



July 17, 2015

Lewis County, Washington
351 NW North Street
Chehalis, WA 98532

Public Financial Management

Thank you for the opportunity to present the Lewis County with Columbia Bank's proposal for the purchase of a non-voted Limited Tax General Obligation bond with proceeds to refund existing General Obligation indebtedness of the County. Terms and conditions in the following proposal are subject to final credit approval of Columbia Bank.

Confidential Terms and Conditions:

Issuer:	Lewis County, Washington.
Total Amount:	\$3,780,000.
Purpose:	To refund existing General Obligation indebtedness of County.
Form:	Tax-exempt, bank qualified limited tax general obligation Bond (the Bond) issued by the County and purchased by Columbia Bank (the Bank) at private sale. The bond will be supported by the full faith and credit of the County, including the County's operating levy.
Collateral:	The bond will be supported by a pledge of the full faith and credit of the County, including the County's operating levy, consistent with previously issued Limited Tax General Obligation indebtedness.
Interest Rate:	Subject to the County maintaining the Bond as qualified tax-exempt obligations and the principal payment scheduling remaining approximately as requested by the County, the Bond will bear a fixed interest rate of 2.13% calculated on a 30/360 day basis. This rate is good based on a closing by August 15, 2015 and would be subject to change if closing does not occur by this date. In the event of nonpayment or loss of tax-exempt status, the interest rate would increase to 3.40% at the election of the Bank.
Closing:	The Bank anticipates closing on or around August 15 th . We otherwise concur with the schedule of events as outlined in the request for proposal.
Repayment:	Semi-annual interest payments are due beginning December 1, 2015. Annual principal payments are due each December 1 at a level that will fully amortize the final financed amount by maturity. The final amortization schedule will be established subsequent to closing.
Term:	The final maturity is December 1, 2024.
Prepayment:	The Bond may not be prepaid during the first 5 years. At the end of 5 years there will be no penalty or fee for prepayment.

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Fees: The County will pay a one-time commitment fee of \$3,780.00. The County will pay bank counsel fees necessary to close the transaction satisfactory to the Bank. Bank counsel fees are estimated not to exceed \$3,000.

Conditions: In addition to any other conditions required by the Bank, the Bank shall have reviewed and approved the resolution of the County authorizing issuance of the Bond; shall have received an opinion from bond counsel satisfactory to the Bank that the resolution is duly adopted, the Bond is duly issued, the Bond is the valid, binding, enforceable obligation of the County.

Financial Reporting: For as long as the obligation is outstanding, the County will provide the following information: Within 30 days of completion by the state auditor, a copy of the audited financial statements of the County.

Copy of the County's budget; within 30 days of a final approved budget.

Bond documents will be in standard form customarily required by the Bank for municipal funding and may include additional terms and conditions not discussed above. At the date of closing, the financial condition and credit of the County and all other features of this transaction will be as represented to the Bank without material or adverse change.

Thank you for this opportunity to work with the County and its finance team.

If the County wishes to accept financing as outlined in this proposal then please sign below and return to me by July 31, 2015, or terms of this proposal will terminate.

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

Very truly yours,



Luke Pingel
VP, Commercial Banking Officer
Municipal Finance

Acknowledged and accepted:
Lewis County, Washington

By: _____

Title: _____

Date: _____