

May 10, 1991

INTRODUCED BY: Laing, Nichols

PROPOSED NO.: -91-396

9946

ORDINANCE NO.

AN ORDINANCE providing for the issuance and sale of limited tax levy general obligation refunding bonds of the county in the aggregate principal amount of not to exceed \$13,000,000 for the purpose of providing part of the funds to refund certain outstanding general obligation bonds of the county; authorizing the execution of an escrow agreement related to such refunding; providing the date and form of said bonds; delegating to the county executive the authority to establish certain terms, maturities and redemption provisions of said bonds within specified limits; providing for the disposition of the proceeds of sale; establishing funds for the receipt and expenditure of bond proceeds and for the payment of the bonds; providing for the sale of the bonds and providing for the annual levy of taxes to pay the principal thereof and interest thereon.

PREAMBLE:

The county council has received and reviewed plans for the refunding of certain of its Various Purpose Limited Tax General Obligation Bonds, 1985 and Limited Tax General Obligation Refunding Bonds, 1985 (Farm and Open Space) and has found that a substantial savings to the county and its taxpayers can be realized by such refunding.

It is deemed necessary and advisable that the county now issue and sell its limited tax levy general obligation refunding bonds in an amount not to exceed \$13,000,000 to accomplish this plan of refunding and realize such debt service savings.

Because the exact terms of the refunding bonds and the government obligations to be placed in escrow to defease the refunded bonds cannot be determined until the day the bonds are sold, it is deemed necessary and advisable to delegate to the county executive the authority to negotiate the final terms of sale within specified limits.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Definitions. The following words and terms as used in this ordinance shall have the following meanings for all purposes of this ordinance, unless some other meaning is plainly intended.

1 A. "Acquired Obligations" means the obligations acquired
2 pursuant to Section 17 hereof to effect the Refunding Plan.

3 B. "Arbitrage Rebate and Accounting Memorandum" means the
4 document of that name, executed and delivered by the county on the
5 date of closing and delivery of the Bonds.

6 C. "Bond Fund" means the 1991 Series D Limited Tax General
7 Obligation Refunding Bond Redemption Account" established pursuant
8 to Section 18 hereof.

9 D. "Bond Register" means the registration books maintained
10 by the Bond Registrar for purposes of identifying ownership of the
11 Bonds.

12 E. "Bond Registrar" means the fiscal agency of the State
13 of Washington in either Seattle, Washington, or New York, New
14 York, for the purposes of registering and authenticating the
15 Bonds, maintaining the Bond Register, effecting the transfer of
16 ownership of the Bonds and paying interest on and principal of the
17 Bonds.

18 F. "Bond Year" means each one-year period (or shorter
19 period from the date of issue) that ends at the close of business
20 on November 30.

21 G. "Bonds" or "Bond" means all or a portion of the King
22 County, Washington, Limited Tax General Obligation Refunding
23 Bonds, 1991, Series D, issued pursuant to this ordinance.

24 H. "Chief Financial Officer" means the person serving as
25 the chief financial officer of the office of financial management
26 of King County or the county officer who succeeds to the duties
27 now delegated to that office.

28 I. "Code" means the Internal Revenue Code of 1986, as
29 amended. Any reference to a provision of the Code shall include
30 the applicable regulations of the Department of the Treasury
31 promulgated or proposed with respect to such provision.
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1 J. "Computation Date" means the Installment Computation
2 Date or the Final Computation Date.

3 K. "County Executive" means the duly elected King County
4 Executive.

5 L. "County Finance Manager" means the manager of the
6 finance division of the King County office of financial management
7 or any other county officer who succeeds to the duties now
8 delegated to that office.

9 M. "Crossover Date" means December 1, 1995, the date on
10 which the amounts in the Advance Refunding Fund, 1991 will be used
11 to pay or redeem the November 1985 Bonds.

12 N. "DTC" means the Depository Trust Company, New York, New
13 York.

14 O. "Escrow Agent" means the bank selected by the county
15 finance manager pursuant to Section 17 hereof.

16 P. "Escrow Agreement" means the agreement between the
17 County and the Escrow Agent on the form attached hereto as
18 Exhibit B.

19 Q. "Final Computation Date" means the date that the last
20 Bond is discharged. A Bond is discharged on the date that all
21 amounts due under the terms of the Bond are actually and
22 unconditionally due if cash is available at the place of payment
23 and no interest accrues with respect to the Bonds after such date.

