

FIRST AMENDMENT TO NOTE PURCHASE AGREEMENT

This FIRST AMENDMENT TO NOTE PURCHASE AGREEMENT (this “*Amendment*”) is dated May 11, 2018 (the “*Amendment Date*”), between CITY OF TACOMA, WASHINGTON, a municipal corporation duly organized and existing under the laws of the State of Washington, acting by and through its Public Utilities Board (the “*Borrower*”), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association, as successor to Wells Fargo Municipal Capital Strategies, LLC pursuant to Section 4.02 of this Amendment. All capitalized terms herein and not defined herein shall have the meanings set forth in the hereinafter defined Original Agreement.

WITNESSETH

WHEREAS, the Borrower and Wells Fargo Municipal Capital Strategies, LLC, as the initial Purchaser, have entered into that certain Note Purchase Agreement dated as of May 1, 2015 (the “*Original Agreement*,” and as amended by this Amendment and as it may be further amended, restated, supplemented or otherwise modified from time to time, the “*Agreement*”);

WHEREAS, pursuant to Section 9.03 of the Original Agreement, the Original Agreement may be amended by a written amendment thereto executed by the Borrower and the hereinafter defined Purchaser; and

WHEREAS, pursuant to Section 9.12 of the Original Agreement and Section 4.02 of this Amendment, Wells Fargo Municipal Capital Strategies, LLC, is transferring its rights as “Purchaser” to Wells Fargo Bank, National Association (the “*Purchaser*”) concurrently herewith; and

WHEREAS, the Purchaser has agreed to make certain amendments to the Original Agreement subject to the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the premises, the parties hereto hereby agree as follows:

1. AMENDMENTS.

Upon the satisfaction of the conditions precedent set forth in Section 2 hereof, the Original Agreement is hereby amended as follows:

1.01. The following definitions in Section 1.01 of the Original Agreement are hereby amended and restated in their entirety to read as follows:

“*Applicable Factor*” means (i) during the Initial Period, (A) from and including the Effective Date to but not including May 11, 2018, 70%, and (B) from and including May 11, 2018 and at all times thereafter, 80%; and (ii) during any other Index Rate Period, with an Approving Opinion, such other percentage as may be designated in writing by the Borrower as the Applicable Factor for such Index Rate Period pursuant to Section 3.10.”

“*Applicable Spread*” means, with respect to each Index Rate Period, the following:

(a) During the Initial Period:

(i) from the Effective Date to but not including May 11, 2018, as set forth in the following schedule:

LEVEL	MOODY'S RATING	S&P RATING	FITCH RATING	APPLICABLE SPREAD
Level 1	Aa3 or above	AA- or above	AA- or above	0.35%
Level 2	A1	A+	A+	0.40%
Level 3	A2	A	A	0.50%
Level 4	A3	A-	A-	0.65%
Level 5	Baa1	BBB+	BBB+	0.90%
Level 6	Baa2	BBB	BBB	1.25%
Level 7	Baa3 or below	BBB- or below	BBB- or below	1.75%

(ii) From and including May 11, 2018, and at all times thereafter, as set forth in the following schedule:

LEVEL	MOODY'S RATING	S&P RATING	FITCH RATING	APPLICABLE SPREAD
Level 1	Aa3 or above	AA- or above	AA- or above	0.43%
Level 2	A1	A+	A+	0.48%
Level 3	A2	A	A	0.58%
Level 4	A3	A-	A-	0.73%
Level 5	Baa1	BBB+	BBB+	0.98%
Level 6	Baa2	BBB	BBB	1.33%
Level 7	Baa3 or below	BBB- or below	BBB- or below	1.83%

