pursuant to the Bond Legislation and this Refunding Trust Agreement,
4 together with the specified beginning cash balance, if any, and the maturing principal of and
5 interest on such Acquired Obligations, will provide sufficient money (assuming that all
6 principal of and interest on the Acquired Obligations are paid on the due dates thereof and
7 assuming no reinvestment of such maturing principal and interest) to pay:

8 (i) interest on the 2001 Refunded Bonds when due up to and including
9 June 29, 2012, and on June 29, 2012, call, pay, and redeem all of the outstanding 2001
10 Refunded Bonds at a price of par;

11 (ii) interest on the 2003 Refunded Bonds when due up to and including
12 September 1, 2013, and on September 1, 2013, call, pay, and redeem all of the outstanding
13 2003 Refunded Bonds at a price of par;

14 (iii) interest on the 2004 Refunded Bonds when due up to and including
15 September 1, 2014, and on September 1, 2014, call, pay, and redeem all of the outstanding
16 2004 Refunded Bonds at a price of par; and

17 (d) The receipt by the Refunding Trustee of the maturing installments of
18 principal of and interest on the Acquired Obligations; and

19 (e) The Refunding Trustee's payment to the fiscal agent of the State of
20 Washington of money sufficient to make the payments on the Refunded Bonds set forth
21 herein;

22 and

23 WHEREAS, upon the issuance of the Bonds to carry out the Refunding Plan under the authority of
24 chapter 39.53 RCW and other laws of the State of Washington (collectively, the "Refunding Bond Act"), the
25 principal amount of the Refunded Bonds no longer shall be considered outstanding pursuant to the defeasance
26 provisions of Ordinance 120547 that authorized the issuance of the Refunded Bonds (the "Refunded Bond
Legislation"); and

WHEREAS, the City Council of the City has found that the refunding of the Refunded Bonds, through
the issuance of the Bonds, is beneficial and will realize a debt service savings to the City and its ratepayers;
and

WHEREAS, the City Council of the City, pursuant to the Bond Legislation, has duly and validly
authorized the execution and delivery of this Refunding Trust Agreement, the delivery of the proceeds of the
Bonds to the Refunding Trustee, the purchase by the Refunding Trustee of the Acquired Obligations and the
carrying out of the Refunding Plan;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and for the
benefit of the City, the parties hereto agree as follows:

1
2
3 Section 1. Delivery of Money to Refunding Trustee. On the Date of Closing, the City shall
4 cause to be delivered to the Refunding Trustee all of the proceeds of the Bonds [and \$_____ of money
of the City on deposit in the _____ Fund, _____].

5 Section 2. Investment and Expenditure of Money. On the Date of Closing, the Refunding Trustee
6 shall apply \$_____ to pay on behalf of the City the purchase and/or subscription prices of the Acquired
7 Obligations, from the sources, in the principal amounts, with the dates of maturity and bearing the interest
8 rates or yields set forth in Exhibit A, and \$_____ to establish a beginning cash balance. Upon receipt
thereof, the Refunding Trustee shall deliver to the City copies of the documents evidencing the purchase of
and payment for the Acquired Obligations. Investments in mutual funds and unit investment trusts are
prohibited.

9 Section 3. Sufficiency of Acquired Obligations. Based upon the Verification, the City represents that
10 the Acquired Obligations and the maturing principal thereof and the interest thereon, if paid when due,
11 together with the beginning cash balance, shall be sufficient to make when due the payments required by the
12 Refunding Plan. Such amounts coming due are sometimes referred to hereinafter as the “payments described
in Section 3.” The schedules of the sources, amounts, maturities, and interest rates or yields of the Acquired
Obligations and of the Refunded Bonds that will fulfill the foregoing requirements are set forth in the
Verification.

13 Section 4. Collection of Proceeds of Acquired Obligations and Application of Such Proceeds and
14 Money. The Refunding Trustee shall present for payment and shall collect and receive on the due dates
15 thereof the maturing installments of the principal of and the interest on the Acquired Obligations and any
16 Substitute Obligations (defined hereinafter). The Refunding Trustee shall make payments, but only in the
17 amounts received pursuant to this section, in a timely manner to the Fiscal Agent of the State of Washington
(the “Fiscal Agent”) of the amounts to be paid on the Refunded Bonds as shown in the Verification. Those
payments shall be made by check, wire transfer, or such other method of transfer of funds as shall be agreed
upon by the Refunding Trustee and the Fiscal Agent.