24 R. "Installment Computation Date" means the last day of the
25 fifth Bond Year and of each succeeding fifth Bond Year.

26 S. "Letter of Representation" shall mean that letter
27 substantially in the form of Exhibit A, attached hereto and
28 incorporated herein by this reference.

29 T. "May 1985 Bonds" means the King County, Washington
30 Various Purpose Limited Tax General Obligation Bonds, 1985, dated
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1 May 1, 1985, issued pursuant to Ordinance No. 7182 and presently
2 outstanding in the principal amount of \$16,790,000.

3 U. Nonpurpose Receipts means, in general, any receipt with
4 respect to an investment allocated to the Bonds. The following
5 types of receipts are specifically included:

6 1. Actual Receipts. Any amount actually or
7 constructively received with respect to an investment. Actual
8 receipts may not be reduced by sales commissions, administrative
9 expenses or similar expenses.

10 2. Disposition Receipts. An amount determined by
11 treating an investment that ceases to be allocated to the Bonds
12 (other than by reason of a sale or retirement) as if sold for fair
13 market value on the date that the investment ceases to be
14 allocated to the Bonds.

15 3. Installment Date Receipts. The fair market value
16 (or, for fixed rate investments, present value) of all investments
17 allocated to the Bonds at the close of business on any Computation
18 Date.

19 4. Imputed Receipts. Any receipts that are required
20 to be imputed and taken into account pursuant to Section 1.148-5T
21 of the Temporary Income Tax Regulations or any successor Temporary
22 or Final Income Tax Regulations.

23 V. "Nonpurpose Payments" means, in general, any payment
24 with respect to an investment allocated to the Bonds. The
25 following types of payments are specifically included:

26 1. Direct Payments. The amounts of gross proceeds of
27 the Bonds directly used to purchase the investment. Direct
28 payments do not include brokerage commissions, administrative
29 expenses or similar expenses.

30 2. Constructive Payments. The fair market value (as
31 of the date of allocation to the Bonds) of any investment that was
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1 not directly purchased with gross proceeds of the Bonds, but which
2 is allocated to the Bonds.

3 3. Payments of Rebatable Arbitrage. Any payment of
4 rebatable arbitrage if such payment is made no later than the due
5 date for such payment.

6 W. "November 1985 Bonds" means the King County, Washington
7 Limited Tax General Obligation Refunding Bonds, 1985 (Farm and
8 Open Space) dated November 1, 1985, issued pursuant to Ordinance
9 No. 7379 and presently outstanding in the principal amount of
10 \$1,160,000.

11 X. "Purchase Contract" means the contract for the sale of
12 the Bonds between the county and Kirchner Moore, a Division of
13 George K. Baum & Company, in substantially the form attached
14 hereto as Exhibit C, except as certain terms may be added or
15 changed in accordance with Section 24 hereof.

16 Y. "Refunding Plan" means the plan of refunding authorized
17 in Section 2 hereof.

18 SECTION 2. Refunding Plan. The proceeds of the Bonds shall
19 be deposited in the Advance Refunding Fund, 1991 (hereinafter
20 authorized to be created) and shall be used to purchase certain
21 Acquired Obligations specified in the Escrow Agreement and to pay
22 expenses of the acquisition and safekeeping of the Acquired
23 Obligations and the costs of issuing the Bonds. The Acquired
24 Obligations and other moneys, if any, required to be made
25 available by the county and held in the Advance Refunding Fund,
26 1991 shall be sufficient to:

27 A. pay the interest on the May 1985 Bonds (i) which mature
28 in the principal amount of \$100,000 on December 1, 1992,
29 (ii) which mature in the principal amount of \$100,000 on
30 December 1, 1993, and (iii) which mature after December 1, 1995,
31 on and prior to December 1, 1995;

1 B. pay the maturing principal amount on December 1, 1992
2 of \$100,000 of May 1985 Bonds and the maturing principal amount
3 on December 1, 1993 of \$100,000 of May 1985 Bonds;

4 C. pay the redemption price (100% of the principal amount)
5 on December 1, 1995 of the May 1985 Bonds maturing on and after
6 December 1, 1995;

7 D. pay the interest on the principal amount of a portion
8 of the Bonds in accordance with the Refunding Plan as the same
9 shall become due on and prior to the Crossover Date; and

10 E. pay the redemption price (100% of the principal amount)
11 on the Crossover Date of the November 1985 Bonds maturing on and
12 after the Crossover Date.