In the event of any change in any Rating in the subparagraphs (a)(i) or (a)(ii) above, the Applicable Spread shall be the number of basis points associated with such new rating as set forth in the related schedule. If Ratings are in effect from any two of Moody's, S&P and Fitch, the Applicable Spread shall be equal to the Level set forth above corresponding to the lower Rating from either of such Rating Agencies. If Ratings are in effect from all three of Moody's, S&P and Fitch and only two of such Ratings are equivalent, the Applicable Spread shall be equal to the Level set forth above corresponding to such two equivalent Ratings. If Ratings are in effect from all three of Moody's, S&P and Fitch, and none of such Ratings are equivalent, the Applicable Spread shall be equal to the Level set forth above corresponding to the middle Rating. Any change in the Applicable Spread resulting from a change in a Rating shall be and become effective as of and on the date of

the announcement of the change in such Rating. References to Ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system, the ratings from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system that most closely approximates the applicable rating category as currently in effect. The Borrower acknowledges that as of the First Amendment Effective Date the Applicable Spread is that specified above for Level 1 in subparagraph (ii) above. Any change in the Applicable Spread shall apply to the LIBOR Index Reset Date next succeeding the date on which the change occurs.

(b) During any Index Rate Period other than the Initial Period, the number of basis points determined by the Borrower and the Purchaser on or before the first day of such Index Rate Period and designated by the Borrower in accordance with Section 3.10 (which may include a schedule for the Applicable Spread based upon the ratings assigned to the long term debt of the Borrower as described in subparagraph (a) in this definition) that, when added to the product of the LIBOR Index multiplied by the Applicable Factor (and multiplied by the Margin Rate Factor), as applicable, would equal the minimum interest rate per annum that would enable the Note to be sold on such date at a price equal to the principal amount thereof (without regard to accrued interest, if any, thereon)."

"*Commitment Expiration Date*" means the later of (a) 5:00 p.m. New York City time on August 8, 2020, and (b) 5:00 p.m. New York City time on the last day of any extension of such date pursuant to Section 3.10 hereof or, if such last day is not a Business Day, the Business Day next preceding such day."

"*Event of Taxability*" means the date on which all or any portion of the interest paid or payable on the Note is includable, in whole or in part, in the gross income of the Noteholder."

"*Initial Purchaser*" means (i) from the Effective Date to but not including the First Amendment Effective Date, Wells Fargo Municipal Capital Strategies, LLC, and (ii) from and including the First Amendment Effective Date and at all times thereafter, Wells Fargo Bank, National Association."

"*LIBOR*" means the rate of interest per annum determined by the Calculation Agent based on the rate for United States dollar deposits for delivery on the LIBOR Index Reset Date for a period equal to one month as reported on Reuters Screen LIBOR01 page (or any successor page) at approximately 11:00 a.m., London time, on each Computation Date (or if not so reported, then as determined by the Calculation Agent from another recognized source of interbank quotation). Notwithstanding anything to the contrary in the foregoing, in the event that LIBOR shall be equal to or less than zero percent (0.0%), LIBOR shall be deemed to be zero percent (0.0%)."

“*Majority Noteholder*” means the Noteholders with a majority of the aggregate ownership interest in advances evidenced by the Note from time to time. As of the First Amendment Effective Date, Wells Fargo Bank, National Association, shall be the Majority Noteholder.”

“*Margin Rate Factor*” means the greater of (i) 1.0 and (ii) the product of (a) one minus the prevailing Maximum Federal Corporate Tax Rate multiplied by (b) the quotient of (1) one divided by (2) one minus the Maximum Federal Corporate Tax Rate on the MRF Pricing Date. The effective date of any change in the Margin Rate Factor shall be the effective date of the decrease or increase (as applicable) in the Maximum Federal Corporate Tax Rate resulting in such change. As of the First Amendment Effective Date, the Margin Rate Factor is 1.0.”

“*Maximum Federal Corporate Tax Rate*” means, for any day, the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect as of such day (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to the Purchaser, the maximum statutory rate of federal income taxation which could apply to the Purchaser). As of the First Amendment Effective Date, the Maximum Federal Corporate Tax Rate is 21%.”

“*Purchaser*” means, initially, Wells Fargo Bank, National Association, and its successors and assigns, and upon the receipt from time to time by the Paying Agent and the Borrower of a notice described in Section 9.12(a) from time to time means the Person designated in such notice as the Purchaser, as more fully provided in Section 9.12(a) hereof.”

“*Purchaser Affiliate*” means the Purchaser and any Affiliate of the Purchaser, and includes, without limitation, Wells Fargo Municipal Capital Strategies, LLC, and Wells Fargo Securities (a trade name).”

