

HIGHLINE SCHOOL DISTRICT NO. 401
KING COUNTY, WASHINGTON

RESOLUTION NO. 02-23

A RESOLUTION of the Board of Directors of Highline School District No. 401, King County, Washington, relating to contracting indebtedness; providing for the issuance, fixing or setting parameters with respect to certain terms and covenants, and fixing the form of not to exceed \$280,000,000 aggregate principal amount unlimited tax general obligation bonds, in one or more series, authorized by the qualified voters of the District at a special election held therein pursuant to District Resolution No. 06-22; providing that payment of the bonds be guaranteed by the State of Washington; appointing the District's designated representative pursuant to RCW 39.46.040(2) to approve the final terms of the sale of the bonds; and providing for related matters.

ADOPTED: FEBRUARY 1, 2023

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BE IT RESOLVED BY THE BOARD OF DIRECTORS OF HIGHLINE SCHOOL DISTRICT NO. 401, KING COUNTY, WASHINGTON, as follows:

Section 1. Definitions. In addition to the words and terms defined elsewhere in this resolution, the following words and terms as used in this resolution have the following meanings, unless the context or use indicates another or different meaning or intent:

(a) "Aggregate Purchase Price" means, with respect to any Series of Bonds, the price to be paid by the Purchaser for the Bonds of that Series, calculated as the stated principal amount of that Series, plus original issue premium, if any, net of original issue discount, if any, and less underwriter's discount.

(b) "Authorized Denomination" means \$5,000 or any integral multiple of \$5,000 within a maturity.

(c) "Beneficial Owner" means, with respect to a Bond, the owner of any beneficial interest in that Bond.

(d) "Board" means the Board of Directors of the District.

(e) "Bond Authorization" means the authorization to issue no more than \$518,397,000 principal amount of unlimited tax general obligation bonds for the purpose of paying costs of carrying out and accomplishing the Projects, pursuant to the Bond Election Resolution and the special election held within the District on November 8, 2022.

(f) "Bond Counsel" means the firm of Foster Garvey P.C., its successor or any other attorneys or firm of attorneys selected by the District with a nationally recognized standing as bond counsel in the field of municipal finance.

(g) "Bond Election Resolution" means Resolution No. 06-22, adopted by the Board on June 22, 2022, authorizing a proposition to be submitted to the qualified voters of the

District for their approval or rejection at a special election held within the District on November 8, 2022, with respect to the Bond Authorization.

(h) “Bond Purchase Agreement” means an offer to purchase any Series of Bonds, presented by the Purchaser and accepted by the Designated Representative, setting forth certain terms and conditions of the issuance, sale and delivery of such Series.

(i) “Bond Register” means the books or records maintained by the Bond Registrar for the purpose of identifying ownership of each Bond.

(j) “Bond Registrar” means the fiscal agent of the State, as the same may be designated by the State from time to time, or any successor or other bond registrar selected by the Treasurer.

(k) “Bonds” means the unlimited tax general obligation bonds, issued in one or more Series, all as determined by the Designated Representative, pursuant to and for the purposes provided in this resolution.

(l) “Capital Projects Fund” means the Capital Projects Fund of the District heretofore created pursuant to RCW 28A.320.330.

(m) “Certificate of Eligibility” has the meaning set forth in Section 3(d) of this resolution.

(n) “Chief Financial Officer” means the District’s Chief Financial Officer, or such other officer of the District who may in the future perform the duties of that office, if any.

(o) “Chief Policy and Strategy Officer” means the District’s Chief Policy and Strategy Officer, or such other officer of the District who may in the future perform the duties of that office, if any.

(p) “Code” means the United States Internal Revenue Code of 1986, as amended, and applicable rules and regulations promulgated thereunder.

(q) “Debt Service Fund” means the Debt Service Fund of the District heretofore created pursuant to RCW 28A.320.330.

(r) “Designated Representative” means the officer(s) or employee(s) of the District appointed as such in Section 6 of this resolution, which officer(s) or employee(s) shall serve as the District’s designated representative to take all actions authorized in this resolution.

(s) “District” means Highline School District No. 401, King County, Washington.

(t) “DTC” means The Depository Trust Company, New York, New York, or its nominee.

(u) “Final Terms” means the terms and conditions for the sale of a Series of Bonds set forth in the Bond Purchase Agreement for such Series of Bonds, including the principal amount, date or dates, denominations, interest rate or rates (or mechanism for determining interest rate or rates), payment dates, final maturity, redemption rights and prices for that Series of Bonds.

(v) “Financial Advisor” means Educational Service District 112, or any other financial advisor then appointed and acting as financial advisor to the District.

(w) “Government Obligations” means noncallable, nonprepayable direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

(x) “Guarantee Program” means the Washington State School District Credit Enhancement Program as authorized in Article VIII, Section 1(e) of the Washington Constitution and chapter 39.98 RCW.

(y) “Issue Date” means, with respect to each Series of Bonds, the date of initial issuance and delivery of such Series of Bonds to the Purchaser in exchange for the purchase price of such Bonds.

(z) “Letter of Representations” means the Blanket Issuer Letter of Representations between the District and DTC, dated April 30, 2002, as it may be amended from time to time, and any successor or substitute letter relating to the operational procedures of the Securities Depository.

(aa) “MSRB” means the Municipal Securities Rulemaking Board.

(bb) “Net Premium” means, with respect to any Series of Bonds, that portion of original issue premium, if any, that is in excess of the sum of (i) original issue discount, if any, and (ii) the underwriter’s discount.