18 Section 5. Notice of Defeasance/Notice of Redemption. The Refunding Trustee agrees to give a
19 notice of defeasance and a notice of redemption of the Refunded Bonds pursuant to the terms of the Refunded
20 Bonds, and in substantially the forms attached hereto as and as described in Exhibits B, C, D, E and F, to the
Fiscal Agent for distribution as described therein. The notice of defeasance shall be given immediately
following the execution of this Refunding Trust Agreement, and the notice of redemption shall be given in
accordance with the Refunded Bond Legislation. The cost of giving the notice shall be paid by the City.

21 Section 6. All Obligations and Money and Proceeds Thereof Held in Trust. The Refunding Trustee
22 irrevocably agrees to hold the Acquired Obligations, the Substitute Obligations, if any, the principal thereof
23 and interest thereon, and any other money it may receive pursuant to this Refunding Trust Agreement and any
24 reinvestments thereof made pursuant to Sections 8 and 9 hereof, in trust and separate at all times from all other
25 funds and investments held by the Refunding Trustee, solely for the purpose of making the payments
26 described in Section 3. The City irrevocably conveys, transfers, and assigns to the Refunding Trustee the
Acquired Obligations, any Substitute Obligations, the principal thereof and the interest thereon, and any other
money and investments deposited with the Refunding Trustee pursuant to this Refunding Trust Agreement, for
the purpose of making such payments. The Refunding Trustee shall not sell, transfer, assign, or hypothecate

1 any Acquired Obligations, reinvestments, or Substitute Obligations except pursuant to Sections 8, 9, 13 and 14
2 hereof.

3 Section 7. Reports. The Refunding Trustee shall submit a report to the City, at least semiannually,
4 which report shall set forth the cash, Acquired Obligations, and any Substitute Obligations held hereunder by
5 the Refunding Trustee, the obligations which have matured and amounts received by the Refunding Trustee by
6 reason of such maturity, the interest earned on such obligations, a list of any investments or reinvestments
7 made by the Refunding Trustee in other obligations and the interest and/or principal derived therefrom, the
8 amounts paid to the Fiscal Agent, and any other transaction of the Refunding Trustee pertaining to its duties
9 and obligations as set forth herein.

10 Section 8. Substitution of Different Obligations or Other Investments. The City reserves the right to
11 substitute from time to time for Acquired Obligations initially purchased in accordance with Section 2 hereof,
12 or for obligations purchased under this section, other noncallable, nonprepayable direct obligations of the
13 United States of America and/or obligations unconditionally guaranteed by the United States of America as to
14 full and timely payment of principal and interest authorized to be acquired with the proceeds of Bonds under
15 the Refunding Bond Act (the "Substitute Obligations"). Prior to effecting any such substitution, the City shall
16 have obtained at its expense and delivered to the Refunding Trustee:

17 (a) A verification by a nationally recognized independent certified public
18 accounting firm acceptable to the Refunding Trustee confirming that the maturing principal
19 of and interest on the Substitute Obligations and any remaining Acquired Obligations to be
20 held by the Refunding Trustee in the refunding escrow, if paid when due and assuming no
21 reinvestment thereof, together with any other cash then held by the Refunding Trustee, will
22 be sufficient to carry out the Refunding Plan and make all remaining payments described in
23 Section 3; and

24 (b) An opinion from Foster Pepper PLLC, bond counsel to the City, its successor
25 or other nationally recognized bond counsel to the City ("Bond Counsel"), that the
26 disposition and substitution or purchase of such securities, under the statutes, rules, and
regulations then in force and applicable to the Bonds, will not cause the interest on the Bonds
or the Refunded Bonds to be included in gross income for federal income tax purposes and
that such disposition and substitution or purchase is in compliance with the statutes and
regulations applicable to the Bonds.

If the verification delivered to the Refunding Trustee pursuant to Section 8(a) shows that surplus money not
needed to make the payments described in Section 3 will result from the sale, transfer, or other disposition of
Acquired Obligations and the substitution of Substitute Obligations therefor, that surplus money at the written
request of the City shall be released from the trust estate and shall be transferred to the City to be used for any
lawful City purpose, subject to any restrictions stated in the opinion of Bond Counsel required by Section 8(b).

