

April 10 , 1991

INTRODUCED BY: LOIS NORTH

PROPOSED NO. 91 - 288

ORDINANCE NO. 9920

AN ORDINANCE providing for the issuance of unlimited tax general obligation bonds in the principal amount of \$9,315,000 for the purpose of providing part of the funds necessary to pay the capital costs of the Pacific Medical Center project; providing for the annual levy of taxes to pay the principal thereof and the interest thereon; and creating the Pacific Medical Center Construction Fund in the county treasury.

PREAMBLE:

Pursuant to Ordinance No. 8196, King County authorized the issuance of up to \$99,800,000 in aggregate principal amount of unlimited tax general obligation bonds for the purpose of providing all or part of the money necessary to pay the costs of accomplishing certain regional health care capital improvements to Harborview Medical Center, Pacific Medical Center and five health centers and clinics operated in whole or in part by the Seattle-King County department of public health. Ordinance No. 8196 provided, among other things, that the maximum amount of principal proceeds of such bonds to be made available to the Pacific Medical Center project would be \$9,315,000.

At a special election held in conjunction with the general election on November 3, 1987, the number and proportion of the qualified electors of King County required by law for the adoption thereof voted in favor of the issuance of the bonds as authorized by Ordinance No. 8196.

It now appears necessary and advisable that \$9,315,000 of such bonds be sold and issued to provide part of the funds necessary to pay the capital costs of the Pacific Medical Center project.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Definitions. Unless the context otherwise requires, the terms defined in this section, for all purposes of this ordinance and of any ordinance supplemental hereto, shall have the meanings herein specified; words importing the singular number include the plural number and vice versa:

A. "Beneficial Owner" means the person named on the records of the custodian as having the right, without a physical

1 certificate evidencing such right, to transfer, to hypothecate  
2 and to receive the payment of the principal of and the interest  
3 on each Bond, when due.

4 B. "Bonds" means \$9,315,000 principal amount King County,  
5 Washington, Unlimited Tax General Obligation Bonds, 1991,  
6 Series C (Regional Health Care Capital Improvements/Pacific  
7 Medical Center Project), dated April 15, 1991, the sale and  
8 issuance of which are authorized by this ordinance.

9 C. "Bond Fund" means the King County Unlimited General  
10 Obligation Bond Redemption Fund.

11 D. "Bond Register" means the registration books on which  
12 are maintained the names and addresses of the owners or nominees  
13 of the owners of the Bonds.

14 E. "Book-Entry Termination Date" means the date upon  
15 which the Registrar receives from the Custodian the previously  
16 immobilized certificates evidencing the outstanding Bonds  
17 following the determination by the county that it is in the best  
18 interests of the Beneficial Owners that they be able to obtain  
19 Bond certificates.

20 F. "Cooperation Agreement" means the Interlocal  
21 Cooperation Agreement between the county and the Pacific Health  
22 Public Development Authority.

23 G. "County Finance Manager" means the manager of the  
24 finance division of the King County office of financial  
25 management or any other county officer succeeding to the  
26 principal functions thereof.

27 H. "Custodian" means the company engaged from time to  
28 time by the county to operate a "book-entry" system for  
29 recording, through electronic or manual means the Beneficial  
30 Owners of the Bonds, in which system no physical certificates  
31 are issued to the Beneficial Owners of the Bonds, but in which a  
32 limited number of physical certificates are issued by the Bond  
Registrar, registered in the name of the Custodian or its

1 nominee, and delivered to the Custodian. Such book-entry system  
2 operated by the Custodian may include the use of a nominee for  
3 the Custodian and the use of subsystems for recording the  
4 Beneficial Owners of Bonds, which subsystems are operated by  
5 parties other than the Custodian. The initial Custodian for the  
6 Bonds is Depository Trust Company, New York, New York, but the  
7 term "Custodian," as used herein, includes (a) any party  
8 operating any subsystem used by the Custodian for recording  
9 Beneficial Owners, and (b) any successor to the Depository Trust  
10 Company selected or approved hereafter by the county, so long as  
11 such successor is authorized by law to provide the services  
12 which it proposes to provide.

13 I. "Depositories" means the following registered  
14 securities depositories: 1. The Depository Trust Company,  
15 711 Stewart Avenue, Garden City, New York 11530; 2. Midwest  
16 Securities Trust Company, Capital Structures-Call Notification,  
17 400 South LaSalle Street, Chicago, Illinois 60605; and  
18 3. Philadelphia Depository Trust Company, Reorganization  
19 Division, 1900 Market Street Philadelphia, Pennsylvania 19103,  
20 Attention: Bond Department.

21 J. "Internal Revenue Code" means the Internal Revenue  
22 Code of 1986, as heretofore or hereafter amended, together with  
23 all applicable rulings and regulations heretofore or hereafter  
24 promulgated thereunder.

25 K. "Letter of Representation" means the letter of  
26 representation, in substantially the form of Exhibit A attached  
27 hereto and incorporated herein by this reference, signed by the  
28 County Finance Manager on behalf of the county and accepted by  
29 the Custodian pertaining to the payment of the Bonds and the  
30 "book-entry" system for evidencing the Beneficial Ownership of  
31 the Bonds.

32 L. "PMC Construction Fund" means the Pacific Medical  
Center Project Construction Fund created by this ordinance.

1 M. "Pacific Medical Center Project" means capital  
2 improvements to Pacific Medical Center for the purposes of  
3 making structural repairs and/or additions which will bring its  
4 "Tower Building" on Beacon Hill into compliance with the City of  
5 Seattle's seismic and other building codes.

6 N. "RCW" means the Revised Code of Washington, as  
7 amended.

8 O. "Regional Health Care Improvements Project" means  
9 "Regional Health Care Improvements Project," as defined in  
10 Ordinance No. 8196.

11 P. "Registered Owner" means the person named as the  
12 registered owner of a Bond on the Bond Register.

13 Q. "Registrar" means either or both of the fiscal  
14 agencies of King County and the State of Washington in Seattle,  
15 Washington, and New York, New York, which fiscal agencies are  
16 appointed from time to time by the State Finance Committee  
17 pursuant to Chapter 43.80 RCW.

18 SECTION 2. Purpose, Authorization and Description of  
19 Bonds.

20 A. Purpose and Authorization. For the purpose of  
21 providing part of the funds to pay the capital costs of the  
22 Pacific Medical Center Project, the county hereby authorizes the  
23 sale and issuance of the Bonds. The term "capital costs," as  
24 used in the foregoing sentence, shall be construed consistently  
25 with the term "capital purposes" in Article VII, Section 2(b) of  
26 the Washington State Constitution and RCW 84.52.056, but,  
27 subject thereto, may include the costs of property acquisition,  
28 site preparation and demolition; development, design,  
29 engineering, architecture, planning, financial, legal,  
30 relocation and other services lawfully incurred incident to the  
31 development of the components of the Pacific Medical Center  
32 project and their financing; and construction, renovation,  
remodeling, equipping and furnishing of the components of the

Pacific Medical Center project and their financing, including its incidental costs and costs related to the sale and issuance of the Bonds; however, the term "capital costs" shall not include maintenance, operations or costs for replacement of equipment.

B. Description. The Bonds shall be designated "Unlimited Tax General Obligation Bonds, 1991, Series C (Regional Health Care Capital Improvements/Pacific Medical Center Project)"; shall be in the aggregate principal amount of \$9,315,000; shall be dated as of April 15, 1991; shall be issued in fully registered form as to both principal and interest; shall be in the denomination of \$5,000 each or any integral multiple thereof within a single maturity; shall be numbered separately in such manner and with an additional designation as the Registrar deems necessary for purposes of identification; and shall mature on December 1 in each of the years, in the principal amounts, as set forth below:

<u>Maturity Years</u>	<u>Principal Amounts</u>
1992	\$235,000
1993	255,000
1994	280,000
1995	305,000
1996	335,000
1997	360,000
1998	385,000
1999	410,000
2000	435,000
2001	460,000
2002	490,000
2003	525,000
2004	560,000
2005	600,000
2006	640,000
2007	685,000
2008	730,000
2009	785,000
2010	840,000

The Bonds shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) from their date or from the most recent interest payment date to which interest has been paid or duly provided for, whichever is later, payable on

June 1, 1992, and on December 1 and June 1 of each year thereafter to the maturity or earlier redemption thereof, at the rate or rates bid by the successful bidder at public sale and fixed thereafter by the county as hereinafter provided.