(cc) “Official Statement” means an offering document, disclosure document, private placement memorandum or substantially similar disclosure document provided to purchasers and potential purchasers in connection with the initial offering of a Series of Bonds in conformance with Rule 15c2-12 or other applicable regulations of the SEC.

(dd) “Owner” means, without distinction, the Registered Owner and the Beneficial Owner.

(ee) “President” means the President of the Board (including the Vice President of the Board in case of the President’s absence or disability), or any presiding officer or titular head of the Board, or any successor to the functions of the President.

(ff) “Projects” has the meaning ascribed to the term “Projects” in the Bond Election Resolution. Without limiting the foregoing, the term “Projects” includes, but is not limited to: (i) constructing new high schools to replace Evergreen and Tyee High Schools; (ii) constructing a new middle school to replace Pacific Middle School; (iii) making District-wide critical capital improvements; (iv) paying the costs related to the issuance, sale and delivery of the Bonds;

and (v) paying incidental costs incurred in connection with carrying out and accomplishing the Projects pursuant to RCW 39.46.070.

(gg) “Purchaser” means Piper Sandler & Co., and/or such other corporation, firm, association, partnership, trust, or other legal entity or group of entities selected by the Designated Representative to purchase any Series of Bonds. The Purchaser may serve as a representative of an underwriting syndicate.

(hh) “Rating Agency” means any nationally recognized rating agency then maintaining a rating on any Series of Bonds at the request of the District.

(ii) “RCW” means the Revised Code of Washington.

(jj) “Record Date” means the Bond Registrar’s close of business on the 15th day of the month preceding an interest payment date. With respect to redemption of a Bond prior to its maturity, the Record Date shall mean the Bond Registrar’s close of business on the date on which the Bond Registrar sends the notice of redemption in accordance with Section 10(d) of this resolution.

(kk) “Registered Owner” means, with respect to a Bond, the person in whose name that Bond is registered on the Bond Register. For so long as the District utilizes the book–entry only system for any Series of Bonds under the Letter of Representations, Registered Owner shall mean the Securities Depository.

(ll) “Rule 15c2-12” means Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934, as amended.

(mm) “SEC” means the United States Securities and Exchange Commission.

(nn) “Secretary” means the Secretary to the Board, or other officer of the District who is the custodian of the records and proceedings of the Board, or any successor to the functions of the Secretary.

(oo) “Securities Depository” means DTC, any successor thereto, any substitute securities depository selected by the District that is qualified under applicable laws and regulations to provide the services proposed to be provided by it, or the nominee of any of the foregoing.

(pp) “Series of Bonds” or “Series” means a series of Bonds issued pursuant to and for the purposes provided in this resolution.

(qq) “State” means the State of Washington.

(rr) “System of Registration” means the system of registration for the District’s bonds and other obligations set forth in the District’s Resolution No. 681.

(ss) “Term Bonds” means any Bonds designated as Term Bonds and subject to mandatory redemption in the years and amounts set forth in a Bond Purchase Agreement.

(tt) “Treasurer” means the Treasury Operations Section, Finance and Business Operations Division, Department of Executive Services, King County, Washington, as *ex officio* treasurer of the District.

(uu) “Undertaking” means the undertaking to provide continuing disclosure authorized to be entered into pursuant to Section 17(c) of this resolution.

Section 2. Rules of Interpretation. In this resolution, unless the context or use otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein” and any similar terms refer to this resolution as a whole and not to any particular section, paragraph, clause or subdivision of this resolution, and the term “heretofore” shall mean before the date of this resolution;

(b) Words importing a gender shall mean and include correlative words of each other gender and no gender, and words importing the singular number shall mean and include the plural number and vice versa;

(c) The terms: (i) “includes” and “including” shall not be limiting; (ii) “or” shall not be exclusive; and (iii) “person” or “persons” shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) The cover page, the table of contents and any headings preceding the text of the several sections and paragraphs of this resolution, and any marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect; and

(e) All references herein to “sections,” “paragraphs,” “clauses” and other subdivisions are to the corresponding sections, paragraphs, clauses or subdivisions hereof.

Section 3. Findings and Determinations. The Board takes note of the following facts and makes the following findings and determinations:

(a) Pursuant to the Bond Election Resolution (which by this reference is incorporated herein), the Bond Authorization was approved by the requisite number of voters.

(b) Pursuant to the Bond Authorization, the District is authorized to issue and it has need for the proceeds of the Bonds authorized and described herein. It is in the best interests of the District to issue, sell and deliver the Bonds, subject to the provisions of this resolution, for the purpose of paying costs of carrying out and accomplishing the Projects.

(c) The Board, pursuant to RCW 39.46.040(2), desires to delegate authority to the Chief Financial Officer, the Secretary and the Chief Policy and Strategy Officer, for a limited time, to accept the Final Terms of, and execute, one or more Bond Purchase Agreements, subject to the parameters for Final Terms set forth in this resolution, and to take such other actions as are specifically authorized in this resolution.

(d) Pursuant to the District's request (which request was set forth in the Bond Election Resolution) and the Guarantee Program, the Treasurer of the State has issued or will issue a certificate of eligibility to the District (the "Certificate of Eligibility") pledging the full faith, credit, and taxing power of the State to guarantee the payment, when due, of the principal of and interest on the Bonds as provided in the Certificate of Eligibility, and the Board hereby deems that participation in the Guarantee Program is in the District's best interests.

Section 4. Authorization of Bonds Pursuant to Election. Pursuant to the Bond Election Resolution and the Bond Authorization, the District is hereby authorized to issue, sell and deliver one or more Series of Bonds (as determined by the Designated Representative pursuant to the parameters for Final Terms set forth in Exhibit A, which is attached to this resolution and incorporated herein by this reference) for the purpose of paying costs of carrying out and accomplishing the Projects.