Section 9. Reinvestment of Proceeds of Acquired and/or Substitute Obligations. The proceeds
(principal and interest) and reinvestment proceeds of any Acquired Obligations and/or Substitute Obligations
held by the Refunding Trustee in accordance with this Refunding Trust Agreement, which are not needed
within five business days of the receipt thereof to make the payments described in Section 3, shall be
reinvested by the Refunding Trustee, but only upon receipt of written request of the City, on such date of
receipt or the next business day. The City shall direct such reinvestment subject to the following conditions:

1
2 (a) Except as provided in subsection (c) below, the proceeds of such Acquired
3 Obligations and/or Substitute Obligations shall be reinvested in Substitute Obligations at a
4 yield that will not cause the composite yield on the refunding escrow to exceed _____%
5 during its term or such higher yield as may be directed by letter of instructions from the City
6 to the Refunding Trustee, but if the composite yield on the directed investments made
7 pursuant to this Refunding Trust Agreement would exceed _____%, such letter of
8 instructions shall contain a verification of such composite yield and shall be based upon and
9 accompanied by the opinion of Bond Counsel, approving reinvestment of such proceeds at
10 such higher yield.

11 (b) The obligations in which such proceeds are reinvested shall mature in an
12 amount at least equal to their purchase price on the date or dates directed by the City, but not
13 later than the date (as shown by the then most recent certified public accountant verification)
14 the principal thereof is needed to make the payments described in Section 3;

15 (c) If such proceeds, together with other funds remaining in trust, are insufficient
16 to reinvest in the smallest denomination of such obligations or are required to be used to
17 make payments described in Section 3 sooner than the shortest maturity available for such
18 obligations, then those proceeds and funds either shall be converted to United States currency
19 and retained or shall remain uninvested in the refunding escrow and carried on the books of
20 the Refunding Trustee until required to make the payments described in Section 3, or until
21 sufficient money is accumulated to permit the investment thereof; and

22 (d) "Yield," as used in paragraph (a) of this section with respect to the Acquired
23 Obligations and Substitute Obligations, means that yield computed in accordance with and
24 permitted by the Code applicable to the Bonds and the trust under this Refunding Trust
25 Agreement so as to preserve the exclusion from gross income for federal income tax purposes
26 of the interest on the Bonds.

The Refunding Trustee may make any and all investments permitted by the provisions of this Section through its own investment department or the investment departments of any of its affiliates.

19 Section 10. Amendments to Refunding Trust Agreement. The Refunding Trustee and the City
20 recognize that the owners of the Refunded Bonds and the Bonds from time to time have a beneficial interest in
21 the Acquired Obligations, the Substitute Obligations, and money to be held by the Refunding Trustee as herein
22 provided. Therefore, this Refunding Trust Agreement is irrevocable and shall not be subject to amendment
23 except for the purpose of clarifying any ambiguity herein, increasing the protection of the rights of the owners
24 of the Refunded Bonds or the Bonds, or preserving the exclusion of the interest on the Refunded Bonds and
25 the Bonds from gross income for federal income tax purposes, and only if such amendment is accompanied by
26 an opinion addressed to the City and the Refunding Trustee from Bond Counsel, to the effect that such change
is necessary for one of the above reasons and does not detrimentally affect the owners of the outstanding
Refunded Bonds and the Bonds or that it strengthens the protection of the owners of the Refunded Bonds and
the Bonds and does not detrimentally affect the owners of the Refunded Bonds and the Bonds. If such
amendment affects the amount of money and investments in the escrow account or the application thereof,
prior to the amendment's taking effect there also shall be a verification by a nationally recognized independent
certified public accounting firm satisfactory to the Refunding Trustee to the effect that after such amendment

1 the Acquired Obligations, Substitute Obligations, and other money in the escrow account will be sufficient to
2 make the payments described in Section 3. A copy of such verification shall be delivered to the Refunding
3 Trustee.

4 Section 11. Limitation of Liability of Refunding Trustee. None of the provisions contained in this
5 Refunding Trust Agreement shall require the Refunding Trustee to use or advance its own funds in the
6 performance of any of its duties or the exercise of any of its rights or powers hereunder. The Refunding
7 Trustee shall be under no liability for the payment of interest on any funds or other property received by it
8 hereunder except to the extent the Refunding Trustee is required by the express terms of this Refunding Trust
9 Agreement to invest such funds.

10 The Refunding Trustee's liabilities and obligations in connection with this Refunding Trust
11 Agreement are confined to those specifically described herein. The Refunding Trustee is authorized and
12 directed to comply with the provisions of this Refunding Trust Agreement and is relieved from all liability for
13 so doing notwithstanding any demand or notice to the contrary by any party hereto. The Refunding Trustee
14 shall not be responsible or liable for the sufficiency, correctness, genuineness, or validity of the Acquired
15 Obligations or the Substitute Obligations deposited with it; the performance or compliance by any party other
16 than the Refunding Trustee with the terms or conditions of any such instruments; or any loss which may occur
17 by reason of forgeries, false representations, or the exercise of the Refunding Trustee's discretion in any
18 particular manner unless such exercise is negligent or constitutes willful misconduct.