If any Bond is not paid upon proper presentment upon maturity or any earlier redemption, the County shall have the obligation to pay interest at the same rate from and after such maturity or applicable redemption date until such Bond, both principal and interest, is paid in full.

The Bonds shall be negotiable instruments to the extent provided by RCW 62A.8-105.

SECTION 3. Place, Manner and Medium of Payment. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. For so long as all outstanding Bonds are registered in the name of the Custodian or the Custodian's nominee, payments of the principal and interest on each Bond shall be made by the Registrar to the Custodian, as Registered Owner of the Bonds, for the benefit of the Beneficial Owners of the Bonds, on the dates such payments are due and payable, at the place and in the manner provided in the Letter of Representation.

In the event that the Bonds are no longer registered in the name of the Custodian or the Custodian's nominee, then (i) the principal of the Bonds shall be payable upon presentation and surrender of the Bonds at either of the principal offices of the Registrar, at the option of the Registered Owners; and (ii) each installment of interest on the Bonds shall be paid to the Registered Owner thereof whose name shall appear on the Bond Register at the close of business on the 15th day of the month next preceding the interest payment date by check or draft of the Registrar mailed to such Registered Owner at the address of such Registered Owner as it appears on the Bond Register or, when requested in writing by the Registered Owner of at least

\$1,000,000 par value of the Bonds, by wire transfer to an account in the United States.

SECTION 4. "Book-Entry" System and Use of Custodian.

A. Immobilized Certificates. Prior to the Book-Entry Termination Date, the Bonds shall be issued in the form of certificates, one to evidence all of the principal amount of the Bonds maturing in each maturity year. Such certificates shall be registered, as provided in Section 11 hereof, in the name of the Custodian or its nominee, and delivered to the Custodian. Each such certificate shall be held by the Custodian in fully immobilized form pursuant to the Letter of Representation for the benefit of the Beneficial Owners until the earliest to occur of (i) the date of maturity of the Bonds evidenced by any such immobilized certificate, at which time the Custodian shall surrender such certificate to the Registrar for cancellation upon payment by the Registrar to the Custodian of the principal amount of the Bonds evidenced by such immobilized certificate; or (ii) the date of redemption of the Bonds evidenced by any such immobilized certificate, at which time the Custodian shall surrender such certificate to the Registrar for exchange for a new immobilized certificate in the aggregate principal amount of the Bonds of the same maturity remaining unredeemed upon payment by the Registrar to the Custodian of the principal amount of Bonds being redeemed; or (iii) the Book-Entry Termination Date; or (iv) the date the county determines to utilize a new Custodian for the Bonds, at which time the old Custodian shall surrender all of the immobilized certificates to the Registrar for transfer to the new Custodian and cancellation as herein provided. If the earliest to occur of the aforementioned events is a redemption date and upon such redemption a new certificate is issued and delivered to the Custodian for any unredeemed portion of the Bonds, such new certificate shall again be held by the Custodian in fully immobilized form for the benefit of

1 the Beneficial Owners pursuant to the Letter of Representation  
2 until the next occurrence of one of the events described in this  
3 subsection.

4 B. No Bond Certificates for Beneficial Owners. Prior to  
5 the Book-Entry Termination Date, the rights of the Beneficial  
6 Owners of the Bonds shall be evidenced solely by an electronic  
7 and/or manual entry made from time to time on the records  
8 established and maintained by the Custodian in accordance with  
9 the Letter of Representation, and no Bond certificates  
10 evidencing such rights shall be issued and registered in the  
11 name of the Beneficial Owner or such Beneficial Owner's nominee.

12 C. Issuance of Bond Certificates Upon Discontinuance of  
13 "Book-Entry" System. Upon the determination by the county that  
14 it is in the best interests of the Beneficial Owners that they  
15 be able to obtain Bond certificates, the county shall deliver to  
16 the Registrar a written request that it issue Bond certificates  
17 to each Beneficial Owner or such Beneficial Owner's nominee on  
18 the Book-Entry Termination Date, together with a supply of such  
19 certificates. Upon receipt by the Registrar from the Custodian  
20 of the previously immobilized certificates evidencing all of the  
21 then outstanding Bonds, the Registrar shall issue and deliver  
22 new certificates to each Beneficial Owner or such Beneficial  
23 Owner's duly appointed agent, naming such Beneficial Owner or  
24 such Beneficial Owner's nominee as the Registered Owner thereof,  
25 evidencing the principal amount of Bonds owned by such  
26 Beneficial Owner. Such certificates may be in any multiple of  
27 \$5,000. Following such issuance, the Registered Owner of such  
28 Bonds may transfer and exchange such Bonds in accordance with  
29 Section 11 hereof.

30 D. County and Registrar Not Responsible for Errors or  
31 Omissions of Custodian. Neither the county nor the Registrar  
32 shall have at any time any responsibility or liability to any  
Beneficial Owner of Bonds or to any other person for any error,



omission, action or failure to act on the part of the Custodian with respect to payment, when due, to the Beneficial Owner of the principal amount of the Bonds, proper recording of beneficial ownership of Bonds, proper transfers of such beneficial ownership, notices to Beneficial Owners or any other transaction pertaining to the Bonds between the Custodian and the Beneficial Owners.

SECTION 5. Redemption; Notice; Open Market Purchase; Cancellation.

A. Optional Redemption of Bonds. The Bonds maturing in the years 1992 to 2000, inclusive, are not subject to redemption prior to maturity. The county reserves the right to redeem the Bonds maturing on or after December 1, 2001, beginning on December 1, 2000, as a whole at any time or in part on any interest payment date thereafter, with the maturities to be redeemed to be selected by the county (and by lot within a maturity in such manner as the Registrar shall determine), at par plus accrued interest to the date fixed for redemption.

B. Partial Redemption. Any Bond in the principal amount of greater than \$5,000 may be partially redeemed in any integral multiple of \$5,000. In such event, upon surrender of such Bond at either of the principal offices of the Registrar, a new Bond or Bonds (at the option of the Registered Owner) of the same date, maturity and interest rate and in the aggregate principal amount remaining unredeemed, in any denomination authorized by this ordinance, shall be authenticated and delivered to the Registered Owner, without charge to the Registered Owner therefor.

C. Notice and Effect of Redemption. Notice of any such intended redemption shall be given not less than 30 nor more than 60 days prior to the date fixed for redemption by certified or registered mail, postage prepaid, to the Registered Owner of each Bond to be redeemed at the address appearing on the Bond

1 Register on the day notice is mailed. The requirements of this  
2 section shall be deemed to be complied with when notice is  
3 mailed as herein provided, whether or not it is actually  
4 received by the Registered Owner. In addition, such redemption  
5 notice shall be mailed within the same period, postage prepaid,  
6 to the Depositories, to Moody's Investors Service, Inc., and  
7 Standard & Poor's Corporation at their offices in New York, New  
8 York, or their successors, and to such other persons and with  
9 such additional information as the County Finance Manager shall  
10 deem appropriate, but such mailings shall not be a condition  
11 precedent to the redemption of such Bonds.