13 The Escrow Agent shall use the moneys initially deposited and
14 the moneys received as interest on and principal of mature
15 Acquired Obligations to satisfy the foregoing obligations. On and
16 prior to the Crossover Date, the Escrow Agent shall transfer to
17 the county an amount sufficient to pay the interest on the Bonds
18 specified in D on or prior to each date on which a payment of
19 interest is due. On the Crossover Date, the Escrow Agent shall
20 transfer to the county an amount sufficient to pay the redemption
21 price of all remaining outstanding November 1985 Bonds maturing
22 on and after the Crossover Date.

23 Prior to the Crossover Date, the county shall continue to
24 make all payments of principal of and interest on the November
25 1985 Bonds from the sources pledged therefor in Ordinance No. 7379
26 of the county, and from and after the Crossover Date, the county
27 shall make all payments of principal of and interest on all of the
28 Bonds from the sources identified in Section 18 of this ordinance.
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SECTION 3. Purpose, Authorization and Description of Bonds;

Use of Depository.

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3 A. Purpose and Authorization of Bonds. The county shall
4 now issue and sell the Bonds for the purpose of providing the
5 county with part of the funds required to implement the Refunding
6 Plan approved in Section 2 hereof.

7 B. Description. The Bonds shall be designated "Limited Tax
8 General Obligation Refunding Bonds, 1991, Series D. The Bonds
9 shall be dated June 1, 1991, shall be fully registered as to both
10 principal and interest, shall be in the denomination of \$5,000
11 each or any integral multiple thereof (but no Bond shall represent
12 more than one maturity), shall be numbered separately in such
13 manner and with any additional designation as the Bond Registrar
14 deems necessary for purposes of identification, and shall mature
15 on December 1 in the years 1994 through 2005 in the amounts set
16 forth in the Purchase Contract.

17 The Bonds shall bear interest (computed on the basis of a
18 360day year of twelve 30-day months) from their date or from the
19 most recent interest payment date for which interest has been paid
20 or duly provided for, whichever is later, payable on December 1,
21 1991, and semiannually thereafter on the first days of each
22 succeeding June and December to the maturity or earlier redemption
23 of the Bonds, at the rate or rates set forth in the Purchase
24 Contract.

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

27 C. Initial Immobilization of Bonds; Depository Provisions.
28 The Bonds initially shall be held in fully immobilized form by DTC
29 acting as depository pursuant to the terms and conditions set
30 forth in the Letter of Representation set forth in Exhibit A
31 hereto and by this reference incorporated herein. To induce DTC
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1 to accept the Bonds as eligible for deposit at DTC, the county
2 finance manager is authorized to execute the Letter of
3 Representation, with such changes as hereafter may be approved by
4 him, and such approval shall be conclusively presumed by the
5 County Finance Manager's execution thereof. Neither the county
6 nor the Bond Registrar shall have any responsibility or obligation
7 to DTC participants or the persons for whom they act as nominees
8 with respect to the Bonds regarding accuracy of any records
9 maintained by DTC or DTC participants of any amount in respect of
10 principal or redemption price of or interest on the Bonds, or any
11 notice which is permitted or required to be given to Registered
12 owners under this ordinance (except such notice as is required to
13 be given by the county to the Bond Registrar or to DTC).

14 The Bonds initially shall be issued in denominations equal
15 to the aggregate principal amount of each maturity and initially
16 shall be registered in the name of CEDE & Co. as the nominee of
17 DTC. The Bonds so registered shall be held in fully immobilized
18 form by DTC as depository. For so long as any Bonds are held in
19 fully immobilized form, DTC, its successor or any substitute
20 depository appointed by the county, as applicable, shall be deemed
21 to be the registered owner for all purposes hereunder and all
22 references to registered owners, bondowners, bondholders, owners
23 or the like shall mean DTC or its nominees and shall not mean the
24 owners of any beneficial interests in the Bonds. Registered
25 ownership of such Bonds, or any portions thereof, may not
26 thereafter be transferred except:

27 1. To any successor of DTC or its nominee, if that
28 successor shall be qualified under any applicable laws to provide
29 the services proposed to be provided by it;
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1 2. To any substitute depository appointed by the
2 county pursuant to this subsection or such substitute depository's
3 successor; or

4 3. To any person as herein provided if the Bonds are
5 no longer held in immobilized form.