19 If any controversy arises between the City and any third person, the Refunding Trustee shall not be
20 required to determine the same or to take any action in the premises, but it may institute, in its discretion, an
21 interpleader or other proceedings in connection therewith as it may deem proper, and in following either
22 course, it shall not be liable.

23 Section 12. Remittance of Funds When Refunded Bonds Paid in Full. At such time as the Refunding
24 Trustee has received the representation of the City that all of the payments described in Section 3 have been
25 made and the confirmation of such representation by the Fiscal Agent, together with such other evidence of
26 such payments as shall be satisfactory to the City and the Refunding Trustee, the Refunding Trustee shall
27 deliver forthwith or remit to the City any remaining Acquired Obligations, Substitute Obligations, and money
28 held pursuant to this Refunding Trust Agreement.

29 Section 13. Compensation of Refunding Trustee. The payment arrangement heretofore made between
30 the Refunding Trustee and the City on compensation and expenses of the Refunding Trustee for services
31 rendered by it pursuant to the provisions of this Refunding Trust Agreement is satisfactory to it and to the City,
32 and no further payment to the Refunding Trustee shall be required for such purpose. Such arrangement for
33 compensation and expenses is intended as compensation for the ordinary services as contemplated by this
34 Refunding Trust Agreement, and if the Refunding Trustee renders any service hereunder not provided for in
35 this Refunding Trust Agreement, or the Refunding Trustee is made a party to or intervenes in any litigation
36 pertaining to this Refunding Trust Agreement or institutes interpleader proceedings relative hereto, the
37 Refunding Trustee shall be compensated reasonably by the City for such extraordinary services and
38 reimbursed for all fees, costs, liability, and expenses (including reasonable attorneys' fees) occasioned thereby.
39 The Refunding Trustee shall not have a lien against or otherwise be compensated for its services and expenses
40 from the money, Acquired Obligations, and Substitute Obligations held pursuant to this Refunding Trust
41 Agreement to make the payments described in Section 3.

1 Section 14. Successor Refunding Trustee. The obligations assumed by the Refunding Trustee
2 pursuant to this Refunding Trust Agreement may be transferred by the Refunding Trustee to a successor if (a)
3 the Refunding Trustee has presented evidence satisfactory to the City and to Bond Counsel that the successor
4 trustee meets the requirements of RCW 39.53.070, as now in effect or hereafter amended; (b) the City
5 approves the appointment of the successor trustee; (c) the successor trustee has assumed all of the obligations
6 of the Refunding Trustee under this Refunding Trust Agreement and has been compensated; and (d) all of the
7 Acquired Obligations, reinvestments, Substitute Obligations, and money then held by the Refunding Trustee
8 pursuant to this Refunding Trust Agreement have been duly transferred to such successor trustee.

9 Notwithstanding anything to the contrary contained in this Agreement, any company into which the
10 Refunding Trustee may be merged or converted or with which it may be consolidated or any company
11 resulting from any merger, conversion, or consolidation to which the Refunding Trustee is a party, or any
12 company to which the Refunding Trustee may sell or transfer all or substantially all of its corporate trust
13 business shall be the successor to the Refunding Trustee without execution or filing of any paper or further act,
14 if such company is eligible to serve as Refunding Trustee under RCW 39.53.070.

15 Section 15. Miscellaneous. This Refunding Trust Agreement is governed by Washington law without
16 regard to the conflict of laws provisions thereof and may not be modified except by a writing signed by the
17 parties and subject to the limitations of Section 10. If any one or more of the provisions contained in this
18 Refunding Trust Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect,
19 such invalidity, illegality, or unenforceability shall not affect any other provisions of this Refunding Trust
20 Agreement, but this Refunding Trust Agreement shall be construed as if such invalid, illegal, or unenforceable
21 provision had never been contained herein.

22 Section 16. Notice to Rating Agencies. The Refunding Trustee shall notify all national rating
23 agencies maintaining (at the request of the City) a rating on the Refunded Bonds or the Bonds, in writing upon
24 timely receipt of notice or evidence of either of the following circumstances:

25 (a) Prior to their taking effect, any amendments to this Refunding Trust
26 Agreement under Section 10, enclosing the proposed amendatory documents; and

 (b) The holding (referred to in Section 15) that one or more provisions of this
Refunding Trust Agreement are invalid, illegal, or unenforceable in any respect, enclosing a
copy of that holding.