12 If such notice shall have been given and the county shall  
13 have set aside, on the date fixed for redemption, sufficient  
14 money for the payment of all Bonds called for redemption, the  
15 Bonds so called shall cease to accrue interest after such  
16 redemption date, and all such Bonds shall be deemed not to be  
17 outstanding hereunder for any purposes, except that the  
18 Registered Owners thereof shall be entitled to receive payment  
19 of the redemption price and accrued interest to the redemption  
20 date from the money set aside for such purpose.

21 D. Open Market Purchase. The county reserves the right  
22 to purchase any or all of the Bonds on the open market at any  
23 time and at any price.

24 E. Cancellation of Bonds. All Bonds purchased and all  
25 Bonds redeemed under this section shall be cancelled.

26 SECTION 6. Debt Limit Not Exceeded. The county finds and  
27 covenants that the Bonds are issued within applicable debt  
28 limitations of the county.

29 SECTION 7. Pledge of Full Faith, Credit and Resources.  
30 The Bonds are general obligations of the county. Unless the  
31 principal of and interest on the Bonds are paid from other  
32 sources, so long as the Bonds are outstanding, the county hereby  
irrevocably covenants to include in its budgets and to make

1 annual levies of taxes without limitation as to rate or amount  
2 upon all property within the county subject to taxation in  
3 amounts which, together with any other money legally available  
4 and to be used therefor, shall be sufficient to pay such  
5 principal and interest as the same shall become due. The county  
6 hereby irrevocably pledges its full faith, credit and resources  
7 to the annual levy and collection of such taxes and for the  
8 prompt payment of such principal and interest. All of such  
9 taxes shall be paid into the Bond Fund.

10 The county hereby irrevocably covenants that a sufficient  
11 portion of each such annual tax levy to be made so long as the  
12 Bonds are outstanding, together with any other money legally  
13 available therefor, will be and is hereby set aside, pledged and  
14 appropriated for the payment of the principal of and interest on  
15 the Bonds as the same shall become due.

16 SECTION 8. Form of Bonds. Prior to the Book-Entry  
17 Termination Date, the Bonds shall be substantially in the form  
18 of Exhibit B attached hereto, which is incorporated herein by  
19 this reference. On and after the Book-Entry Termination Date,  
20 the Bonds shall be in a form consistent with the provisions of  
21 this ordinance and applicable law.

22 SECTION 9. Execution of Bonds. The Bonds shall be signed  
23 on behalf of the county with the facsimile or manual signature  
24 of the county executive, shall be attested by the facsimile or  
25 manual signature of the clerk of the county council and shall  
26 have the seal of the county council impressed or a facsimile  
27 thereof imprinted thereon.

28 In case either of the officers who shall have executed any  
29 Bond shall cease to be such officer or officers of the county  
30 before the Bond so signed shall have been authenticated or  
31 delivered by the Registrar, or issued by the county, such Bond  
32 may nevertheless be authenticated, delivered and issued and upon  
such authentication, delivery and issuance, shall be as binding

upon the county as though those who signed the same had  
1 continued to be such officers of the county. The Bonds or any  
2 substitute Bond may also be signed and attested on behalf of the  
3 county by such persons as at the actual date of execution of  
4 such Bond shall be the proper officers of the county although at  
5 the original date of such Bond any such person shall not have  
6 been such officer of the county.

7 SECTION 10. Authentication and Delivery of Bonds by  
8 Registrar. The Registrar is authorized and directed, on behalf  
9 of the county, to authenticate and deliver Bonds initially  
10 issued or transferred or exchanged in accordance with the  
11 provisions of such Bonds and this ordinance.

12 Only such Bonds as shall bear thereon a "Certificate of  
13 Authentication" manually executed by an authorized  
14 representative of the Registrar shall be valid or obligatory for  
15 any purpose or entitled to the benefits of this ordinance. Such  
16 Certificate of Authentication shall be conclusive evidence that  
17 the Bonds so authenticated have been duly executed,  
18 authenticated and delivered hereunder and are entitled to the  
19 benefits of this ordinance.

20 The Registrar shall be responsible for its representations  
21 contained in the Certificate of Authentication on the Bonds.

22 SECTION 11. Registration.

23 A. Bond Register. The Registrar shall keep, or cause to  
24 be kept, the Bond Register at its principal corporate trust  
25 offices.

26 B. Registered Ownership. The county and the Registrar,  
27 each in its discretion, may deem and treat the Registered Owner  
28 of each Bond as the absolute owner thereof for all purposes, and  
29 neither the county nor the Registrar shall be affected by any  
30 notice to the contrary. Payment of any such Bond shall be made  
31 only as described in Section 3 hereof, but such registration may  
32 be transferred as herein provided. All such payments made as

1 provided in Section 3 hereof shall be valid and shall satisfy  
2 and discharge the liability of the county upon such Bond to the  
3 extent of the amount or amounts so paid.

4 C. Transfer or Exchange of Registered Ownership. The  
5 registered ownership of any Bond may be transferred or  
6 exchanged, but no transfer of any Bond shall be valid unless it  
7 is surrendered to the Registrar, with the assignment form  
8 appearing on such Bond duly executed by, or accompanied by a  
9 written instrument of transfer in form satisfactory to the  
10 Registrar duly executed by, the Registered Owner or such  
11 Registered Owner's duly authorized agent, in a manner  
12 satisfactory to the Registrar. Upon such surrender, the  
13 Registrar shall cancel the surrendered Bond and shall  
14 authenticate and deliver, in exchange and without charge to the  
15 Registered Owner or transferee therefor (other than taxes or  
16 governmental charges payable on account of such transfer), a new  
17 Bond or Bonds (at the option of the new Registered Owner), of  
18 the same maturity and interest rate and for the same aggregate  
19 principal amount, in any authorized denomination, naming as  
20 Registered Owner the person or persons named as the assignee or  
21 transferee. Any Bond may be surrendered to the Registrar and  
22 exchanged, without charge, for an equal aggregate principal  
23 amount of Bonds of the same maturity and interest rate, in the  
24 denomination of \$5,000 or any integral multiple thereof. The  
25 Registrar shall not be obligated to transfer or exchange any  
26 Bond during the 15 days preceding any applicable interest  
27 payment, principal payment or redemption date.

28 D. Registrar's Ownership of Bonds. The Registrar may  
29 become the Registered Owner of any Bond with the same rights it  
30 would have if it were not the Registrar and, to the extent  
31 permitted by law, may act as depository for and permit any of  
32 its officers or directors to act as a member of, or in any other

capacity with respect to, any committee formed to protect the rights of the Registered Owners of the Bonds.

E. Registration Covenant. The county covenants that, until all Bonds shall have been surrendered and cancelled, it will maintain a system of recording the ownership of each Bond that complies with the provisions of the Internal Revenue Code.

SECTION 12. Mutilated, Lost, Stolen or Destroyed Bonds.

If any Bond becomes mutilated, lost, stolen or destroyed, the Registrar may authenticate and deliver a new Bond of the same series, date, maturity and interest rate and of like tenor and effect in substitution therefor, all in accordance with law. If such mutilated, lost, stolen or destroyed Bond has matured, the county at its option, may pay the same without the surrender thereof. However, no such substitution or payment shall be made unless and until the applicant shall furnish evidence satisfactory to the Registrar of the destruction or loss of the original Bond and of the ownership thereof, and such additional security, indemnity or evidence as may be required by or on behalf of the county. No substitute Bond shall be furnished unless the applicant shall reimburse the county and the Registrar for their respective expenses in the furnishing thereof. Any such substitute Bond so furnished shall be equally and proportionately entitled to the security of this ordinance with all other Bonds issued hereunder.

SECTION 13. Advance Refunding; Defeasance.

A. Advance Refunding. The county may issue advance refunding bonds pursuant to the laws of the State of Washington or use money available from any other lawful source to pay when due the principal of and interest on the Bonds, or any portion thereof included in a refunding or defeasance plan, and to redeem and retire, refund or defease all such then-outstanding Bonds (hereinafter collectively called the "defeased Bonds") and to pay the costs of the refunding or defeasance.