“*Rating*” means the long-term unenhanced credit rating assigned by any Rating Agency to any Senior Debt, at the request of the Borrower.”

“*Scheduled Mandatory Tender Date*” means the Commitment Expiration Date, which, for the avoidance of doubt, initially means August 8, 2020.”

“*Tax Certificate*” means that certain Tax Certificate dated May 12, 2015, or the Tax Certificate dated as of the First Amendment Effective Date, as applicable, each by the Borrower, relating to the Note, as the same may be amended or supplemented from time to time.”

“*Taxable Rate*” means, with respect to a Taxable Period, the product of (i) the average interest rate on the Note during such period and (ii) Taxable Rate Factor.”

1.02. The following definitions are hereby added to Section 1.01 of the Original Agreement in the appropriate alphabetical order to read as follows:

“*First Amendment Effective Date*” means May 11, 2018.”

“*MRF Pricing Date*” means the First Amendment Effective Date, and any subsequent date on which (i) either the Scheduled Mandatory Tender Date or the Commitment Expiration Date is modified or (ii) the interest rate on the Note is converted pursuant to Section 3.10 of the Agreement.”

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

1.03. Section 3.01(c) of the Original Agreement is hereby amended and restated in its entirety to read as follows:

“(c) The Borrower shall pay or cause to be paid to the Initial Purchaser on July 1, 2015, for the period commencing on the Effective Date, to and including June 30, 2015, and in arrears on the first Business Day of each October, January, April and July to occur thereafter to the Termination Date, and on the Termination Date, a non-refundable commitment fee (the “*Commitment Fee*”) in an amount equal to the product of the Rating (as defined below) then in effect as specified in the subparagraphs (i) and (ii) below (the “*Commitment Fee Rate*”) and the daily average Unutilized Amount during the related quarterly period, at the rates set forth in subparagraphs (i) and (ii) below:

(i) From and including the Effective Date to but not including May 11, 2018, as set forth in the following schedule:

LEVEL	MOODY’S RATING	S&P RATING	FITCH RATING	COMMITMENT FEE RATE
Level 1	Aa3 or above	AA- or above	AA- or above	0.175%
Level 2	A1	A+	A+	0.225%
Level 3	A2	A	A	0.275%
Level 4	A3	A-	A-	0.325%
Level 5	Baa1	BBB+	BBB+	0.475%
Level 6	Baa2	BBB	BBB	0.725%
Level 7	Baa3 or below	BBB- or below	BBB- or below	1.075%

(ii) From and including May 11, 2018, and at all times thereafter, as set forth in the following schedule:

LEVEL	MOODY'S RATING	S&P RATING	FITCH RATING	COMMITMENT FEE RATE
Level 1	Aa3 or above	AA- or above	AA- or above	0.215%
Level 2	A1	A+	A+	0.265%
Level 3	A2	A	A	0.315%
Level 4	A3	A-	A-	0.365%
Level 5	Baa1	BBB+	BBB+	0.515%
Level 6	Baa2	BBB	BBB	0.765%
Level 7	Baa3 or below	BBB- or below	BBB- or below	1.115%

If Ratings are in effect from any two of Moody's, S&P and Fitch, the Commitment Fee Rate shall be equal to the Level set forth above corresponding to the lower Rating from either of such Rating Agencies. If Ratings are in effect from all three of Moody's, S&P and Fitch and only two of such Ratings are equivalent, the Commitment Fee Rate shall be equal to the Level set forth above corresponding to such two equivalent Ratings. If Ratings are in effect from all three of Moody's, S&P and Fitch, and none of such Ratings are equivalent, the Commitment Fee Rate shall be equal to the Level set forth above corresponding to the middle Rating. Any change in the Commitment Fee Rate resulting from a change in a Rating shall be and become effective as of and on the date of the announcement of the change in such Rating. References to Ratings above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system, the ratings from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system that most closely approximates the applicable rating category as currently in effect. Upon the occurrence and during the continuance of an Event of Default (whether or not the Purchaser declares an Event of Default in connection therewith), the Commitment Fee Rate shall immediately and without notice increase by two percent (2.00%) per annum above the Commitment Fee Rate otherwise in effect. The Commitment Fee shall be payable quarterly in arrears, together with interest on the Commitment Fee from the date payment is due until payment in full at the Default Rate. The Borrower acknowledges that as of the First Amendment Effective Date the Commitment Fee Rate is that specified above for Level 1 in subparagraph (ii) above."