Such notices shall be sent to the applicable rating agencies by first class mail to the addresses advised by those
rating agencies.

Section 17. Counterparts. This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the parties have executed and delivered this Refunding Trust Agreement
pursuant to due and proper authorization, all as of the date and year first above written.

THE CITY OF SEATTLE, WASHINGTON

U.S. BANK NATIONAL ASSOCIATION, as
Refunding Trustee

By _____
Director of Finance

By _____
Title: _____

SCHEDULE 1

2003 Refunded Bonds

<u>Maturity (September 1)</u>	<u>Par Amount Refunded</u>	<u>Par Amount Remaining</u>	<u>Total</u>
2014	\$ 7,705,000	\$1,940,000	\$ 9,645,000
2015	8,005,000	2,035,000	10,040,000
2016	8,385,000	2,160,000	10,545,000
2017	8,750,000	2,290,000	11,040,000
2018	9,150,000	2,425,000	11,575,000
2019	9,585,000	2,600,000	12,185,000
2020	10,120,000	2,770,000	12,890,000
2021	11,790,000	-	11,790,000
2022	12,480,000	-	12,480,000
2023	12,870,000	-	12,870,000
2024	4,225,000	-	4,225,000
2025	4,420,000	-	4,420,000
2028	14,535,000	-	14,535,000
2033	29,320,000	-	29,320,000

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EXHIBIT A
THE CITY OF SEATTLE, WASHINGTON
WATER SYSTEM REFUNDING REVENUE BONDS, 2012

ACQUIRED OBLIGATIONS

<u>TYPE*</u>	<u>MATURITY</u> <u>DATE</u>	<u>PAR</u> <u>AMOUNT</u>	<u>INTEREST</u> <u>RATE</u>
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*CERT -	United States Treasury Certificate of Indebtedness--State and Local Government Series		
NOTE -	United States Treasury Note--State and Local Government Series		

EXHIBIT B

Notice of Redemption/Defeasance*
The City of Seattle, Washington
Water System Revenue Bonds, 2001

NOTICE IS HEREBY GIVEN that The City of Seattle, Washington (the "City"), has called for redemption on June 29, 2012, all of its then-outstanding Water System Revenue Bonds, 2001 (the "Bonds").

The Bonds will be redeemed at a price of one hundred percent (100%) of their principal amount, plus accrued interest to June 29, 2012. The redemption price of the Bonds is payable on presentation and surrender of the Bonds at the office of:

[By Mail or in Person]

-or-

[In Person Only]

The Bank of New York Mellon
Worldwide Securities Processing
2001 Bryan Street, 9th Floor
Dallas, TX 75201

Any branch of Wells Fargo
Bank, National Association in the
State of Washington

Interest on all Bonds or portions thereof which are redeemed shall cease to accrue on June 29, 2012.

The following Bonds are being redeemed:

<u>Maturity Date (November 1)</u>	<u>Par Amount Redeemed</u>	<u>Interest Rate</u>	<u>Call Date (at 100%)</u>	<u>CUSIP Nos.</u>
2012	\$ 1,365,000	5.00%	06/29/2012	817278HB2
2013	1,425,000	5.00	06/29/2012	817278HC0
2014	1,490,000	5.00	06/29/2012	817278HD8
2015	1,555,000	5.00	06/29/2012	817278HE6
2016	1,630,000	5.00	06/29/2012	817278HF3
2017	1,705,000	5.00	06/29/2012	817278HG1
2018	1,790,000	5.00	06/29/2012	817278HH9
2019	1,875,000	5.00	06/29/2012	817278HJ5
2020	1,970,000	5.00	06/29/2012	817278HK2
2021	2,070,000	5.00	06/29/2012	817278HL0
2026*	12,025,000	5.00	06/29/2012	817278HR7
2031*	15,420,000	5.00	06/29/2012	817278HW6

*Term Bonds

* This notice shall be given not less than 30 nor more than 60 days prior to June 29, 2012, by first class mail, postage prepaid, to each registered owner of the redeemed bonds. In addition, notice shall be mailed within the same period, postage prepaid, to Moody's Investors Service, Inc., and Standard & Poor's at their offices in New York, New York; Goldman Sachs & Co. at its principal office in New York, New York; Financial Guaranty Insurance Company, New York, New York (Policy No. 01012283 and Policy No. 01012284), and The Depository Trust Company of New York, New York, and the Municipal Securities Rulemaking Board.