B. Defeasance. If money and/or "Government Obligations" (as such obligations are defined in Chapter 39.53 RCW, as now in existence or hereafter amended) maturing at such time(s) and bearing such interest to be earned thereon (without any reinvestment thereof) as will provide a series of payments which shall be sufficient, together with any money initially deposited, to provide for the payment of all of the principal of and interest on all or a portion of the Bonds, when due in accordance with their terms or upon the earlier redemption thereof in accordance with a refunding plan adopted by the county, are set aside in a special fund (hereinafter called the "trust account") to effect such payment or redemption and are pledged irrevocably for the purpose of effecting such payment or redemption, then no further payments need be made into the Bond Fund for the payment of the principal of and the interest on such Bonds, the Registered Owners thereof shall cease to be entitled to any lien, benefit or security of this ordinance except the right to receive the money and the principal and interest proceeds on the obligations set aside in the trust account, such Bonds shall no longer be deemed to be outstanding hereunder, and the county may apply any money in any fund or account, other than the trust account, intended for the payment or redemption of the defeased Bonds to any lawful purpose as it shall determine.

SECTION 14. Sale of the Bonds. The Bonds shall be sold at public sale on a date to be established by the county, substantially in accordance with the terms and conditions of the Official Notice of Bond Sale attached hereto as Exhibit C, which is incorporated herein by this reference. Bids must be on an all or none basis. The clerk of the county council is hereby directed to cause an "Abridged Notice of Bond Sale" to be published at least once in a financial newspaper or journal of general circulation throughout the United States and to provide

such other notice as the clerk of the county council may deem advisable.

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2       SECTION 15. Approval of Official Statement. The county  
3 executive or the Chief Financial Officer of the county is hereby  
4 authorized and directed to review and approve on behalf of the  
5 county an official statement with respect to the Bonds to be  
6 prepared prior to such sale.

7       SECTION 16. Delivery of Bonds; Temporary Bonds. Following  
8 the sale of the Bonds, the proper county officials are  
9 authorized and directed to execute all documents and to do  
10 everything necessary for the preparation and delivery of a  
11 transcript of proceedings pertaining to the Bonds, and the  
12 printing, authentication and delivery of the Bonds in definitive  
13 form to the purchasers thereof, each without unreasonable delay.

14       If definitive Bonds are not ready for delivery by the date  
15 established for closing, the Chief Financial Officer of the  
16 county, upon the approval of the purchasers, may cause to be  
17 issued and delivered to the purchasers one or more temporary  
18 Bonds with appropriate omissions, changes and additions. Any  
19 temporary Bond or Bonds shall be entitled and subject to the  
20 same benefits and provisions of this ordinance with respect to  
21 the payment, security and obligation thereof as definitive Bonds  
22 authorized hereby. Such temporary Bond or Bonds shall be  
23 exchangeable without cost to the Registered Owners thereof for  
24 definitive Bonds when the latter are ready for delivery.

25       SECTION 17. Creation of Pacific Medical Center  
26 Construction Fund; Application of Bond Proceeds.

27       A.   Creation of PMC Construction Fund. There is hereby  
28 created in the county treasury a separate first tier fund  
29 entitled the Pacific Medical Center Construction Fund.

30       B.   Deposit and Application of Principal Proceeds of  
31 Bonds. The principal proceeds received upon the sale of the  
32 Bonds shall be deposited into the PMC Construction Fund and



1 applied to the payment of the capital costs of the Pacific  
2 Medical Center Project.

3 C. Deposit and Application of Investment Proceeds of  
4 Bonds. Except as provided by the Internal Revenue Code and  
5 Section 18 of this ordinance, the interest and profits derived  
6 from the investment of Bond proceeds shall be deposited in the  
7 PMC Construction Fund and applied to the payment of the capital  
8 costs of the Pacific Medical Center Project; provided, that such  
9 investment interest and profits may be deposited into such other  
10 similar construction fund for any other component(s) of the  
11 Regional Health Care Capital Improvements Project as the county  
12 may hereafter designate by ordinance, and applied to the payment  
13 of the capital costs of such other component(s) of the regional  
14 Health Care Capital Improvements Project.

15 D. Application of PMC Construction Fund Moneys Upon  
16 Project Completion. Except as provided by the Internal Revenue  
17 Code and Section 18 of this ordinance, if any money remains in  
18 the PMC Construction Fund after payment of all the capital costs  
19 of the Pacific Medical Center project or after termination of  
20 the Pacific Medical Center Project by the county, such moneys  
21 shall be applied as follows:

22 1. Any remaining principal proceeds of the Bonds  
23 shall be transferred to the Bond Fund and applied to the payment  
24 of the principal of and interest on the Bonds; and

25 2. Any remaining interest and profits received from  
26 the investment of the principal proceeds of the Bonds shall be  
27 transferred to the Bond Fund and applied to the payment of the  
28 principal of and interest on the Bonds; provided, that such  
29 investment interest and profits may be transferred to such other  
30 similar construction fund for any other component(s) of the  
31 Regional Health Care Capital Improvements Project as the county  
32 may hereafter designate by ordinance, and applied to the payment

1 of the capital costs of such other component(s) of the Regional  
2 Health Care Improvements Project.

3 E. Investment of Moneys in PMC Construction Fund.

4 Pending application as described in this Section 17 and subject  
5 to the requirements of the Internal Revenue Code and Section 18  
6 of this ordinance, money in the PMC Construction Fund may be  
7 temporarily deposited in such institutions or invested in such  
8 investments as may be lawful for the investment of county funds.

9 F. Deposit and Application of Accrued Interest and  
10 Premium on Bonds. The accrued interest on the Bonds, if any,  
11 received upon the sale of the Bonds shall be deposited into the  
12 Bond Fund and shall be applied to the payment of interest on the  
13 Bonds. Any premium received upon the sale of the Bonds shall be  
14 deposited into the Bond Fund and applied to the payment of  
15 principal of or interest on the Bonds.

16 SECTION 18. Tax Exemption Covenants. The county covenants  
17 that it will not take or permit to be taken on its behalf any  
18 action that would adversely affect the exclusion of the interest  
19 on the Bonds from the gross income of the recipients thereof for  
20 purposes of federal income taxation, and will take or require to  
21 be taken such acts as may be permitted by Washington law and as  
22 may from time to time be required under applicable law to  
23 continue the exclusion of the interest on the Bonds from the  
24 gross income of the recipients thereof for purposes of federal  
25 income taxation. Without limiting the generality of the  
26 foregoing, the county will not invest or make or permit any use  
27 of the proceeds of the Bonds or of its other money at any time  
28 during the term of the Bonds which would cause the Bonds to be  
29 "arbitrage bonds" within the meaning of Section 148 of the  
30 Internal Revenue Code.

31 The county further covenants that, if all the proceeds of  
32 the Bonds have not been spent within the applicable time periods  
required by the Internal Revenue Code, the county shall

1 calculate or cause to be calculated, and shall rebate to the  
2 United States, all earnings from the investment of Bond proceeds  
3 that are in excess of the amount that would have been earned had  
4 the yield on such investments been equal to the yield on the  
5 Bonds, plus income derived from such excess earnings, to the  
6 extent and in the manner required by Section 148 of the Internal  
7 Revenue Code.

8 The county has not been notified of any listing or proposed  
9 listing by the Internal Revenue Service to the effect that the  
10 county is a bond issuer the arbitrage certifications of which  
11 may not be relied upon.

12 The county will take no actions and will make no use of the  
13 proceeds of the Bonds or any other funds held under this  
14 ordinance which would cause any Bond to be treated as a "private  
15 activity bond" (as defined in Section 141(b) of the Internal  
16 Revenue Code) subject to treatment under said Section 141(b) as  
17 an obligation not described in Section 103(a) of the Internal  
18 Revenue Code, unless the tax exemption thereof is not affected.