Section 5. Description of Bonds. The Bonds shall be designated as the Highline School District No. 401, King County, Washington, Unlimited Tax General Obligation Bonds, 2023 (unless otherwise designated pursuant to the parameters for the Final Terms set forth in Exhibit A). The Bonds shall be issued in one or more series in the aggregate principal amount of not to exceed \$280,000,000, as further set forth in the parameters for Final Terms in Exhibit A; shall be in Authorized Denominations; and shall be numbered separately in the manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification. The Bonds of each Series shall be dated the Issue Date of such Series, shall bear interest from such Issue Date at the rates and shall mature in the years and principal amounts, including the designation of Term Bonds, if any, all as set forth in the Bond Purchase Agreement for such Series accepted by the Designated Representative pursuant to Section 6 of this resolution.

The costs of particular categories of the Projects having shorter reasonably expected useful lives are allocated to Bonds having correspondingly earlier maturity dates.

Section 6. Appointment of Designated Representative; Setting Parameters with Respect to the Final Terms; Approval of Bond Purchase Agreements; Expiration of Authority. It is anticipated that each Series of Bonds will be sold by negotiated sale to the Purchaser and that the Purchaser will present a Bond Purchase Agreement to the District offering to purchase each or multiple Series of Bonds. Pursuant to RCW 39.46.040(2), the Chief Financial Officer, the Secretary and the Chief Policy and Strategy Officer, each are appointed as the District's Designated Representative, and each of them acting alone, is authorized and directed on the District's behalf to accept the Final Terms of, and execute, one or more Bond Purchase Agreements subject to the parameters for Final Terms set forth in Exhibit A, and to take such other actions as are specifically authorized to be taken by the Designated Representative in this resolution. The signature of one Designated Representative shall be sufficient to bind the District. Final Terms shall be confirmed in each Bond Purchase Agreement and/or separate certificate(s) approved and executed by the Designated Representative in connection with the issuance of each Series of Bonds. The authority granted to the Designated Representative by this Section 6, and the authority to issue any Series of Bonds pursuant to this resolution, shall expire on December 31, 2023 (but only with respect to any Series of Bonds not issued by such date). The Issue Date of any Series of Bonds shall occur before December 31, 2023. Any Series of Bonds not issued by such date may

be reauthorized by resolution of the Board, which resolution may be in the form of a new or amendatory resolution.

Section 7. Bond Registrar; Registration and Transfer of Bonds.

(a) Registration of Bonds. The Bonds of each Series shall be issued only in registered form as to both principal and interest and the ownership of each Bond shall be recorded on the Bond Register maintained for such Series.

(b) Bond Registrar; Duties. Pursuant to RCW 39.46.030(3)(b), the Treasurer has appointed the Bond Registrar. The Bond Registrar shall keep, or cause to be kept, sufficient books for the registration and transfer of each Series of Bonds, which shall be open to inspection by the District at all times. The Bond Registrar is authorized, on behalf of the District, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of the Bonds and this resolution, to serve as the District's paying agent for the Bonds and to carry out all of the Bond Registrar's powers and duties under this resolution and the System of Registration. The Bond Registrar shall be responsible for its representations contained in the Bond Registrar's Certificate of Authentication on each Bond. The Bond Registrar may become an Owner 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 members of, or in any other capacity with respect to, any committee formed to protect the rights of Owners.

(c) Bond Register; Transfer and Exchange. The Bond Register for each Series shall contain the name and mailing address of the Registered Owner of each Bond of such Series and the principal amount and number of each Bond held by such Registered Owner. Any Bond surrendered to the Bond Registrar may be exchanged for a Bond or Bonds of the same Series in any Authorized Denomination of an equal aggregate principal amount and of the same interest rate and maturity. A Bond may be transferred only if endorsed in the manner provided thereon and surrendered to the Bond Registrar. Any exchange or transfer shall be without cost to the Owner or transferee. The Bond Registrar shall not be obligated to exchange any Bond or transfer registered ownership during the period between the applicable Record Date and the next upcoming interest payment or redemption date.

(d) Securities Depository; Book-Entry Only Form. DTC is appointed as initial Securities Depository. Each Bond initially shall be registered in the name of Cede & Co., as the nominee of DTC. Each Bond registered in the name of the Securities Depository shall be held fully immobilized in book-entry only form by the Securities Depository in accordance with the provisions of the Letter of Representations. Registered ownership of any Bond registered in the name of the Securities Depository may not be transferred except: (i) to any successor Securities Depository; (ii) to any substitute Securities Depository appointed by the District; or (iii) to any person if the Bond is no longer to be held in book-entry only form. Upon the resignation of the Securities Depository, or upon a termination of the services of the Securities Depository by the District, the District may appoint a substitute Securities Depository. If (i) the Securities Depository resigns and the District does not appoint a substitute Securities Depository, or (ii) the District terminates the services of the Securities Depository, the Bonds no longer shall be held in book-entry only form and the registered ownership of each Bond may be transferred to any person as provided in this resolution. Neither the District nor the Bond Registrar shall have any obligation

to participants of any Securities Depository or the persons for whom they act as nominees regarding accuracy of any records maintained by the Securities Depository or its participants. Neither the District nor the Bond Registrar shall be responsible for any notice that is permitted or required to be given to a Registered Owner except such notice as is required to be given by the Bond Registrar to the Securities Depository.