6 Upon the resignation of DTC or its successor (or any
7 substitute depository or its successor) from its functions as
8 depository, or a determination by the county that it is no longer
9 in the best interests of beneficial owners of the Bonds to
10 continue the system of book entry transfers through DTC or its
11 successor (or any substitute depository or its successor), the
12 county may appoint a substitute depository. Any such substitute
13 depository shall be qualified under any applicable laws to provide
14 the services proposed to be provided by it.

15 In the case of any transfer pursuant to clause 1 or 2 of the
16 second paragraph of this subsection, the Bond Registrar, upon
17 receipt of all outstanding Bonds together with a written request
18 on behalf of the county, shall issue a single new Bond for each
19 maturity of Bonds then outstanding, registered in the name of such
20 successor or such substitute depository, or their nominees, as the
21 case, may be, all as specified in such written request of the
22 county.

23 In the event that DTC or its successor (or substitute
24 depository or its successor) resigns from its functions as
25 depository, and no substitute depository can be obtained; or the
26 county determines that it is in the best interests of the
27 beneficial owners of the Bonds that they be able to obtain Bond
28 certificates, the ownership of Bonds may be transferred to any
29 person as herein provided, and the Bonds shall no longer be held
30 in fully immobilized form. The county shall deliver a written
31 request to the Bond Registrar, together with a supply of
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1 definitive Bonds, to issue Bonds as herein provided in any
2 authorized denomination. Upon receipt of all then outstanding
3 Bonds by the Bond Registrar, together with a written request on
4 behalf of the county to the Bond Registrar, new Bonds shall be
5 issued in such denominations and registered in the names of such
6 persons as are requested in such a written request.

7 D. Place, Manner and Medium of Payment. Both principal of
8 and interest on the Bonds shall be payable in lawful money of the
9 United States of America. For so long as outstanding Bonds are
10 registered in the name of CEDE & Co., or its registered assigns,
11 as nominee of DTC, payments of principal of and interest on the
12 Bonds shall be made in next day funds on the date such payment is
13 due and payable at the place and in the manner provided in the
14 Letter of Representation.

15 In the event that Bonds are no longer immobilized by DTC,
16 interest on the Bonds shall be paid by checks or drafts mailed,
17 or by wire transfer, to owners of Bonds at the addresses for such
18 owners appearing on the Bond Register on the 15th day of the
19 calendar month preceding the interest payment date. Wire transfer
20 will be made only if so requested in writing and if the owner owns
21 at least one million dollars (\$1,000,000) par value of the Bonds.
22 Principal of the Bonds shall be payable at maturity or on such
23 dates as may be fixed for prior redemption upon representation and
24 surrender of the Bonds by the owners at either principal office
25 of the Registrar in Seattle, Washington, or New York, New York,
26 at the option of such owners.

27 SECTION 4. Optional Redemption of Bonds. The county
28 reserves the right to redeem outstanding Bonds prior to their
29 maturity on the dates and at the prices set forth in the Purchase
30 Contract plus accrued interest to the date of redemption.
31 Maturities to be redeemed shall be selected by the county (and by
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1 lot within a maturity, in increments of \$5,000, with the manner
2 of selection to be as chosen by the Bond Registrar). Portions of
3 the principal amount of any Bond, in increments of \$5,000 or any
4 integral multiple of \$5,000, may be redeemed. If less than all
5 of the principal amount of any Bond is redeemed, upon surrender
6 of such Bond at the principal office of the Bond Registrar there
7 shall be issued to the registered owner, without charge therefor,
8 for the then unredeemed balance of the principal amount thereof,
9 a new Bond or Bonds, at the option of the registered owner, of
10 like maturity and interest rate in any denomination authorized by
11 this ordinance.

12 All Bonds purchased or redeemed under this section shall be
13 cancelled by the Bond Registrar and shall not be reissued.