19 SECTION 19. Preliminary Official Statement Declaration.

20 The county has been provided with copies of a preliminary  
21 official statement dated April 15, 1991 (the "Preliminary  
22 Official Statement"), prepared in connection with the sale of  
23 the Bonds. For the sole purpose of the Bond purchaser's  
24 compliance with Securities and Exchange Commission  
25 Rule 15c2-12(b)(1), the county "deems final" that Preliminary  
26 Official Statement as of its date, except for the omission of  
27 information on offering prices, interest rates, selling  
28 compensation, delivery dates, any other terms or provisions  
29 required by the county to be specified in a competitive bid,  
30 ratings, other terms of the Bonds dependent on such matters and  
31 the identity of the Bond purchaser.

32 SECTION 20. General Authorization. The appropriate county  
officials, agents and representatives are hereby authorized and

directed to do everything necessary for the prompt sale,  
issuance, execution and delivery of the Bonds, and for the  
proper use and application of the proceeds of the sale thereof.

SECTION 21. Contract; Severability. The covenants  
contained in this ordinance shall constitute a contract between  
the county and the Registered Owners of each and every Bond. If  
any one or more of the provisions of this ordinance shall be  
declared unconstitutional or invalid for any reason, such  
decision shall not affect the validity of the remaining  
provisions of this ordinance or the Bonds, and this ordinance  
and the Bonds shall be construed and enforced as if such  
unconstitutional or invalid provision had not been contained  
herein.

INTRODUCED AND READ for the first time this 8<sup>th</sup> day of  
April, 1991.

PASSED this 22<sup>nd</sup> day of April, 1991.

KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON

Lois North  
Chairman

ATTEST:

Janet Masaru  
DEPUTY Clerk of the Council

APPROVED this 3<sup>rd</sup> day of May, 1991.

Don Hill  
King County Executive

DSG:trs  
3/21/91

EXHIBIT A

## LETTER OF REPRESENTATION

\_\_\_\_\_, 1991

The Depository Trust Company  
55 Water Street, 49th Floor  
New York, New York 10041

Attention: General Counsel's Office

Re: \$9,315,000 KING COUNTY, WASHINGTON UNLIMITED TAX  
GENERAL OBLIGATION BONDS, 1991, SERIES C (Regional  
Health Care Capital Improvements/Pacific Medical  
Center Project)

Ladies and Gentlemen:

The purpose of this letter is to set out certain matters relating to the issuance by King County, Washington (the "County"), of the above-referenced bonds (the "Bonds"). The fiscal agencies of the State of Washington in Seattle, Washington (as of this date, Seattle-First National Bank) and New York, New York (as of this date, The Bank of New York) (collectively, the "Registrar") are acting as paying agent, registrar, authenticating trustee and transfer agent with respect to the Bonds pursuant to Ordinance No. 9920 of the County (the "Bond Ordinance").

To induce The Depository Trust Company ("DTC") to accept the Bonds as eligible for deposit at DTC and act in accordance with its Rules with respect to the Bonds, the County and the Registrar make the following representations to DTC:

1. On \_\_\_\_\_, 1991, the date of payment and delivery of the Bonds, the County will cause to be deposited with DTC one Bond certificate registered in the name of DTC's nominee, Cede & Co., for each stated maturity of the Bonds in the principal amounts set forth on Schedule A hereto, the total of which represents 100% of the aggregate principal amount of such Bonds, and said Bond certificates shall remain in DTC's custody pursuant to the terms set forth in the Bond Ordinance.

2. The Bond Ordinance does not provide for obtaining any consents from the Registered Owner's of the Bonds.

3. In the event of an early redemption resulting in retirement of all Bonds outstanding or a reduction in aggregate principal amount of Bonds outstanding ("full or partial redemption"), the County shall give or cause notice of such event to be given to DTC not less than 30 days nor more than 60 days prior to the redemption date.

4. In the event of a proposed advance refunding of all or part of the Bonds Outstanding, the County shall give or cause notice of such event to be given to DTC not less than 30 days nor more than 60 days prior to the date the refunding escrow is proposed to be funded.

5. In the event of a partial redemption of Bonds outstanding, the County shall send or cause a notice specifying

(a) the amount of the Bonds subject to redemption and (b) the date such notice is to be mailed to Owners of the Bonds (the "Redemption Notice Date") to be sent to DTC. Such notice shall be delivered to DTC by a secure means (e.g., legible facsimile transmission, registered or certified mail, overnight express delivery) in a timely manner designed to assure that such notice is in DTC's possession no later than the close of business on the business day before the Redemption Notice Date. Such notice shall be delivered either in a separate secure transmission for each CUSIP number or in a secure transmission for multiple CUSIP numbers which include a manifest or list of each CUSIP submitted in that transmission. (The sender of such notice shall have a method to verify subsequently the use of such means and timeliness of the notice.) The Redemption Notice Date shall be not less than 30 days nor more than 60 days prior to the redemption date.

6. In the event of a proposed advance refunding of Bonds outstanding, the County shall send or shall cause a notice specifying (a) the amount of the Bonds subject to the proposed advance refunding, (b) the maturity dates established under the proposed refunding plan, and (c) the date such notice is to be mailed to Owners of the Bonds (the "Refunding Notice Date") to be sent to DTC. Such notice shall be delivered to DTC by a secure means (e.g., legible facsimile transmission, registered or certified mail, overnight express delivery) in a timely manner designed to assure that such notice is in DTC's possession no later than the close of business on the business day before the Refunding Notice Date. Such notice shall be delivered either in a separate secure transmission for each CUSIP number or in a secure transmission for multiple CUSIP numbers which include a manifest or list of each CUSIP submitted in that transmission. (The sender of such notice shall have a method to verify subsequently the use of such means and timeliness of the notice.) The Refunding Notice Date shall be not less than 30 days nor more than 60 days prior to the date the refunding escrow is proposed to be funded.

7. The Bond Ordinance does not provide for any notice of an invitation to tender the Bonds.

8. All notices and payments sent to DTC shall contain the CUSIP number of the Bonds.

9. Notices to DTC by facsimile transmission shall be sent to DTC's Call Notification Department at (516) 227-4039 or (516) 227-4190. Notices to DTC by mail or by other means shall be sent to:

The Depository Trust Company  
Call Notification Department  
Muni Reorganization Manager  
711 Stewart Avenue  
Garden City, New York 11530

10. Payments of interest on the Bonds shall be received by Cede & Co., as nominee of DTC, or its registered assigns, in next-day funds on each Bond interest payment date. Such payments shall be made payable to the order of Cede & Co.

11. Payments of principal of the Bonds shall be received by Cede & Co., as nominee of DTC, or its registered assigns, in next-day funds on their maturity dates (or any earlier redemption dates, if such Bonds have been called for redemption prior to maturity). Such payments shall be made payable to the order to Cede & Co., and shall be addressed as follows:

The Depository Trust Company  
Muni Redemption Department  
55 Water Street, 50th Floor  
New York, New York 10041  
Attention: Collection Supervisor

12. DTC may direct the County or the Registrar to use any other telephone number for facsimile transmission, address or department of DTC as the number, address or department to which payments of interest or principal or notices may be sent.

13. In the event of either (a) a partial redemption necessitating a reduction in aggregate principal amount of Bonds outstanding, or (b) an advance refunding of part of the Bonds outstanding, DTC shall tender the certificate(s) representing all Bonds being redeemed or refunded and the Registrar shall issue and authenticate one or more new Bond certificates to DTC in the remaining principal amount of Bonds outstanding, if any.

14. In the event that the County determines pursuant to the Bond Ordinance that a substitute depository shall be appointed to maintain custody of the certificates evidencing the Bonds, the County or the Registrar shall notify DTC of arrangements for another securities depository to maintain custody of such certificates, and, upon request, DTC shall surrender all of the immobilized certificates to the Registrar for purposes of such transaction to the new securities depository.