1 NOTICE IS FURTHER GIVEN to the owners of the Bonds that, pursuant to the Refunding Trust
2 Agreement dated as of May 30, 2012, by and between the City and U.S. Bank National Association (the
3 “Refunding Trustee”), there has been deposited into an escrow account, held by the Refunding Trustee, cash
4 and non-callable direct obligations of the United States of America, the principal of and interest on which,
5 when due, will provide money to the redemption date the principal of and interest on the Bonds. The Bonds
6 are therefore deemed to be no longer outstanding pursuant to Section 29 of Ordinance 120547 of the City
7 relating to the Bonds, but will be paid by application of the assets in such escrow account.

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By Order of The City of Seattle, Washington
The Bank of New York Mellon, as Paying Agent

Dated: _____

Under Section 3406(a)(1) of the Internal Revenue Code the Registrar may be obligated to withhold a percentage of the principal of a holder who has failed to furnish the Registrar with a valid taxpayer identification number and a certification that the owner is not subject to backup withholding. Owners who wish to avoid the application of these provisions should submit a completed IRS Form W-9 when presenting their certificates for payment.

EXHIBIT C
Notice of Defeasance*
The City of Seattle, Washington
Water System and Refunding Revenue Bonds, 2003

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds with respect to which, pursuant to the Refunding Trust Agreement dated as of May 30, 2012, by and between The City of Seattle, Washington (the "City"), and U.S. Bank National Association (the "Refunding Trustee"), there has been deposited into an escrow account, held by the Refunding Trustee, cash and non-callable direct obligations of the United States of America, the principal of and interest on which, when due, will provide money to pay each year, to and including the respective maturity or redemption dates of such bonds so provided for, the principal thereof and interest thereon (the "Refunded Bonds"). Such Refunded Bonds are therefore deemed to be no longer outstanding pursuant to Section 29 of Ordinance 121094 of the City relating to the Refunded Bonds, but will be paid by application of the assets in such escrow account.

The Refunded Bonds are described as follows:

The City of Seattle, Washington
 Water System Refunding Revenue Bonds, 2003
 (Dated May 12, 2003)

Maturity Date (Sep. 1)	Par Amount Defeased ⁽¹⁾	Original CUSIP Nos.	Defeased CUSIP Nos.	Interest Rate	Call Date (at 100%)	Amount Undefeased	Non-Defeased CUSIP Nos.
2014	\$ 7,705,000 ⁽¹⁾	812728JL8	812728__	4.00%	09/01/2013	\$1,940,000	812728__
2015	8,005,000 ⁽¹⁾	812728JM6	812728__	5.00	09/01/2013	2,035,000	812728__
2016	8,385,000 ⁽¹⁾	812728JN4	812728__	5.00	09/01/2013	2,160,000	812728__
2017	8,750,000 ⁽¹⁾	812728JP9	812728__	5.00	09/01/2013	2,290,000	812728__
2018	9,150,000 ⁽¹⁾	812728JQ7	812728__	5.00	09/01/2013	2,425,000	812728__
2019	9,585,000 ⁽¹⁾	812728JR5	812728__	5.00	09/01/2013	2,600,000	812728__
2020	10,120,000 ⁽¹⁾	812728JS3	812728__	5.00	09/01/2013	2,770,000	812728__
2021	11,790,000	812728JT1	812728__	5.00	09/01/2013	-	-
2022	12,480,000	812728JU8	812728__	5.00	09/01/2013	-	-
2023	12,870,000	812728JV6	812728__	5.00	09/01/2013	-	-
2024	4,225,000	812728JW4	812728__	4.625	09/01/2013	-	-
2025	4,420,000	812728JX2	812728__	4.625	09/01/2013	-	-
2028 ⁽²⁾	14,535,000	812728JY0	812728__	4.70	09/01/2013	-	-
2033 ⁽²⁾	29,320,000	812728JZ7	812728__	5.00	09/01/2013	-	-

⁽¹⁾This notice relates only to a portion of this maturity. The Bonds to be refunded within each maturity will be selected randomly in accordance with the Blanket Letter of Representations between the City and The Depository Trust Company related to the Refunded Bonds.

⁽²⁾Term Bonds.

U.S. Bank National Association, as Refunding Trustee

Dated: _____

* This notice shall be given immediately by first class mail to each registered owner of the Refunded Bonds and to the Municipal Securities Rulemaking Board.