1.03. Section 3.02 of the Original Agreement is hereby amended and restated in its entirety to read as follows:

"Section 3.02. Default Rate. Upon the occurrence and during the continuance of an Event of Default and, for the avoidance of doubt, during the Directed Amortization Period after the Directed Mandatory Tender Date, the Obligations of the Borrower hereunder (to the extent a rate is not otherwise specified) shall bear interest at the Default Rate, which shall be payable by the

Borrower to each Noteholder (or, if applicable, the Purchaser) upon demand therefor and be calculated on the basis of a 360-day year and actual days elapsed.”

1.04. Section 5.27 of the Original Agreement is amended and restated in its entirety to read as follows:

“Section 5.27. *Reserved.*”

1.05. Section 6.03(b) of the Original Agreement is hereby amended and restated in its entirety to read as follows:

“(b) *Unaudited Quarterly Financials; Quarterly Compliance Certificates.* As soon as available, and in any event within 60 days after the end of each calendar quarter ending March 31, June 30 and September 30, (i) the unaudited financial statements of the Borrower, including the balance sheet as of the end of such calendar quarter and a statement of income and expenses, all in reasonable detail and certified, subject to year-end adjustment and (ii) a Compliance Certificate signed by an appropriate officer of the Borrower stating that no Event of Default or Default has occurred, or if such Event of Default or Default has occurred, specifying the nature of such Event of Default or Default, the period of its existence, the nature and status thereof and any remedial steps taken or proposed to correct such Event of Default or Default.”

1.06. Section 9.05 of the Original Agreement is amended by amending and restating the portion thereof relating to the Purchaser as follows:

“The Purchaser: Wells Fargo Bank, National Association
1248 O Street
Lincoln, Nebraska 68508
Attention: Monica Balters
Telephone: (402) 434-4241
E-mail: monica.l.balters@wellsfargo.com

The Purchaser with respect to any Request for Advance: Wells Fargo Bank, National Association
1248 O Street
Lincoln, Nebraska 68508
Attention: Monica Balters
Telephone: (402) 434-4241
E-mail: monica.l.balters@wellsfargo.com

With a copy to: E-mail: readie.callahan@wellsfargo.com
E-mail: ryan.greene@wellsfargo.com
E-mail: matthew.antunes@wellsfargo.com
E-mail: madeline.d.smith@wellsfargo.com
E-mail: jason.pollack@wellsfargo.com”

1.07. The Section 9.12(a) and 9.12(b) of the Original Agreement are hereby amended and restated in their entirety to read as follows:

“(a) *Successors and Assigns Generally.* This Agreement is a continuing obligation and shall be binding upon the Borrower, its successors, transferees and assigns and shall inure to the benefit of the Noteholders and their respective permitted successors, transferees and assigns. The Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Purchaser. For avoidance of doubt, the Purchaser may not assign its obligation to make Advances hereunder unless the Purchaser receives the written consent of each of the Borrower and the Paying Agent. Each Noteholder may, in its sole discretion and in accordance with applicable Law, from time to time assign, sell or transfer in whole or in part, this Agreement, its interest in the Note and the Related Documents in accordance with the provisions of paragraph (b) or (c) of this Section. Each Noteholder may at any time and from time to time enter into participation agreements in accordance with the provisions of paragraph (d) of this Section. Each Noteholder may at any time pledge or assign a security interest subject to the restrictions of paragraph (e) of this Section. Wells Fargo Bank, National Association, shall be the Purchaser hereunder until such time as the Majority Noteholder designates an alternate Person to serve as the Purchaser hereunder by delivery of written notice to the Borrower and the Paying Agent and such Person accepts and agrees to act as the Purchaser hereunder and under the Related Documents. The Majority Noteholder may so designate an alternate Person to act as the Purchaser from time to time. Upon acceptance and notification thereof to the Borrower and the Paying Agent, the successor to the Purchaser for such purposes shall thereupon succeed to and become vested with all of the rights, powers, privileges and responsibilities of the Purchaser, and Wells Fargo Bank, National Association, or any other Person being replaced as the Purchaser shall be discharged from its duties and obligations as the Purchaser hereunder.

