

## INDEMNIFICATION AGREEMENT

THIS AGREEMENT is entered into as of \_\_\_\_\_, between the WASHINGTON STATE HOUSING FINANCE COMMISSION, a public body corporate and politic and an instrumentality of the State of Washington (the “Commission”) under the provisions of the Revised Code of Washington Ch. 43.180, as amended, and \_\_\_\_\_, a Washington nonprofit corporation (the “School”).

Section 1. Services to be Provided by the Commission. The Commission received the School’s application for the financing of school facilities (the “Project”) and a copy of the completed Nonprofit Religiously Affiliated School Questionnaire. The Commission and its bond counsel will undertake a review of the eligibility of the School and the Project for tax-exempt financing. If the School and Project qualify for tax-exempt financing, the Commission will adopt a resolution of inducement (the “Official Intent Declaration”) with respect to the School and the Project.

The Commission will cooperate with the School and its banker in arranging for the financing of the Project through the issuance of the Commission’s non-recourse revenue bonds in the principal amount of approximately \$\_\_\_\_\_ (the “Bonds”).

Section 2. Application Fee and Review Fee. The School has paid a nonrefundable application fee of \$\_\_\_\_\_ and a review fee of \$3,000.00.

Section 3. Indemnification. The School agrees that it will at all times indemnify and hold harmless the Commission against all losses, costs, damages, expenses and liabilities (collectively referred to herein as “Losses”) of whatsoever nature (including but not limited to attorneys’ fees, litigation and court costs, amounts paid in settlement, and amounts to discharge judgments) directly or indirectly resulting from, arising out of, or related to one or more Claims, as hereinafter defined.

The term “Claims” as used herein shall mean all claims, lawsuits, causes of action, and other legal actions and proceedings of whatsoever nature, including but not limited to claims, lawsuits, causes of action, and other legal actions and proceedings, involving questions relating to the eligibility of the School and the Project for tax-exempt financing, involving bodily or personal injury or death of any person or damage to any property (including but not limited to persons employed by the Commission, the School or any other person and all property owned or claimed by the Commission, the School, any affiliate of the School or any other person) or involving damages relating to the issuance, offering, sale or delivery of the Bonds brought by or against the Commission or to which the Commission is a party, even if groundless, false or fraudulent, that directly or indirectly result from, arise out of or relate to the design, construction, operation, use, occupancy, maintenance or ownership of the Project or any part thereof or from the issuance, offering (other than Claims arising from information about the Commission contained in the official statement prepared in connection with such offering), sale or delivery of the Bonds or terms or covenants thereof. The obligations of the School shall

apply to all Losses or Claims, or both, that result from, arise out of, or are related to any event, occurrence, condition or relationship arising from the issuance, offering (other than Losses or Claims arising from information about the Commission contained in the official statement prepared in connection with such offering), sale or delivery of the Bonds, whether such Losses or Claims, or both, are asserted.

The Commission will not be liable to the School for, and the School hereby releases the Commission from, all liability for all or any part or parts of any Losses or Claims occurring as a result of injuries, damages or destruction by or to any property owned or claimed by the School that directly or indirectly result from, arise out of or relate to the design, construction, operation, use, occupancy, maintenance or ownership of the Project or any part thereof. The Commission shall reimburse the School for payments made by the School to the extent of any proceeds, net of all expenses of collection, actually received by the Commission from any insurance with respect to the loss sustained. The Commission shall have the duty to claim any such insurance proceeds and the Commission shall assign its rights to such proceeds, to the extent of such required reimbursement, to the School. In case any action shall be brought against the Commission in respect of which indemnity may be sought against the School, the Commission shall promptly notify the School in writing; the School shall have the right to assume the investigation and defense thereof, including the employment of counsel and the payment of all expenses; and the Commission shall cooperate with the School in connection with the investigation and defense thereof. The Commission shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by the Commission unless the employment of such counsel has been authorized by the School. The School shall not be liable for any settlement of any such action without its consent, but if any such action is settled with the consent of the School or if there be final judgment for the plaintiff of any such action, the School agrees to indemnify and hold harmless the Commission from and against any Losses by reason of such settlement or judgment. The provisions of this Section shall survive the expiration or termination of this Agreement.

In the event of any examination of the Bond issue following the issuance of the Bonds by any governmental agency:

- (i) the party receiving notice of such examination shall promptly notify the other party.
- (ii) the School shall assume responsibility (including payment of all expenses with respect thereto) for
  - (A) responding to inquiries,
  - (B) communicating with the inquiring agency promptly, and
  - (C) defending, if necessary, the validity and status of the Bonds.
- (iii) Bond Counsel will cooperate fully and promptly at the request and expense of the School, in responding to any regulatory enquiry.

IN WITNESS WHEREOF, the Commission has caused its name to be hereunto subscribed and the School has executed this document as of the year and date first above written.

WASHINGTON STATE HOUSING  
FINANCE COMMISSION

By \_\_\_\_\_  
Executive Director

[SCHOOL]

By \_\_\_\_\_  
Its \_\_\_\_\_