EXHIBIT D
Notice of Redemption *

The City of Seattle, Washington
Water System and Refunding Revenue Bonds, 2003

NOTICE IS HEREBY GIVEN that The City of Seattle, Washington, has called for redemption on September 1, 2013, all of its then-outstanding Water System and Refunding Revenue Bonds, 2003 (the "Bonds") that were defeased pursuant to the Refunding Trust Agreement dated as of May 30, 2012, by and between the City and U.S. Bank National Association (the "Refunding Trustee").

The Bonds will be redeemed at a price of one hundred percent (100%) of their principal amount, plus accrued interest to September 1, 2013. The redemption price of the Bonds is payable on presentation and surrender of the Bonds at the office of:

[By Mail or in Person]	-or-	[In Person Only]
The Bank of New York Mellon Worldwide Securities Processing 2001 Bryan Street, 9 th Floor Dallas, TX 75201		Any branch of Wells Fargo Bank, National Association in the State of Washington

Interest on all Bonds or portions thereof which are redeemed shall cease to accrue on September 1, 2013.

The following Bonds are being redeemed:

Maturity Date (Sep. 1)	Par Amount Defeased ⁽¹⁾	Original CUSIP Nos.	Defeased CUSIP Nos.	Interest Rate	Amount Undefeased	Non-Defeased CUSIP Nos.
2014	\$ 7,705,000 ⁽¹⁾	812728JL8	812728__	4.00%	\$1,940,000	812728__
2015	8,005,000 ⁽¹⁾	812728JM6	812728__	5.00	2,035,000	812728__
2016	8,385,000 ⁽¹⁾	812728JN4	812728__	5.00	2,160,000	812728__
2017	8,750,000 ⁽¹⁾	812728JP9	812728__	5.00	2,290,000	812728__
2018	9,150,000 ⁽¹⁾	812728JQ7	812728__	5.00	2,425,000	812728__
2019	9,585,000 ⁽¹⁾	812728JR5	812728__	5.00	2,600,000	812728__
2020	10,120,000 ⁽¹⁾	812728JS3	812728__	5.00	2,770,000	812728__
2021	11,790,000	812728JT1	812728__	5.00	-	-
2022	12,480,000	812728JU8	812728__	5.00	-	-
2023	12,870,000	812728JV6	812728__	5.00	-	-
2024	4,225,000	812728JW4	812728__	4.625	-	-
2025	4,420,000	812728JX2	812728__	4.625	-	-
2028 ⁽²⁾	14,535,000	812728JY0	812728__	4.70	-	-
2033 ⁽²⁾	29,320,000	812728JZ7	812728__	5.00	-	-

⁽¹⁾This notice relates only to a portion of this maturity.

⁽²⁾Term Bonds.

* This notice shall be given not less than 30 nor more than 60 days prior to September 1, 2013, by first class mail, postage prepaid, to each registered owner of the Bonds. In addition, notice shall be mailed within the same period, postage prepaid, to Moody's Investors Service, Inc., and Standard & Poor's at their offices in New York, New York; Bank of America Merrill Lynch at its principal office in New York, New York; MBIA Insurance Corporation, at its offices in Armonk, New York (Surety Bond No. 41114(2)), and The Depository Trust Company of New York, New York, and the Municipal Securities Rulemaking Board.

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**By Order of The City of Seattle, Washington
The Bank of New York Mellon, as Paying Agent**

Dated: _____

Under Section 3406(a)(1) of the Internal Revenue Code the Registrar may be obligated to withhold a percentage of the principal of a holder who has failed to furnish the Registrar with a valid taxpayer identification number and a certification that the owner is not subject to backup withholding. Owners who wish to avoid the application of these provisions should submit a completed IRS Form W-9 when presenting their certificates for payment.

EXHIBIT E

Notice of Defeasance*
The City of Seattle, Washington
Water System Revenue Bonds, 2004

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds with respect to which, pursuant to the Refunding Trust Agreement dated as of May 30, 2012, by and between The City of Seattle, Washington (the "City"), and U.S. Bank National Association (the "Refunding Trustee"), there has been deposited into an escrow account, held by the Refunding Trustee, cash and non-callable direct obligations of the United States of America, the principal of and interest on which, when due, will provide money to pay each year, to and including the respective maturity or redemption dates of such bonds so provided for, the principal thereof and interest thereon (the "Refunded Bonds"). Such Refunded Bonds are therefore deemed to be no longer outstanding pursuant to Section 26 of Ordinance 121587 of the City relating to the Refunded Bonds, but will be paid by application of the assets in such escrow account.