(b) *Sales and Transfers by Noteholder to a Purchaser Transferee.* Without limitation of the foregoing generality, a Noteholder may at any time sell or otherwise transfer to one or more transferees all or a portion of its ownership interest in the Note to a Person that is (i) a Purchaser Affiliate or (ii) a trust or other custodial arrangement established by the Purchaser or a Purchaser Affiliate, the owners of any beneficial interest in which are limited to “qualified institutional buyers” as defined in Rule 144A promulgated under the 1933 Act (each, a “*Purchaser Transferee*”). From and after the date of such sale or transfer, Wells Fargo Bank, National Association (and its successors), shall continue to have all of the rights of the Purchaser hereunder and under the Related Documents as if no such transfer or sale had occurred; *provided, however*, that (A) no such sale or transfer referred to in clause (b)(i) or (b)(ii) hereof shall in any way affect the obligations of the Purchaser hereunder, (B) the Borrower and the Paying Agent shall be required to deal only with the Purchaser with respect to any matters under this Agreement and (C) in the case of a sale or transfer referred to in clause (b)(i)

or (b)(ii) hereof, only the Purchaser shall be entitled to enforce the provisions of this Agreement against the Borrower.”

1.08. Article IX of the Original Agreement is hereby amended by the addition of the following Section 9.13 in the appropriate order thereto:

“*Section 9.13. No Advisory or Fiduciary Responsibility.* In connection with all aspects of the transactions contemplated by this Agreement and the Related Documents (including in connection with any amendment, waiver or other modification of this Agreement or of any Related Document), the Borrower acknowledges and agrees that: (a)(i) any arranging, structuring and other services regarding this Agreement and the Related Documents provided by the Purchaser or any Affiliate of the Purchaser are arm’s length commercial transactions between the Borrower on the one hand, and the Purchaser and any Affiliate of the Purchaser on the other hand, (ii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated by this Agreement and the Related Documents; (b)(i) the Purchaser and each Affiliate of the Purchaser is and has been acting solely as a principal and has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any other Person and (ii) neither the Purchaser nor any Affiliate of the Purchaser has any obligation to the Borrower with respect to the transactions contemplated by this Agreement and the Related Documents, except those obligations expressly set forth herein; and (c) the Purchaser and each Affiliate of the Purchaser may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower, and neither the Purchaser nor any Affiliate of the Purchaser has any obligation to disclose any of such interests to the Borrower. To the fullest extent permitted by applicable Laws, the Borrower hereby waives and releases any claims that it may have against the Purchaser and each Affiliate of the Purchaser with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of the transactions contemplated by this Agreement and the Related Documents.”

1.09. Each reference to “Wells Fargo Municipal Capital Strategies, LLC” set forth in Exhibits A, B, C, D, E, and F of the Original Agreement shall be replaced in each instance with “Wells Fargo Bank, National Association.”

2. CONDITIONS PRECEDENT.

This Amendment shall be effective as of the Amendment Date subject to the satisfaction of or waiver by the Purchaser of all of the following conditions precedent:

2.01. Delivery by the Borrower of an executed (a) counterpart of this Amendment, (b) Ordinance No. [_____] passed by the City Council on [May __, 2018] (the “*Supplemental Ordinance*”) and (c) IRS Form 8038-G.

2.02. The following statements shall be true and correct as of the date hereof:

(a) the representations and warranties of the Borrower contained in Article V of the Original Agreement are true and correct on and as of the date hereof as though made on and as of such date (except to the extent the same expressly relate to an earlier date); and

(b) no Default or Event of Default nor any condition, event or act which with the giving of notice or the passage of time or both would constitute an Event of Default has occurred and is continuing or would result from the execution of this Amendment.