15. In the event the that the County determines pursuant to the Bond Ordinance that beneficial owners of the Bonds should be able to obtain certificated Bonds, the County or the Registrar shall notify DTC of the availability of Bond certificates and shall issue, transfer and exchange Bond certificates in appropriate amounts as required by DTC, the beneficial owners of Bonds and others.

16. DTC may determine to discontinue providing its service as securities depository with respect to the Bonds at any time by giving reasonable notice to the County and the Registrar (at which time DTC will confirm with the County and the Registrar the aggregate principal amount of Bonds outstanding) and discharge its responsibilities with respect thereto under applicable law. Under such circumstances, whenever DTC requests the County and the Registrar to do so, the County and the Registrar will cooperate with DTC in taking appropriate action to make available one or more separate certificates evidencing the Bonds to any DTC Participant having Bonds credited to its DTC account.

17. Nothing herein shall be deemed to require the Registrar to advance funds on behalf of the County.

The Depository Trust Company

\_\_\_\_\_, 1991

Page 4

By its acceptance of this letter of representation, DTC covenants to the County and the Registrar that it will hold amounts advanced to it by the County or the Registrar for payment of the Bonds in trust solely for payment to be beneficial owners thereof, and shall properly apply such amounts for such purpose.

Very truly yours,

KING COUNTY, WASHINGTON,

By \_\_\_\_\_  
Finance Manager

SEATTLE-FIRST NATIONAL BANK  
for itself and on behalf of  
THE BANK OF NEW YORK, as fiscal  
agencies for the State of  
Washington, Registrar

By \_\_\_\_\_  
Authorized Officer

ACCEPTED:

THE DEPOSITORY TRUST COMPANY

By \_\_\_\_\_  
Authorized Officer

DSG:trs  
03/21/91



EXHIBIT B

## FORM OF BOND PRIOR TO BOOK-ENTRY TERMINATION DATE

THIS BOND IS SUBJECT TO REDEMPTION PRIOR  
TO MATURITY AS PROVIDED HEREIN

Registered  
Number: \_\_\_\_\_

Registered  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
KING COUNTY, WASHINGTON  
UNLIMITED TAX GENERAL OBLIGATION BOND, 1991, SERIES C  
(Regional Health Care Capital Improvements/  
Pacific Medical Center Project)

Interest  
Rate: \_\_\_\_\_

Maturity  
Date: \_\_\_\_\_

CUSIP No.: \_\_\_\_\_

Registered Owner:

Principal Amount:

KING COUNTY, WASHINGTON (the "County"), a municipal corporation of the State of Washington (the "State"), for value received, promises to pay to the Registered Owner set forth above the Principal Amount set forth above, on the Maturity Date of this Bond set forth above, unless redeemed prior thereto as hereinafter provided; and to pay interest thereon (computed on the basis of a 360-day year of twelve 30-day months) from the date of this Bond or from the most recent date to which interest has been paid or duly provided for, whichever is later, at the Interest Rate set forth above, payable on June 1, 1992, and on December 1 and June 1 of each year thereafter to the maturity or earlier redemption of this Bond. If this Bond is not paid upon proper presentment upon maturity or any earlier redemption, the County shall have the obligation to pay interest at the same rate from and after such maturity or applicable redemption date until this Bond, both principal and interest, is paid in full.

Both principal of and interest on this Bond are payable in lawful money of the United States of America. For so long as this Bond is registered in the name of the Custodian (as defined in the Bond Ordinance hereinafter defined) or the Custodian's nominee, payment of the principal and interest on this Bond shall be made by the fiscal agencies of the State in Seattle, Washington, or New York, New York (collectively, the "Registrar") to the Custodian, as Registered Owner of the Bonds, for the benefit of the Beneficial Owners (as defined in the Bond Ordinance) of the Bonds, on the dates such payments are due and payable at the place and in the manner provided in the Letter of Representation (as defined in the Bond Ordinance).

This Bond is a general obligation of the County. The County has irrevocably covenanted in Ordinance No. \_\_\_\_\_ (the "Bond Ordinance") that, unless the principal of and interest on this Bond are paid from other sources, so long as the Bonds are outstanding, it will include in its budgets and make annual levies of taxes without limitation as to rate or amount upon all of the property in the County subject to taxation in amounts which, together with any other money legally available and to be used therefor, shall be sufficient to pay such principal and interest as the same shall become due. The County has irrevocably pledged its full faith, credit and resources to the annual levy and collection of such taxes and for the prompt payment of such principal and interest.

1 This Bond is one of a duly authorized issue of bonds of the  
2 County designated "King County, Washington, Unlimited Tax General  
3 Obligation Bonds, 1991, Series C (Regional Health Care Capital  
4 Improvements/Pacific Medical Center Project)" (the "Bonds"),  
5 aggregating \$9,315,000 in principal amount, maturing on December 1  
6 in the years 1992 through 2010, inclusive, of like date, tenor and  
7 effect, except as to number, maturity date, interest rate,  
8 denominations and redemption provisions. The Bonds are issued in  
9 fully registered form in the denomination of \$5,000 each or any  
10 integral multiple thereof within a single maturity. The Bonds are  
11 issued for the purpose of providing part of the funds necessary to  
12 finance the costs of capital improvements to Pacific Medical Center  
13 for the purposes of making structural repairs and/or additions  
14 which will bring its "Tower Building" on Beacon Hill into  
15 compliance with the City of Seattle's seismic and other building  
16 codes and to pay the incidental costs and the costs related to the  
17 sale and issuance of the Bonds, as specified in the Bond Ordinance.

18 This Bond may be transferred by the Registered Owner hereof or  
19 by such Registered Owner's duly authorized agent at the principal  
20 office of the Registrar, but only in the manner and subject to the  
21 limitations set forth in the Bond Ordinance, and only upon the  
22 surrender of this Bond to the Registrar with the assignment form  
23 appearing hereon duly executed by, or accompanied by a written  
24 instrument of transfer in form satisfactory to the Registrar duly  
25 executed by, the Registered Owner hereof or such Registered Owner's  
26 duly authorized agent, in a manner satisfactory to the Registrar.  
27 Upon such surrender, the Registrar shall cancel the surrendered  
28 Bond and shall authenticate and deliver, in exchange and without  
29 charge to the new Registered Owner or transferee therefor (other  
30 than any taxes payable on account of such transfer) a new Bond or  
31 Bonds (at the option of the new Registered Owner), of the same  
32 maturity and interest rate and for the same aggregate principal  
amount, in any authorized denomination, naming as Registered Owner  
the person or persons listed as the assignee or transferee. This  
Bond may be surrendered to the Registrar and exchanged, without  
charge, for an equal aggregate principal amount of Bonds of the  
same maturity and interest rate, in the denomination of \$5,000 or  
any integral multiple thereof. The Registrar shall not be  
obligated to transfer or exchange any Bond during the 15 days  
preceding any applicable interest payment, principal or redemption  
date.

22 The Bonds maturing in the years 1992 to 2000, inclusive, are  
23 not subject to redemption prior to maturity. The County has  
24 reserved the right to redeem the Bonds maturing on or after  
25 December 1, 2001, beginning on December 1, 2000, as a whole at any  
26 time or in part on any interest payment date thereafter, with the  
27 maturities to be redeemed to be selected by the County (and by lot  
28 within a maturity in such manner as the Registrar shall determine),  
29 at par plus accrued interest to the date fixed for redemption.

26 Any Bond in the principal amount of greater than \$5,000 may be  
27 partially redeemed in any integral multiple of \$5,000. In such  
28 event, upon surrender of such Bond at either of the principal  
29 offices of the Registrar, a new Bond or Bonds (at the option of the  
30 Registered Owner) of the same date, maturity and interest rate and  
31 in the aggregate principal amount remaining unredeemed, in any  
32 authorized denomination, shall be authenticated and delivered to  
the Registered Owner, without charge to the Registered Owner  
therefor.

31 Notice of any such intended redemption shall be given not less  
32 than 30 nor more than 60 days prior to the date fixed for  
redemption by certified or registered mail, postage prepaid, to the

1 Registered Owner of each Bond to be redeemed at the address  
 2 appearing on the Bond Register on the date notice is mailed. The  
 3 requirements of the Bond Ordinance shall be deemed to be complied  
 4 with when notice is mailed as herein provided, regardless of  
 5 whether or not it is actually received by the Registered Owner. If  
 6 such notice has been given and if the County has set aside, on the  
 7 date fixed for redemption, sufficient money for the payment of all  
 8 Bonds called for redemption, the Bonds so called shall cease to  
 9 accrue interest after such redemption date, and all such Bonds  
 10 shall no longer be deemed to be outstanding for any purposes,  
 11 except that the Owners thereof shall be entitled to receive payment  
 12 of the redemption price and accrued interest to the redemption date  
 13 from the money set aside for such purpose.

14 Reference is made to the Bond Ordinance for other covenants and  
 15 declarations of the County and other terms and conditions upon  
 16 which this Bond has been issued, which terms and conditions are  
 17 made a part hereof by this reference.

18 The covenants contained herein and in the Bond Ordinance may be  
 19 discharged by making provision, at any time, for the payment of the  
 20 principal of and interest on this Bond in the manner provided in  
 21 the Bond Ordinance.

22 The County and the Registrar may deem and treat the Registered  
 23 Owner hereof as the absolute owner hereof for all purposes and  
 24 neither the County nor the Registrar shall be affected by any  
 25 notice to the contrary.

26 It is hereby certified that all acts, conditions and things  
 27 required by the Constitution and the statutes of the State to have  
 28 happened, been done and performed precedent to and in the issuance  
 29 of this Bond have happened, been done and performed, and that the  
 30 issuance of the Bond does not violate any constitutional, statutory  
 31 or limitations upon the amount of indebtedness that the County may  
 32 incur.

33 This Bond shall not be valid or become obligatory for any  
 34 purpose unless and until the Certificate of Authentication hereon  
 35 shall have been manually signed by the Registrar.

36 IN WITNESS WHEREOF, the County has caused this Bond to be  
 37 executed on behalf of the County with the manual or facsimile  
 38 signature of the County Executive and attested by the manual or  
 39 facsimile signature of the Clerk of the County Council, and the  
 40 seal of the County Council to be impressed or imprinted hereon, all  
 41 as of the 15th day of April, 1991.

42 CERTIFICATE  
 43 OF AUTHENTICATION  
 44 DATE OF AUTHENTICATION:

KING COUNTY, WASHINGTON

By [signature]  
 COUNTY EXECUTIVE

45 This Bond is one of the King County,  
 46 Washington, Unlimited Tax General  
 47 Obligation Bonds, 1991, Series C  
 48 (Regional Health Care Capital  
 49 Improvements/Pacific Medical Center  
 50 Project), described in the Bond  
 51 Ordinance.

Attest:

By [signature]  
 CLERK OF THE COUNTY COUNCIL

WASHINGTON STATE FISCAL AGENCY  
Registrar

By \_\_\_\_\_  
Authorized Officer

[SEAL]

ASSIGNMENT

For value received, the undersigned Registered Owner(s)  
sell(s), assign(s) and transfer(s) unto: \_\_\_\_\_

(name, address and social security or other identifying number of  
assignee) the within-mentioned Bond and hereby irrevocably  
constitute(s) and appoint(s) \_\_\_\_\_ to transfer  
the same on the Bond Register, with full power of substitution in  
the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Registered Owner(s)

NOTE: The signature(s) above must correspond with the name  
of the Registered Owner(s) as it appears on the front  
of this Bond in every particular, without alteration  
or enlargement or any change whatsoever.

Signature(s) Guaranteed: \_\_\_\_\_

NOTE: Signature(s) must be guaranteed by a member firm of  
the New York Stock Exchange or a commercial bank or  
trust company.

DSG:trs  
3/21/91

EXHIBIT C

OFFICIAL NOTICE OF BOND SALE

\$9,315,000

KING COUNTY, WASHINGTON

UNLIMITED TAX GENERAL OBLIGATION BONDS, 1991, SERIES C  
(Regional Health Care Capital Improvements/  
Pacific Medical Center Project)

Sealed bids will be received by the Clerk of the Council of King County, Washington (the "County"), at his office in Room 403, King County Courthouse, Seattle, Washington, until 10:00 a.m., Pacific Daylight Time, on May 6, 1991, for the purchase of the Bonds.

All bids received with respect to the Bonds will be publicly opened, read and considered by the County Council beginning at 10:30 a.m. Awards shall be made thereafter at the same meeting in the Council Chambers in the King County Courthouse on the same date that bids are opened.

DESCRIPTION OF BONDS

The Bonds will be dated April 15, 1991; will be in the denomination of \$5,000 or any integral multiple thereof within a single maturity; will be numbered separately and in the manner and with any additional designation as the Bond Registrar (collectively the fiscal agencies of the State of Washington in Seattle, Washington, and New York, New York) deems necessary for purposes of identification; and will bear interest at such rate or rates as the County Council shall fix at the time of sale.

Interest on the Bonds will be payable on June 1, 1992, and on December 1 and June 1 of each year thereafter to the maturity or earlier redemption thereof.

The Bonds will mature on December 1 in years and amounts and follows:

<u>Maturity Years</u>	<u>Principal Amounts</u>	<u>Maturity Years</u>	<u>Principal Amounts</u>
1992	\$235,000	2002	\$490,000
1993	255,000	2003	525,000
1994	280,000	2004	560,000
1995	305,000	2005	600,000
1996	335,000	2006	640,000
1997	360,000	2007	685,000
1998	385,000	2008	730,000
1999	410,000	2009	785,000
2000	435,000	2010	840,000
2001	460,000		

IMMOBILIZATION OF THE BONDS

The Bonds shall be issued initially in the form of separate, single, authenticated, fully registered Bonds in the amount of each stated maturity of the Bonds, shall be registered in the name of CEDE & CO., as nominee for The Depository Trust Company, New York, New York ("DTC"), and shall be held in fully immobilized form by DTC as depository pursuant to a Letter of Representation to be entered into by the County and the Bond Registrar and received and accepted by DTC. Reference is made to the Preliminary Official Statement for more details of the immobilization.

OPTIONS OF REDEMPTION

1 Bonds maturing in the years 1992 through 2000, inclusive, are  
2 not subject to redemption prior to maturity. The County has  
3 reserved the right to redeem Bonds maturing on or after December 1,  
4 2001, beginning on December 1, 2000, as a whole at any time or in  
5 part on any interest payment date thereafter, with the maturities  
6 to be redeemed to be selected by the County (and by lot within a  
7 maturity in such manner as the Bond Registrar shall determine), at  
8 par plus accrued interest to the date fixed for redemption.

9 Any Bond in the principal amount of greater than \$5,000 may be  
10 redeemed partially in any integral multiple of \$5,000. In such  
11 event, upon surrender of such Bond at either of the principal  
12 offices of the Bond Registrar, a new Bond or Bonds (at the option  
13 of the registered owner) of the same maturity and interest rate and  
14 in the aggregate principal amount remaining unredeemed, in the  
15 denomination of \$5,000 or any integral multiple thereof, shall be  
16 authenticated and delivered to such registered owner without charge  
17 to such registered owner therefor.

18 The County further has reserved the right to purchase any or  
19 all of the Bonds in the open market at any time and at any price.

SECURITY

20 The County has covenanted in Ordinance No. \_\_\_\_\_ (the  
21 "Bond Ordinance") that, unless the principal of and interest on the  
22 Bonds are paid from other sources, so long as the Bonds are  
23 outstanding, the County will include in its budgets and make annual  
24 levies of taxes without limitation as to rate or amount upon all of  
25 the property within the County subject to taxation in amounts  
26 which, together with any other money legally available and to be  
27 used therefor, to pay when due the principal of and interest on the  
28 Bonds. The full faith, credit and resources of the County have  
29 been pledged irrevocably for the annual levy and collection of  
30 those taxes and the prompt payment of that principal and interest.

BIDDING INFORMATION

31 Bids for the Bonds must be submitted on the official bid form  
32 that is contained in the Preliminary Official Statement, or on  
33 photocopies or facsimiles of such form.

34 Bidders are invited to submit bids for the purchase of the  
35 Bonds fixing the interest rate or rates that the Bonds will bear.  
36 Each bid shall specify either (a) the lowest rate or rates of  
37 interest, together with premium, at which the bidder will purchase  
38 the Bonds, or (b) the lowest rate or rates of interest at which the  
39 bidder will purchase the Bonds at par. No bid will be considered  
40 for less than par plus accrued interest or for less than the entire  
41 par amount of the Bonds.

42 The purchaser must pay accrued interest, if any, to the date  
43 of delivery of the Bonds purchased by it.

44 Interest rates bid shall be in multiples of 1/8 or 1/20 of 1%,  
45 or both. No more than one rate of interest may be fixed for any  
46 one maturity. The maximum differential between the lowest and  
47 highest interest rates named in any bid shall not exceed 3  
48 percentage points.

49 For the purpose of comparing bids only, the interest rates bid  
50 being controlling, each bid shall state the true interest cost of  
51 the bid. The true interest cost is the annual rate which, when

1 compounded semiannually, will discount the debt service payments on  
2 the Bonds from the payment dates to April 15, 1991, and to the bid  
3 price.

#### 4 BID DEPOSIT

5 All bids shall be sealed and accompanied by a good faith  
6 deposit. The good faith deposit for the Bonds shall be in the  
7 amount of \$186,200, and shall be in cash or certified or cashier's  
8 check made payable to the King County Finance Manager. The good  
9 faith deposit shall be returned promptly if the bid is not  
10 accepted. The good faith deposit of the successful bidder shall be  
11 retained by the County, shall be applied to the purchase price of  
12 the Bonds on the delivery of such Bonds to the successful bidder.  
13 Pending delivery of the Bonds, the good faith deposits may be  
14 invested for the sole benefit of the County. If the Bonds are  
15 ready for delivery and the successful bidder fails to complete the  
16 purchase of such Bonds within 40 days following the acceptance of  
17 its bid, the applicable good faith deposit shall be forfeited to  
18 the County, and, in that event, the County Council may accept the  
19 next best bid or call for additional bids.

#### 20 AWARD

21 The Bonds will be sold to the bidder making a bid conforming  
22 to the terms of the offering and which, on the basis of the lowest  
23 true interest cost, is the best bid. If there are two or more  
24 equal bids for the Bonds and those bids are the best bids received,  
25 the County Council shall determine by lot which bid will be  
26 accepted. The County reserves the right to reject any or all bids  
27 submitted and to waive any formality in the bidding or bidding  
28 process, and, if all bids are rejected, the Bonds may be  
29 readvertised for sale in the manner provided by law. Any bid  
30 presented after the time specified for the receipt of bids will not  
31 be received, and any bid not accompanied by the required good faith  
32 deposit at the time of opening that bid will not be read or  
considered.

#### 33 DELIVERY

34 The Bonds will be delivered on behalf of the successful  
35 bidders to DTC in New York, New York, within forty days after the  
36 sale date, immediately upon the receipt by the County of the  
37 purchase price in immediately available federal funds in Seattle,  
38 Washington. Delivery is expected to be on or about May \_\_, 1991.

39 CUSIP numbers will be typed or printed on the Bonds, if  
40 requested in the bid of the successful bidder, but neither failure  
41 to print CUSIP numbers on any Bond nor error with respect thereto  
42 shall constitute cause for a failure or refusal by the purchaser to  
43 accept delivery of and pay for the Bonds in accordance with its  
44 bid. All expenses in relation to the typing or printing of CUSIP  
45 numbers on the Bonds shall be paid by the County, but the fee of  
46 the CUSIP Service Bureau for the assignment of those numbers shall  
47 be responsibility of and shall be paid by the purchaser.

48 It is understood that if, prior to the delivery of the Bonds,  
49 the interest receivable by the owners of the Bonds becomes  
50 includable in gross income for federal income tax purposes, or  
51 becomes subject to federal income tax other than as described in  
52 any Official Statement, the successful bidder, at its option, may  
53 be relieved of its obligation to purchase the Bonds and in that  
54 case the good faith deposit accompanying its bid will be returned  
55 without interest.

1 The Bonds will be furnished by the County and will be sold  
 2 with the approving legal opinion of Riddell, Williams, Bullitt &  
 3 Walkinshaw, bond counsel of Seattle, Washington. A duplicate  
 4 original of the approving legal opinion relative to the issuance of  
 5 the Bonds shall accompany the Bonds, at the expense of the County.  
 6 An executed counterpart of such approving legal opinion will be  
 7 provided to the managing underwriter in Seattle, Washington, at the  
 8 time of the delivery of the Bonds. Bond counsel was not engaged to  
 9 participate in the preparation or review of the Preliminary  
 10 Official Statement, the final Official Statement or other sales  
 11 material used in connection with the offer or sale of the Bonds, as  
 12 such approving legal opinion shall state; and bond counsel shall  
 13 express no opinion concerning the completeness or accuracy of the  
 14 Preliminary Official Statement, the final Official Statement or any  
 15 other sales material issued or used in connection with the Bonds.  
 16 A no-litigation certificate will be included in the closing papers  
 17 of each series of Bonds.

#### 9 OFFICIAL STATEMENT AND OTHER INFORMATION

10 A copy of the County's Preliminary Official Statement, dated  
 11 April 15, 1991, may be obtained by contacting the County Finance  
 12 Manager or County's financial advisors, the addresses and telephone  
 13 numbers of which are listed below. The Preliminary Official  
 14 Statement is in a form deemed final by the County for the purpose  
 15 of SEC Rule 15c2-12(b)(1), but is subject to revision, amendment  
 16 and completion in a final Official Statement, which the County will  
 17 deliver, at the expense of the County, to the managing underwriter  
 18 not later than seven business days after the County's acceptance of  
 19 the managing underwriter's proposal. No more than 700 copies of  
 20 the final Official Statement will be delivered.

21 By submitting the successful proposal, the managing  
 22 underwriter agrees to file, or cause to be filed, within one  
 23 business day following the receipt from the County, the final  
 24 Official Statement with a nationally recognized municipal  
 25 securities information repository designated by the Securities and  
 26 Exchange Commission.

27 The County will advise the managing underwriter, by written  
 28 notice, of any "developments that impact the accuracy and  
 29 completeness of the key presentations" (within the meaning of SEC  
 30 Rule 15c2-12) contained in the final Official Statement, which may  
 31 occur during the period commencing on the date of the acceptance by  
 32 the County of the successful proposal and ending on the 90th day  
 next following that date of acceptance, unless the final Official  
 Statement has been filed with such municipal securities information  
 repository, in which event such period shall end on the 25th day  
 next following that date of acceptance.

33 The Preliminary Official Statement (with the Official Notice  
 34 of Bond Sale and the Official Bid Form) and further information  
 35 regarding the details of the Bonds may be received upon request to  
 36 the County Finance Manager or to Lehman Brothers, 999 Third Avenue,  
 37 Seattle, Washington, 98104 (telephone: (206) 344-2438), the  
 38 County's financial advisor with respect to the Bonds.

39 DATED at Seattle, Washington, this \_\_\_ day of \_\_\_\_\_,  
 40 1991.

41 \_\_\_\_\_  
 42 Gerald A. Peterson, Clerk of the  
 King County Council