The Refunded Bonds are described as follows:

The City of Seattle, Washington
 Water System Revenue Bonds, 2004
 (Dated October 25, 2004)

<u>Maturity Date</u> (Sep. 1)	<u>Par Amount</u> <u>Defeased</u>	<u>Interest</u> <u>Rate</u>	<u>Call Date</u> (at 100%)	<u>CUSIP</u> <u>Nos.</u>
2015	\$ 2,060,000	5.00%	09/01/2014	812728KS1
2016	2,165,000	5.00	09/01/2014	812728KT9
2107	2,270,000	5.00	09/01/2014	812728KU6
2018	2,385,000	5.00	09/01/2014	812728KV4
2019	2,505,000	5.00	09/01/2014	812728KW2
2020	2,630,000	5.00	09/01/2014	812728KX0
2021	2,760,000	5.00	09/01/2014	812728KY8
2022	2,900,000	5.00	09/01/2014	812728KZ5
2023	2,045,000	5.00	09/01/2014	812728LA9
2024	3,195,000	5.00	09/01/2014	812728LB7
2025	3,355,000	5.00	09/01/2014	812728LC5
2026	3,525,000	5.00	09/01/2014	812728LD3
2027	3,700,000	5.00	09/01/2014	812728LE1
2028	3,885,000	5.00	09/01/2014	812728LF8
2029	4,080,000	5.00	09/01/2014	812728LG6
2034*	23,665,000	5.00	09/01/2014	812728LH4

*Term Bond.

U.S. Bank National Association, as Refunding Trustee

Dated: _____

* This notice shall be given immediately by first class mail to each registered owner of the Refunded Bonds and to the Municipal Securities Rulemaking Board.

EXHIBIT F
Notice of Redemption*

The City of Seattle, Washington
Water System Revenue Bonds, 2004

NOTICE IS HEREBY GIVEN that The City of Seattle, Washington, has called for redemption on September 1, 2014, all of its then-outstanding Water System Revenue Bonds, 2004 (the "Bonds").

The Bonds will be redeemed at a price of one hundred percent (100%) of their principal amount, plus accrued interest to September 1, 2014. The redemption price of the Bonds is payable on presentation and surrender of the Bonds at the office of:

[By Mail or in Person]

-or-

[In Person Only]

The Bank of New York Mellon
Worldwide Securities Processing
2001 Bryan Street, 9th Floor
Dallas, TX 75201

Any branch of Wells Fargo
Bank, National Association in the
State of Washington

Interest on all Bonds or portions thereof which are redeemed shall cease to accrue on September 1, 2014.

The following Bonds are being redeemed:

<u>Maturity Date</u> (Sep. 1)	<u>Par Amount</u> Deceased	<u>Interest</u> Rate	<u>CUSIP</u> Nos.
2015	\$ 2,060,000	5.00%	812728KS1
2016	2,165,000	5.00	812728KT9
2107	2,270,000	5.00	812728KU6
2018	2,385,000	5.00	812728KV4
2019	2,505,000	5.00	812728KW2
2020	2,630,000	5.00	812728KX0
2021	2,760,000	5.00	812728KY8
2022	2,900,000	5.00	812728KZ5
2023	2,045,000	5.00	812728LA9
2024	3,195,000	5.00	812728LB7
2025	3,355,000	5.00	812728LC5
2026	3,525,000	5.00	812728LD3
2027	3,700,000	5.00	812728LE1
2028	3,885,000	5.00	812728LF8
2029	4,080,000	5.00	812728LG6
2034*	23,665,000	5.00	812728LH4

*Term Bond.

* This notice shall be given not less than 30 nor more than 60 days prior to September 1, 2014, by first class mail, postage prepaid, to each registered owner of the Bonds. In addition, notice shall be mailed within the same period, postage prepaid, to Moody's Investors Service, Inc., and Standard & Poor's at their offices in New York, New York; Citigroup Global Markets Inc. at its principal office in New York, New York; MBIA Insurance Corporation, of Armonk, New York (Surety Bond No. 45050(2) and Policy No. 45050(1)), and The Depository Trust Company of New York, New York, and the Municipal Securities Rulemaking Board.

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By Order of The City of Seattle, Washington
The Bank of New York Mellon, as Paying Agent
Dated: _____

Under Section 3406(a)(1) of the Internal Revenue Code the Registrar may be obligated to withhold a percentage of the principal of a holder who has failed to furnish the Registrar with a valid taxpayer identification number and a certification that the owner is not subject to backup withholding. Owners who wish to avoid the application of these provisions should submit a completed IRS Form W-9 when presenting their certificates for payment.