2.03. Receipt by the Purchaser of (a) an authorizing resolution of the Public Utilities Board as the governing body of the Borrower approving this Amendment, the Supplemental Ordinance and the extension of and amendments to the Note, (b) an executed replacement Note naming Wells Fargo Bank, National Association, as holder, (c) a certificate dated the Amendment Date and executed by a Borrower Representative certifying the names and signatures of the persons authorized to sign, on behalf of the Borrower, this Amendment and the Supplemental Ordinance and the other documents to be delivered by it hereunder or thereunder, and (d) an opinion of Note Counsel, on which the Purchaser is entitled to rely, in form and substance reasonably acceptable to the Purchaser, to the effect that interest on the Note is excludable from gross income for federal income tax purposes, and including such other customary matters as the Purchaser may reasonable request.

2.04. Payment to counsel to the Purchaser its reasonable fees and expenses in connection herewith.

2.05. All other legal matters pertaining to the execution and delivery of this Amendment shall be reasonably satisfactory to the Purchaser and its counsel.

3. REPRESENTATIONS AND WARRANTIES OF THE BORROWER.

In addition to the representations given in Article V of the Original Agreement, the Borrower hereby represents and warrants as follows:

3.01. The execution, delivery and performance by the Borrower of this Amendment and the Original Agreement, as amended hereby, are within its powers, have been duly authorized by all necessary action and do not contravene any law, rule or regulation, any judgment, order or decree or any contractual restriction binding on or affecting the Borrower.

3.02. No authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Borrower of this Amendment or the Original Agreement, as amended hereby.

3.03. This Amendment and the Original Agreement, as amended hereby, constitute legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their respective terms, except that (i) the enforcement thereof may be limited by bankruptcy,

reorganization, insolvency, liquidation, moratorium and other laws relating to or affecting the enforcement of creditors' rights and remedies generally, as the same may be applied in the event of the bankruptcy, reorganization, insolvency, liquidation or similar situation of the Borrower, and (ii) no representation or warranty is expressed as to the availability of equitable remedies.

4. MISCELLANEOUS.

4.01. Except as specifically amended herein, the Original Agreement shall continue in full force and effect in accordance with its terms. Reference to this Amendment need not be made in any note, document, agreement, letter, certificate, the Agreement or any communication issued or made subsequent to or with respect to the Original Agreement, it being hereby agreed that any reference to the Original Agreement shall be sufficient to refer to, and shall mean and be a reference to, the Original Agreement, as hereby amended and as it may be further amended in the future in accordance with its terms. In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby. All capitalized terms used herein without definition shall have the same meanings herein as they have in the Original Agreement. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF WASHINGTON WITHOUT GIVING EFFECT TO CONFLICTS OF LAWS PROVISIONS.

4.02. On the Amendment Date, Wells Fargo Municipal Capital Strategies, LLC, in its capacity as the (i) Initial Purchaser, (ii) Purchaser and (iii) Majority Noteholder, transfers its (x) obligation to make Advances under the Agreement and (y) interest in the Note and the other Related Documents, to Wells Fargo Bank, National Association, an Affiliate thereof, in accordance with Section 9.12(a) and Section 9.12(b) of the Agreement, as applicable, and Section 4.3(d) of the Master Subordinate Bond Ordinance and Section 3.3 of the Supplemental Ordinance. Pursuant to Section 9.12(a) of the Agreement, the Borrower and Paying Agent hereby consent to, and waive their respective right to written notice of, the designation by Wells Fargo Municipal Capital Strategies, LLC, of Wells Fargo Bank, National Association, as "Purchaser" under the Agreement and the transfer of any and all rights under the Note and the Related Documents thereto.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the Amendment Date.

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Purchaser

By _____

Name:

Title:

CITY OF TACOMA, WASHINGTON, as Borrower

By _____

Name: _____

Title: _____

ACKNOWLEDGED AND CONSENTED TO BY:

WELLS FARGO MUNICIPAL CAPITAL
STRATEGIES, LLC, as Initial Purchaser

By _____

Name: Kristina Eng

Title: Vice President

CITY OF TACOMA, as Paying Agent

By _____

Name:

Title: