

FIRST AMENDMENT TO INTERCREDITOR COOPERATION AGREEMENT

This First Amendment to Intercreditor Cooperation Agreement (“**Amendment**”) is made as of the 8th day of August, 2025, by the CITY OF OLYMPIA, a Washington municipal corporation (“**Olympia**”); COMMENCEMENT BANK, a Washington banking corporation (“**Commencement**”); and HANDS ON CHILDREN’S MUSEUM, a Washington nonprofit corporation (“**HOCM**”). Olympia, Commencement, and HOCM are collectively referred to herein as the “**Parties**”.

WHEREAS, Olympia, Thurston First Bank (“**Thurston**”), and HOCM previously entered into that certain Intercreditor Cooperation Agreement, dated September 14, 2010 (the “**Agreement**”), regarding certain obligations of HOCM, to include a loan from Thurston to HOCM in the maximum amount of Four Million and Seventy-Five Thousand Dollars (\$4,075,000.00) (the “**Loan**”), the lease of certain real property from Olympia to HOCM, and the financing of improvements to the leased property.

WHEREAS, Commencement is the successor in interest to Thurston with respect to the Agreement and the Loan.

WHEREAS, Commencement and HOCM seek to refinance the Loan in to three separate loans (collectively, the “**New Loans**”), and have provided Olympia copies of the proposed new loan documents (collectively, the “**Loan Documents**”), to include:

1. Business Loan Agreement, Commercial Promissory Note, and Commercial Security Agreement, evidencing a \$1,267,523.98 Loan from Commencement to HOCM (Loan No. XXXXXXXX4201);
2. Business Loan Agreement, Commercial Line of Credit Agreement and Note, and Commercial Security Agreement, evidencing a \$300,000.00 line of credit from Commencement to HOCM (Loan No. XXXXXXXX4301);
3. Business Loan Agreement, Commercial Line of Credit Agreement and Note, and Commercial Security Agreement, evidencing a \$1,500,000.00 Line of Credit from Commencement to HOCM (Loan No. XXXXXXXX4302).

WHEREAS, the Parties each acknowledge and agree that it is in their respective interests to allow the refinance of the Loan.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. **Consent to Refinance.** Olympia consents to the refinance of the Loan into the New Loans, to include the form of the Loan Documents agreed to by HOCM and Commencement. All references to the Loan in the Agreement shall instead hereafter refer to the New Loans.

2. **Collateral.** Olympia and HOCM acknowledge and agree that the New Loans, as refinances of the Loan, shall continue to be secured by a first position lien in the collateral referenced on Exhibit 1 to the Agreement, together with the collateral referenced in the Commercial Security Agreements included in the Loan Documents.

3. **Notice.** Notice under the Agreement for Commencement shall be delivered to:

Commencement Bank
600 Franklin St. SE, Ste. 102
Olympia, WA 98501
(253) 284-1800

With a copy to:

Eisenhower Carlson PLLC
ATTN: Darren R. Krattli
909 A Street, Suite 600
Tacoma, WA 98402
(253) 572-4500
dkrattli@eisenhowerlaw.com

4. **Continued Application of Agreement.** Except as expressly set forth herein, the terms and conditions of the Agreement shall continue in full force and effect and shall be incorporated herein by this reference.

5. **Execution by Faxed/Emailed/Electronic Signatures.** The Parties agree that faxed, emailed, or transmission of electronic signatures on this document shall be considered binding on the signing party to the same extent as original signatures.

6. **Binding on Successors/Assigns.** The Parties agree that the Agreement as amended hereby shall be binding on and shall benefit any of their successors and/or assigns of any of the Collateral and/or security interests.

7. **Counterparts.** This Agreement may be executed in one or more counterparts, and all such counterparts together shall constitute one and the same instrument.

8. **Continuing Authority.** The individuals executing this Amendment on behalf of the Parties represent and warrant by their signatures (1) all necessary corporate actions were taken to authorize them to sign this Amendment as agent on behalf of their respective entity, and (2) executing this Agreement and taking the actions authorized hereby do not violate any law, contract or corporate documents applicable to or binding on their respective entity.

NOTICE CONCERNING ORAL AGREEMENTS

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.

DATED as of the date set forth above.

PARTIES:

COMMENCEMENT BANK

CITY OF OLYMPIA

By: _____
Name: _____
Title: _____

By: Steven J. Burney
Steven J Burney (Aug 11, 2025 11:21:50 PDT)
Name: Steven J. Burney
Title: City Manager

HANDS ON CHILDREN'S MUSEUM

By: _____
Name: _____
Title: _____







CB-HOCM-Olympia - First Amendment to Intercreditor Cooperation Agreement

Final Audit Report

2025-08-11

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"CB-HOCM-Olympia - First Amendment to Intercreditor Cooperation Agreement" History

-  Document created by Kari Pitharoulis (kpitharo@ci.olympia.wa.us)
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-  Email viewed by jburney@ci.olympia.wa.us
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-  Signer jburney@ci.olympia.wa.us entered name at signing as Steven J Burney
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-  Document e-signed by Steven J Burney (jburney@ci.olympia.wa.us)
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