Section 8. Form and Execution of Bonds. The Bonds shall be prepared in a form consistent with the provisions of this resolution and State law and shall be signed by the President and the Secretary, either or both of whose signatures may be manual or in facsimile. The Bonds of each Series shall be printed at District expense and shall be delivered to the Purchaser in accordance with the Bond Purchase Agreement for such Series, together with the approving legal opinion of Bond Counsel regarding the Bonds of such Series.

No Bond shall be valid or obligatory for any purpose, or entitled to the benefits of this resolution, unless the Bond bears a certificate of authentication manually signed by the Bond Registrar stating: "This Bond is one of the fully registered Highline School District No. 401, King County, Washington, Unlimited Tax General Obligation Bonds, 2023, described in the Bond Resolution." A minor deviation in the language of such certificate (including a deviation in the designation of the Bonds authorized by Exhibit A hereto) shall not void a certificate of authentication that otherwise is substantially in the form of the foregoing. The authorized signing of a certificate of authentication shall be conclusive evidence that the Bond so authenticated has been duly executed, authenticated and delivered and is entitled to the benefits of this resolution.

If any officer whose manual or facsimile signature appears on the Bonds ceases to be an officer of the District authorized to sign bonds before the Bonds bearing his or her manual or facsimile signature are authenticated or delivered by the Bond Registrar or issued by the District, those Bonds nevertheless may be authenticated, issued and delivered and, when authenticated, issued and delivered, shall be as binding on the District as though that individual had continued to be an officer of the District authorized to sign bonds. Any Bond also may be signed on behalf of the District by any individual who, on the actual date of signing of the Bond, is an officer of the District authorized to sign bonds, although he or she did not hold the required office on the Issue Date applicable to such Bond.

Section 9. Payment of Bonds. Principal of and interest on each Bond shall be payable in lawful money of the United States of America. Principal of and interest on each Bond registered in the name of the Securities Depository are payable in the manner set forth in the Letter of Representations. Interest on each Bond not registered in the name of the Securities Depository is payable by electronic transfer on the interest payment date, or by check or draft of the Bond Registrar mailed on the interest payment date to the Registered Owner at the address appearing on the Bond Register on the Record Date. However, the District is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received on or prior to the Record Date and at the sole expense of the Registered Owner. Principal of each Bond not registered in the name of the Securities Depository is payable upon presentation and surrender of the Bond by the Registered Owner to the Bond Registrar. The Bonds are not subject to acceleration under any circumstances.

Section 10. Redemption Provisions and Purchase of Bonds.

(a) Optional Redemption. The Bonds may be subject to redemption at the option of the District on terms acceptable to the Designated Representative, as set forth in the Bond Purchase Agreement, consistent with the parameters set forth in Exhibit A.

(b) Mandatory Redemption. Each Bond that is designated as a Term Bond in a Bond Purchase Agreement, consistent with the parameters set forth in Exhibit A and if not previously redeemed under any optional redemption provisions or purchased and surrendered for cancellation under the provisions as set forth below, shall be called for redemption at a price equal to the stated principal amount to be redeemed, plus accrued interest, on the dates and in the amounts set forth in such Bond Purchase Agreement. If a Term Bond is redeemed under the optional redemption provisions, defeased or purchased by the District and surrendered for cancellation, the principal amount of the Term Bond so redeemed, defeased or purchased (irrespective of its actual redemption or purchase price) shall be credited against one or more scheduled mandatory redemption installments for that Term Bond. The District shall determine the manner in which the credit is to be allocated and shall notify the Bond Registrar in writing of its allocation prior to the earliest mandatory redemption date for that Term Bond for which notice of redemption has not already been given.

(c) Selection of Bonds for Redemption; Partial Redemption. If fewer than all of the outstanding Bonds are to be redeemed at the option of the District, the District shall select the Series and maturities to be redeemed. If fewer than all of the outstanding Bonds within a single maturity of a Series are to be redeemed, the Securities Depository shall select Bonds registered in the name of the Securities Depository to be redeemed in accordance with the Letter of Representations, and the Bond Registrar shall select all other Bonds to be redeemed randomly in such manner as the Bond Registrar shall determine. All or a portion of the principal amount of any Bond that is to be redeemed may be redeemed in any Authorized Denomination. If less than all of the outstanding principal amount of any Bond is redeemed, upon surrender of that Bond to the Bond Registrar, there shall be issued to the Registered Owner, without charge, a new Bond (or Bonds, at the option of the Registered Owner) of the same Series, maturity and interest rate in any Authorized Denomination in the aggregate principal amount to remain outstanding.

(d) Notice of Redemption. Notice of redemption of each Bond registered in the name of the Securities Depository shall be given in accordance with the Letter of Representations. Notice of redemption of each other Bond, unless waived by the Registered Owner, shall be given by the Bond Registrar not less than 20 nor more than 60 days prior to the date fixed for redemption by first-class mail, postage prepaid, to the Registered Owner at the address appearing on the Bond Register on the Record Date. The requirements of the preceding sentence shall be satisfied when notice has been mailed as so provided, whether or not it is actually received by an Owner. In addition, the redemption notice shall be mailed or sent electronically within the same period to the MSRB (if required under the Undertaking), to each Rating Agency, and to such other persons and with such additional information as the Designated Representative shall determine, but these additional mailings shall not be a condition precedent to the redemption of any Bond.

(e) Rescission of Optional Redemption Notice. In the case of an optional redemption, the notice of redemption may state that the District retains the right to rescind the

redemption notice and the redemption by giving a notice of rescission to the affected Registered Owners at any time on or prior to the date fixed for redemption. Any notice of optional redemption that is so rescinded shall be of no effect, and each Bond for which a notice of redemption has been rescinded shall remain outstanding.

(f) Effect of Redemption. Interest on each Bond called for redemption shall cease to accrue on the date fixed for redemption, unless either the notice of optional redemption is rescinded as set forth above, or money sufficient to effect such redemption is not on deposit in the Debt Service Fund or in a trust account established to refund or defease the Bond.

(g) Purchase of Bonds. The District reserves the right to purchase any or all of the Bonds offered to the District at any time at any price acceptable to the District plus accrued interest to the date of purchase.

Section 11. Failure To Pay Bonds. If the principal of any Bond is not paid when the Bond is properly presented at its maturity date or date fixed for redemption, the District shall be obligated to pay interest on that Bond at the same rate provided in the Bond from and after its maturity date or date fixed for redemption until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Debt Service Fund, or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner.

Section 12. Pledge of Taxes. For as long as any of the Bonds are outstanding, the District irrevocably pledges to levy taxes annually without limitation as to rate or amount on all of the taxable property within the District in an amount sufficient, together with other money legally available and to be used therefor, to pay when due the principal of and interest on the Bonds, and the full faith, credit and resources of the District are pledged irrevocably for the annual levy and collection of those taxes and the prompt payment of that principal and interest.

Section 13. Tax Covenants.

(a) Preservation of Tax Exemption for Interest on Bonds. The District covenants that it will take all actions necessary to prevent interest on the Bonds from being included in gross income for federal income tax purposes, and it will neither take any action nor make or permit any use of proceeds of the Bonds or other funds of the District treated as proceeds of the Bonds that will cause interest on the Bonds to be included in gross income for federal income tax purposes. The District also covenants that it will, to the extent the arbitrage rebate requirements of Section 148 of the Code are applicable to the Bonds, take all actions necessary to comply (or to be treated as having complied) with those requirements in connection with the Bonds.

(b) Post-Issuance Compliance. The Secretary is authorized and directed to adopt, amend and implement, on behalf of the District, written procedures to facilitate compliance by the District with the covenants in this Section 13 and the applicable requirements of the Code that must be satisfied after the Issue Date to prevent interest on the Bonds from being included in gross income for federal income tax purposes.

Section 14. Refunding or Defeasance of Bonds. The District may issue refunding bonds pursuant to State law or use money available from any other lawful source to carry out a

refunding or defeasance plan, which may include (a) paying when due the principal of and interest on any or all of the Bonds (the “defeased Bonds”); (b) redeeming the defeased Bonds prior to their maturity; and (c) paying the costs of the refunding or defeasance. If the District sets aside in a special trust fund or escrow account irrevocably pledged to that redemption or defeasance (the “trust account”), money and/or Government Obligations maturing at a time or times and bearing interest in amounts sufficient to redeem, refund or defease the defeased Bonds in accordance with their terms, then all right and interest of the Owners of the defeased Bonds in the covenants of this resolution and in the funds and accounts obligated to the payment of the defeased Bonds shall cease and become void. Thereafter, the Owners of defeased Bonds shall have the right to receive payment of the principal of and interest on the defeased Bonds solely from the trust account and the defeased Bonds shall be deemed no longer outstanding. In that event, the District may apply money remaining in any fund or account (other than the trust account) established for the payment or redemption of the defeased Bonds to any lawful purpose.

Unless otherwise specified by the District in a refunding or defeasance plan, notice of refunding or defeasance shall be given, and selection of Bonds for any partial refunding or defeasance shall be conducted, in the manner prescribed in this resolution for the redemption of Bonds.

Section 15. Debt Service Fund and Deposit of Bond Proceeds.

(a) From the proceeds received from the sale of each Series of Bonds, the Treasurer is authorized and directed to deposit in the Debt Service Fund that amount, if any, of Net Premium that the Designated Representative determines pursuant to Exhibit A of this resolution is to be deposited in the Debt Service Fund (which Net Premium shall be used to pay interest on the Bonds of that Series on their earliest interest payment date or dates).

(b) The principal of and interest on the Bonds of each Series and on all other outstanding unlimited tax general obligation bonds of the District when due shall be paid from the Debt Service Fund. All taxes collected for and allocated to the payment of the principal of and interest on the Bonds shall be deposited in the Debt Service Fund. Until needed to pay principal of and interest on the Bonds, the District may invest taxes collected for and allocated to the payment of the principal of and interest on the Bonds temporarily in any legal investment, and the investment earnings shall be retained in the Debt Service Fund and be spent for the purposes of that fund, except that the Board may authorize the transfer and credit of all or a portion of such investment earnings to another fund of the District pursuant to RCW 28A.320.320.

Section 16. Capital Projects Fund; Deposit of Bond Proceeds and Reduction of Bond Authorization.

(a) The Treasurer is further authorized and directed to deposit in the Capital Projects Fund: (i) Net Premium that the Designated Representative determines, pursuant to Exhibit A of this resolution, is to be used to pay costs of issuing, selling and delivering a Series of Bonds; (ii) Net Premium that the Designated Representative determines, pursuant to Exhibit A of this resolution, is to be deposited in the Capital Projects Fund to be used to pay costs of the Projects other than the costs of issuing, selling and delivering a Series of Bonds; and (iii) the principal proceeds received from the sale of each Series of Bonds.

(b) Principal proceeds and Net Premium, if any, deposited into the Capital Projects Fund from the sale of each Series of Bonds shall be used only for capital purposes that carry out and accomplish the Projects, as permitted by law, which shall not include the replacement of equipment. Until needed to pay costs of carrying out and accomplishing the Projects, the District may invest proceeds of each Series of Bonds temporarily in any legal investment, and the investment earnings shall be retained in the Capital Projects Fund and be spent to pay costs of carrying out and accomplishing the Projects, except that earnings subject to a federal tax or rebate requirement may be withdrawn from the Capital Projects Fund and used for those tax or rebate purposes.

(c) The Bond Authorization shall be reduced by the sum of: (i) the stated principal amount of each Series of Bonds issued under this resolution; and (ii) the amount, if any, of Net Premium deposited into the Capital Projects Fund pursuant to Section 16(a)(ii) of this resolution.

Section 17. Official Statement; Continuing Disclosure.

(a) Preliminary Official Statement. For the sole purpose of the Purchaser's compliance with paragraph (b)(1) of Rule 15c2-12 with respect to any preliminary Official Statement prepared in connection with the sale of each Series of Bonds, the Designated Representative, on the District's behalf, is authorized to: (i) review and "deem final" that preliminary Official Statement as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12; (ii) authorize the distribution by the Purchaser of the "deemed final" preliminary Official Statement to potential purchasers of the Bonds of such Series; and (iii) acknowledge in writing any action taken pursuant to clauses (i) and (ii) of this paragraph.

(b) Official Statement. The Designated Representative is hereby authorized to review and approve on behalf of the District a final Official Statement with respect to any Series of Bonds, substantially in the form of the "deemed final" preliminary Official Statement for that Series of Bonds and supplemented or amended as the Designated Representative determines necessary, desirable, or appropriate. The Designated Representative is authorized to execute each such final Official Statement and the District is authorized to deliver or cause to be delivered that final Official Statement to the Purchaser in the manner required by Rule 15c2-12, the MSRB and the applicable Bond Purchase Agreement.

(c) Undertaking to Provide Continuing Disclosure. If necessary to meet the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to the Purchaser acting as a participating underwriter for a Series of Bonds, the Designated Representative is authorized to execute a written undertaking to provide continuing disclosure for the benefit of holders of a Series of Bonds in substantially the form attached to this resolution as Exhibit B, which is incorporated herein by this reference.

Section 18. Guarantee Program. The District is hereby authorized to participate in the Guarantee Program with respect to the Bonds and agrees to the terms and conditions for participating in the Guarantee Program, as prescribed in chapter 39.98 RCW and the rules promulgated thereunder.

Section 19. Supplemental and Amendatory Resolutions. The District may supplement or amend this resolution for any one or more of the following purposes without the consent of any Owners of the Bonds:

(a) To add covenants and agreements that do not materially adversely affect the interests of Owners, or to surrender any right or power reserved to or conferred upon the District.

(b) To cure any ambiguities, or to cure, correct or supplement any defective provision contained in this resolution in a manner that does not materially adversely affect the interests of Owners.

Section 20. Execution; General Authorization and Ratification. This resolution may be executed by the Directors being present and voting in favor of the resolution, or only the President, and attested by the Secretary, in tangible medium, manual, facsimile or electronic form under any security procedure or platform, and notwithstanding any other District resolution, rule, policy or procedure, or in any other manner evidencing its adoption. The Secretary, the Chief Financial Officer, the Chief Policy and Strategy Officer, the District's Controller, the President, the Treasurer, other appropriate officers of the District and Bond Counsel are severally authorized and directed to take such actions and to create, accept, execute, send, use and rely upon such tangible medium, manual, facsimile or electronic documents, records and signatures under any security procedure or platform, and notwithstanding any other District resolution, rule, policy or procedure, as in their judgment may be necessary or desirable to carry out the terms of, and complete the transactions contemplated by, this resolution and the Bond Purchase Agreements (including everything necessary for the prompt delivery of each Series of Bonds to the Purchaser and for the proper application, use and investment of the proceeds of the sale of Bonds). All actions taken prior to the effective date of this resolution in furtherance of and not inconsistent with the provisions of this resolution are ratified and confirmed in all respects.

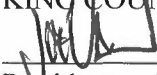
Section 21. Severability. The provisions of this resolution are declared to be separate and severable. If a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, holds any provision of this resolution to be invalid or unenforceable as to any person or circumstance, such offending provision shall, if feasible, be deemed to be modified to be within the limits of enforceability or validity. However, if the offending provision cannot be so modified, it shall be null and void with respect to the particular person or circumstance, and all other provisions of this resolution in all other respects, and the offending provision with respect to all other persons and all other circumstances, shall remain valid and enforceable.

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Section 22. Effective Date of Resolution. This resolution takes effect from and after its adoption.

ADOPTED by the Board of Directors of Highline School District No. 401, King County, Washington, at a regular open public meeting, held this 1st day of February, 2023.

HIGHLINE SCHOOL DISTRICT NO. 401
KING COUNTY, WASHINGTON



President and Director

Vice President and Director



Director

Director

Director

ATTEST:



DR. IVAN DURAN

Secretary to the Board of Directors

EXHIBIT A

Parameters for Final Terms

- | | | |
|-----|------------------------------------|---|
| (a) | Principal Amount. | The Bonds may be issued in one or more Series (as determined by the Designated Representative) and shall not exceed the aggregate principal amount of \$280,000,000. |
| (b) | Date or Dates. | Each Series of Bonds shall be dated its Issue Date, which date shall occur before December 31, 2023. |
| (c) | Denominations; Series Designation. | The Bonds shall be issued in Authorized Denominations. The designation of each Series of Bonds may include a series designation if multiple Series are issued or any other designation, all as determined by the Designated Representative. Conforming changes shall be made in the certificate(s) of authentication authorized by Section 8 of this resolution. |
| (d) | Interest Rate(s). | The Bonds of each Series shall bear interest at fixed rates <i>per annum</i> (computed on the basis of a 360-day year of twelve 30-day months) from the Issue Date for such Series or from the most recent interest payment date for which interest has been paid or duly provided for, whichever is later. The Designated Representative is authorized to select the rate or rates of interest for any Bond of any Series; provided that, no rate of interest for any Bond may exceed 5.50%, and the true interest cost (the "TIC") for each Series of Bonds shall not exceed 5.50%. |
| (e) | Payment Dates. | Interest on each Series of Bonds shall be payable semiannually (on each June 1 and December 1), commencing on the date selected by the Designated Representative that is no later than 12 months following the Issue Date of such Series of Bonds. Principal shall be payable on such date(s) and in such amount(s) as are selected by the Designated Representative; provided that, principal shall only be payable on June 1 and/or December 1 in any given year. |
| (f) | Final Maturity. | The final maturity date of each Series of Bonds shall be a date within 21 years of the Issue Date of such Series. |
| (g) | Redemption Rights. | <p>The Designated Representative may approve in a Bond Purchase Agreement provisions for the optional and mandatory redemption of Bonds, subject to the following:</p> <ol style="list-style-type: none">(1) <u>Optional Redemption</u>. Any Bond may be designated as being (A) subject to redemption at the option of the District prior to its maturity date on the dates and at the prices set forth in a Bond Purchase Agreement; or (B) not subject to redemption prior to its maturity date. If a Bond is subject to optional redemption prior to its maturity, it must be subject to such redemption on one or more dates occurring not more than 10½ years after the Issue Date.(2) <u>Mandatory Redemption</u>. Any Bond may be designated as a Term Bond, subject to mandatory redemption prior to its maturity on the dates and in the amounts set forth in a Bond Purchase Agreement. |
| (h) | Price. | The Aggregate Purchase Price for each Series of Bonds shall not be less than 98% or more than 140% of the aggregate stated principal amount of such Series of Bonds. |

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|-----|--|---|-----|---|-----|--|-----|--|
| (i) | Net Premium. | The Designated Representative shall determine the amounts of Net Premium received from the Purchaser, if any, to be deposited into the Capital Projects Fund and the Debt Service Fund pursuant to Sections 15 and 16 of this resolution; provided that, the Purchaser may retain its underwriter's discount and deduct other costs of issuing, selling and delivering that Series of Bonds from the price paid to the District for such Series of Bonds and pay such other costs of issuing, selling and delivering such Series of Bonds directly to the respective financing participant. | | | | | | |
| (j) | Certificate of Eligibility. | No Series of Bonds may be issued without a valid Certificate of Eligibility. | | | | | | |
| (k) | Other Terms and Conditions. | <table border="0"><tr><td style="vertical-align: top; padding-right: 20px;">(1)</td><td>No Series of Bonds may be issued if it would cause the indebtedness of the District to exceed the District's legal debt capacity on the Issue Date.</td></tr><tr><td style="vertical-align: top; padding-right: 20px;">(2)</td><td>The Designated Representative, in consultation with the Financial Advisor and the Purchaser, may determine that it is in the District's best interest to provide for bond insurance or other credit enhancement, and may accept, on behalf of the District, such additional terms, conditions, and covenants as may be required by the bond insurer, if consistent with the provisions of this resolution.</td></tr><tr><td style="vertical-align: top; padding-right: 20px;">(3)</td><td>The Designated Representative is authorized to take such additional action as may be necessary or convenient for the issuance of Bonds pursuant to the terms of this resolution.</td></tr></table> | (1) | No Series of Bonds may be issued if it would cause the indebtedness of the District to exceed the District's legal debt capacity on the Issue Date. | (2) | The Designated Representative, in consultation with the Financial Advisor and the Purchaser, may determine that it is in the District's best interest to provide for bond insurance or other credit enhancement, and may accept, on behalf of the District, such additional terms, conditions, and covenants as may be required by the bond insurer, if consistent with the provisions of this resolution. | (3) | The Designated Representative is authorized to take such additional action as may be necessary or convenient for the issuance of Bonds pursuant to the terms of this resolution. |
| (1) | No Series of Bonds may be issued if it would cause the indebtedness of the District to exceed the District's legal debt capacity on the Issue Date. | | | | | | | |
| (2) | The Designated Representative, in consultation with the Financial Advisor and the Purchaser, may determine that it is in the District's best interest to provide for bond insurance or other credit enhancement, and may accept, on behalf of the District, such additional terms, conditions, and covenants as may be required by the bond insurer, if consistent with the provisions of this resolution. | | | | | | | |
| (3) | The Designated Representative is authorized to take such additional action as may be necessary or convenient for the issuance of Bonds pursuant to the terms of this resolution. | | | | | | | |

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EXHIBIT B

Form of Undertaking To Provide Continuing Disclosure

Highline School District No. 401, King County, Washington Unlimited Tax General Obligation Bonds, 2023

Highline School District No. 401, King County, Washington (the “District”), makes the following written Undertaking for the benefit of holders of the above-referenced bonds (the “Bonds”) issued pursuant to the District’s Resolution No. 02-23, adopted by the Board of Directors of the District on February 1, 2023 (the “Bond Resolution”), for the sole purpose of assisting the Purchaser in meeting the requirements of paragraph (b)(5) of Rule 15c2-12, as applicable to a participating underwriter for the Bonds. Capitalized terms used but not defined below shall have the meanings given in the Bond Resolution.

(a) Undertaking to Provide Annual Financial Information and Notice of Listed Events. The District undertakes to provide or cause to be provided, either directly or through a designated agent, to the MSRB, in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB:

(i) Annual financial information and operating data of the type included in the final official statement for the Bonds and described in paragraph (b)(i) (“annual financial information”);

(ii) Timely notice (not in excess of 10 business days after the occurrence of the event) of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) bond calls (other than scheduled mandatory redemptions of Term Bonds), if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the District, as such “Bankruptcy Events” are defined in Rule 15c2-12; (13) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the District or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District or obligated person, any of which affect security holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the District or obligated person, any of which reflect financial difficulties. The term “financial obligation” means a (A) debt obligation; (B) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) guarantee of (A) or (B). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12; and

(iii) Timely notice of a failure by the District to provide the required annual financial information described in paragraph (b)(i) on or before the date specified in paragraph (b)(ii).

(b) Type of Annual Financial Information Undertaken to be Provided. The annual financial information that the District undertakes to provide in paragraph (a):

(i) Shall consist of (1) annual financial statements prepared (except as noted in the financial statements) in accordance with applicable generally accepted accounting principles applicable to local governmental units of the State, such as the District, as such principles may be changed from time to time and as permitted by State law; (2) a statement of authorized, issued and outstanding general obligation debt of the District; (3) the assessed value of the property within the District subject to *ad valorem* taxation; and (4) *ad valorem* tax levy rates and amounts, and percentage of taxes collected;

(ii) Shall be provided not later than the last day of the ninth month after the end of each fiscal year of the District (currently, a fiscal year ending August 31), as such fiscal year may be changed as required or permitted by State law, commencing with the District’s fiscal year ending August 31, 2023; and

(iii) May be provided in a single or multiple documents, and may be incorporated by specific reference to documents available to the public on the Internet website of the MSRB or filed with the SEC.

If not submitted as part of the annual financial information described in paragraph (b)(i) above, the District will provide or cause to be provided to the MSRB audited financial statements, when and if available.

(c) Amendment of Undertaking. This Undertaking is subject to amendment after the primary offering of the Bonds without the consent of any holder of any Bond, or of any broker, dealer, municipal securities dealer, participating underwriter, Rating Agency or the MSRB, under the circumstances and in the manner permitted by Rule 15c2-12. The District will give notice to the MSRB of the substance (or provide a copy) of any amendment to the Undertaking and a brief statement of the reasons for the amendment. If the amendment changes the type of annual financial information to be provided, the annual financial information containing the amended financial information will include a narrative explanation of the effect of that change on the type of information to be provided.

(d) Beneficiaries. This Undertaking shall inure to the benefit of the District and the holder of each Bond, and shall not inure to the benefit of or create any rights in any other person.

(e) Termination of Undertaking. The District's obligations under this Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. In addition, the District's obligations under this Undertaking shall terminate if the provisions of Rule 15c2-12 that require the District to comply with this Undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion of Bond Counsel or other counsel familiar with federal securities laws delivered to the District, and the District provides timely notice of such termination to the MSRB.

(f) Remedy for Failure to Comply with Undertaking. As soon as practicable after the District learns of any failure to comply with this Undertaking, the District will proceed with due diligence to cause such noncompliance to be corrected. No failure by the District or other obligated person to comply with this Undertaking shall constitute a default in respect of the Bonds. The sole remedy of any holder of a Bond shall be to take action to compel the District or other obligated person to comply with this Undertaking, including seeking an order of specific performance from an appropriate court.

(g) Designation of Official Responsible to Administer Undertaking. The District's Chief Financial Officer, or such other District official who may in the future perform the duties of that office, is the individual designated to carry out the Undertaking in accordance with Rule 15c2-12, including, without limitation, the following actions:

(i) Preparing and filing the annual financial information undertaken to be provided in paragraph (a)(i);

(ii) Determining whether any failure to provide the annual financial information undertaken to be provided in paragraph (a)(i) has occurred and providing any notice undertaken to be provided in paragraph (a)(iii);

(iii) Determining whether any event specified in items (1)-(16) of paragraph (a)(ii) has occurred, assessing its materiality, where necessary, with respect to the Bonds, and preparing and disseminating any notice undertaken to be provided in paragraph (a)(ii) of its occurrence;

(iv) Determining whether any person other than the District is an "obligated person" within the meaning of Rule 15c2-12 with respect to the Bonds, and obtaining from such person an undertaking to provide any annual financial information and notice of listed events for that person required under Rule 15c2-12;

(v) Selecting, engaging and compensating designated agents and consultants, including but not limited to financial advisors and legal counsel, to assist and advise the District in carrying out this Undertaking; and

(vi) Effecting any necessary amendment of this Undertaking.

CERTIFICATION

I, DR. IVAN DURAN, Secretary to the Board of Directors of Highline School District No. 401, King County, Washington (the "District"), hereby certify as follows:

1. The foregoing Resolution No. 02-23 (the "Resolution") is a full, true and correct copy of the Resolution duly adopted at a regular meeting of the Board of Directors of the District (the "Board") held at its regular meeting place on February 1, 2023 (the "Meeting"), as that Resolution appears in the records of the District, and the Resolution is now in full force and effect; and

2. The Meeting was duly convened, held and included an opportunity for public comment, in all respects in accordance with law, a quorum of the members of the Board was present throughout the Meeting, and a sufficient number of members of the Board present voted in the proper manner for the adoption of the Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand this 1st day of February, 2023.

HIGHLINE SCHOOL DISTRICT NO. 401,
KING COUNTY, WASHINGTON



DR. IVAN DURAN
Secretary to the Board of Directors