14 SECTION 5. Notice and Effect of Redemption. Unless waived
15 by the registered owner of Bonds to be redeemed or the nominee of
16 such owner, official notice of any such redemption shall be given
17 by the Bond Registrar on behalf of the county by mailing a copy
18 of an official redemption notice by certified or registered mail,
19 postage prepaid, not less than 30 nor more than 60 days prior to
20 the date fixed for redemption, to the registered owner of the Bond
21 or Bonds to be redeemed at the address shown on the Bond Register
22 or at such other address as is furnished in writing by such
23 registered owner to the Bond Registrar.

24 All official notices of redemption shall be dated and shall
25 state:

- 26 A. the redemption date;
27 B. the redemption price;
28 C. if less than all outstanding Bonds are to be redeemed,
29 the identification (and, in the case of partial redemption, the
30 respective principal amounts) of the Bonds to be redeemed;
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1 D. that on the redemption date the redemption price will
2 become due and payable upon each such Bond or portion thereof
3 called for redemption, and that interest thereon shall cease to
4 accrue from and after said date; and

5 E. the place where such Bonds are to be surrendered for
6 payment of the redemption price, which place of payment shall be
7 either of the principal offices of the Bond Registrar.

8 Such notice of redemption shall be mailed within the same
9 period, postage prepaid, to Moody's Investors Service, Inc. and
10 Standard & Poor's Corporation at their offices in New York, New
11 York, or their successors, and to such other persons and with such
12 additional information as the County Finance Manager shall deem
13 appropriate, but such mailings shall not be a condition precedent
14 to the redemption of the Bonds.

15 Prior to any redemption date, the county shall deposit with
16 the Bond Registrar an amount of money sufficient to pay the
17 redemption price of all the Bonds or portions of Bonds which are
18 to be redeemed on that date.

19 Official notice of redemption having been given as aforesaid,
20 the Bonds or portions of Bonds so to be redeemed shall, on the
21 redemption date, become due and payable at the redemption price
22 therein specified, and from and after such date (unless the county
23 shall default in the payment of the redemption price upon
24 presentation) such Bonds or portions of Bonds shall cease to bear
25 interest. Upon surrender of such Bonds for redemption in
26 accordance with said notice, such Bonds shall be paid by the Bond
27 Registrar at the redemption price. Installments of interest due
28 on or prior to the redemption date shall be payable as herein
29 provided for payment of interest. Upon the payment of the
30 redemption price of Bonds being redeemed, each check or other
31 transfer of funds issued. for such purpose shall bear the CUSIP
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1 number identifying, by issue and maturity, the Bonds being
2 redeemed with the proceeds of such check or other transfer. Upon
3 surrender for any partial redemption of any Bond, there shall be
4 prepared for the registered owner a new Bond or Bonds of the same
5 maturity in the amount of unpaid principal.

6 In addition to the foregoing notice, further notice shall be
7 given by the Bond Registrar as set out below, but no defect in
8 said further notice nor any failure to give all or any portion of
9 such further notice shall in any manner defeat the effectiveness
10 of a call for redemption if notice thereof is given as above
11 prescribed.

12 A. Each further notice of redemption given hereunder shall
13 contain the information required above for an official notice of
14 redemption plus: the CUSIP numbers of all Bonds being redeemed;
15 the date of issue of the Bonds as originally issued; the rate of
16 interest borne by each Bond being redeemed; the maturity date of
17 each Bond being redeemed; and any other descriptive information
18 needed to identify accurately the Bonds being redeemed.

19 B. Each further notice of redemption shall be sent at least
20 35 days before the redemption date by registered or certified mail
21 or overnight delivery service to all registered securities
22 depositories then in the business of holding substantial amounts
23 of obligations of types comprising the Bonds (such depositories
24 now being Depository Trust Company of New York, New York, Midwest
25 Securities Trust Company of Chicago, Illinois, Pacific Securities
26 Depository Trust Company of San Francisco, California, and
27 Philadelphia Depository Trust Company of Philadelphia,
28 Pennsylvania).

29 The requirements of this section shall be deemed to be com-
30 plied with when notice is mailed as herein provided, whether or
31 not it is actually received by the owner.
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SECTION 6. Form of Bonds. The Bonds shall be in substantially the following form:

NO. _____ \$ _____

UNITED STATES OF AMERICA
STATE OF WASHINGTON
KING COUNTY

LIMITED TAX GENERAL OBLIGATION REFUNDING BOND, 1991,
SERIES D

INTEREST RATE: MATURITY DATE:

SEE REVERSE SIDE FOR
CERTAIN ADDITIONAL PROVISIONS

CUSIP NO.:

Registered Owner:
Principal Amount:

KING COUNTY, WASHINGTON (the "County"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date specified above, the Principal Amount specified above and to pay interest thereon (computed on the basis of a 360-day year of twelve 30-day months) from June 1, 1991, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on December 1, 1991, and semiannually thereafter on the first days of each succeeding June and December.

Both principal of and interest on this bond are payable in lawful money of the United States of America. While bonds are held on immobilized "book entry" system of registration, the principal of this bond is payable to the order of the Registered Owner in next day funds received by the Registered Owner on the maturity date of this bond, and the interest on this bond is payable to the order of the Registered Owner in next day funds received by the Registered Owner on each interest payment date. When Bonds are no longer held on an immobilized "book entry" registration system, the principal shall be paid to the Registered Owner or nominee of such owner upon presentation and surrender of this bond at either of the principal offices of the fiscal agency of the State of Washington in either Seattle, Washington or New York, New York (collectively the "Bond Registrar"), and the interest shall be paid by mailing a check or draft (on the date such interest is due) to the Registered Owner or nominee of such owner at the address shown on the registration books maintained by the Bond Registrar (the "Bond Register") as of the 15th day of the month prior to the interest payment date.

If so requested in writing by the Registered Owner of at least \$1,000,000 par value of the Bonds, interest will be paid by wire transfer.

Reference is hereby made to additional provisions of this bond set forth on the reverse side hereof and such additional

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1 provisions shall for all purposes have the same effect as if set
2 forth in this space.

3 This bond shall not be valid or become obligatory for any
4 purpose or be entitled to any security or benefit under King
5 County Ordinance No. _____ (the "Bond Ordinance") until
6 the Certificate of Authentication hereon shall have been manually
7 signed by the Bond Registrar.

8 It is hereby certified that all acts, conditions and things
9 required by the Constitution and statutes of the State of
10 Washington and the Charter and ordinances of the County to exist,
11 to have happened, been done and performed precedent to and in the
12 issuance of this bond have happened, been done and performed and
13 that the issuance of this bond and the bonds of this series does
14 not violate any constitutional, statutory or other limitation upon
15 the amount of bonded indebtedness that the county may incur.

16 IN WITNESS WHEREOF, the County has caused this bond to be
17 executed by the manual or facsimile signatures of the County
18 Executive and the Clerk of the County Council, and the seal of the
19 County to be impressed or imprinted hereon, as of this first day
20 of June, 1991.

21 KING COUNTY, WASHINGTON

22 By _____
23 County Executive

24 ATTEST:

25 _____
26 Clerk of the County Council

27 ADDITIONAL PROVISIONS

28 This bond is one of an authorized series of bonds of like
29 date and tenor, except as to number, amount, rate of interest and
30 date of maturity, in the aggregate principal amount of
31 \$ _____ and is issued to pay a portion of the costs to refund
32 certain outstanding obligations of the County.

The bonds of this series are issued under and in accordance
with the provisions of the Constitution and applicable statutes
of the State of Washington and the Charter and applicable
ordinances duly adopted by the County.

The County has reserved the right to redeem outstanding bonds
of this series maturing on or after December 1, _____ in whole on
any date or in part on any interest payment date, on or after
December 1, _____, maturities to be redeemed to be selected by the
county (and by lot within a maturity, in increments of \$5,000,
with the manner of selection to be as chosen by the Bond
Registrar) at par plus accrued interest to the date of redemption.

Portions of the principal sum of this bond in installments
of \$5,000 or any integral multiple thereof also may be redeemed
in accordance with the provisions set forth above, and if less

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1 than all of the principal sum hereof is to be redeemed, upon the
2 surrender of this bond at the principal offices of the Bond
3 Registrar there shall be issued to the Registered Owner, without
4 charge therefor, for the then unredeemed balance of the principal
5 sum hereof, at the option of the owner, a bond or bonds of like
6 maturity and interest rate in any of the denominations authorized
7 by the Bond Ordinance.

8 Notice of redemption, unless waived, is given by the Bond
9 Registrar by mailing an official redemption notice by certified
10 or registered mail, postage prepaid, not less than 30 days and
11 not more than 60 days prior to the date fixed for redemption, to
12 the Registered Owner of any bond to be redeemed at the address
13 appearing on the Bond Register. The requirements for such notice
14 shall be deemed to be complied with when notice is mailed as
15 herein provided, regardless of whether or not it is actually
16 received by the owner of any bond.

17 If such notice has been given and if the County has set
18 aside, on the date fixed for redemption, sufficient money for the
19 payment of all bonds called for redemption, the bonds so called
20 shall cease to accrue interest after such redemption date, and all
21 such bonds shall no longer be deemed to be outstanding for any
22 purpose, except that the Registered Owners thereof shall be
23 entitled to receive payment of the redemption price and accrued
24 interest to the redemption date from the money set aside for such
25 purpose.

26 The County hereby irrevocably covenants and agrees with the
27 owner of this bond that it will annually include in its budget and
28 levy taxes, within and as a part of the tax levy permitted to
29 counties without a vote of the electorate upon all the property
30 subject to taxation, in an amount sufficient, together with all
31 other moneys legally available therefor, to pay the principal of
32 and interest on this bond as the same shall become due. The full
33 faith, credit and resources of the County are hereby irrevocably
34 pledged for the annual levy and collection of such taxes and the
35 prompt payment of such principal and interest.

36 The pledge of tax levies for repayment of principal of and
37 interest on the bonds may be discharged prior to maturity of the
38 bonds by making provisions for the payment thereof on the terms
39 and conditions set forth in the Bond Ordinance.

40 The following abbreviations, when used in the inscription on
41 the face of the within bond, shall be construed as though they
42 were written out in full according to applicable laws or
43 regulations.

44 TEN COM - as tenants in common
45 TEN ENT - as tenants by the entireties
46 JT TEN - as joint tenants with right of survivorship and
47 not as tenants in common

48 UNIF GIFT MIN ACT - _____ Custodian _____
49 (Cust) (Minor)
50 under Uniform Gifts to Minors Act
51 _____
52 (State)

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1 Additional abbreviations may also be used though not listed above.

2 The Bond Registrar's Certificate of Authentication on the Bonds shall be in substantially the following form:

3 CERTIFICATE OF AUTHENTICATION

4 This bond is one of the bonds described in the within
5 mentioned Bond Ordinance and is one of the Limited Tax General
6 Obligation Refunding Bonds, 1991, Series D of King County, dated
June 1, 1991.

7 WASHINGTON STATE FISCAL AGENCY, as
8 Bond Registrar

9 By _____
10 Authorized Officer

11 ASSIGNMENT

12 FOR VALUE RECEIVED, the undersigned hereby sells, assigns and
transfers unto _____

13
14 PLEASE INSERT SOCIAL SECURITY OR
TAXPAYER IDENTIFICATION NUMBER OF TRANSFEREE

15 / _____ /

16
17 (Please print or typewrite name and address, including zip code
of Transferee)

18 the within bond and does hereby irrevocably constitute and
19 appoint _____ of _____, or its
20 successor, as Bond Registrar to transfer said bond on the books
kept for registration thereof with full power of substitution in
the premises.

21 DATED: _____, 19____.

22
23 NOTE: The signature on this
24 Assignment must correspond with the
25 name of the registered owner as it
26 appears upon the face of the within
bond in every particular, without
alteration or enlargement or any
change whatever.

27 SECTION 7. Execution of Bonds. The Bonds shall be executed
28 on behalf of the county with the manual or facsimile signatures
29 of the County Executive and the clerk of the council, and shall
30 have the seal of the county impressed or imprinted thereon.

1 In case either or both of the officers who shall have
2 executed the Bonds shall cease to be an officer or officers of the
3 county before the Bonds so signed shall have been authenticated
4 or delivered by the Bond Registrar, or issued by the county, such
5 Bonds may nevertheless be authenticated, delivered and issued and
6 upon such authentication, delivery and issuance, shall be as
7 binding upon the county as though those who signed the same had
8 continued to be such officers of the county. Any Bond also may
9 be signed and attested on behalf of the county by such persons as
10 at the actual date of execution of such Bond shall be the proper
11 officers of the county although at the original date of such Bond
12 any such person shall not have been such officer of the county.

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

21 SECTION 8. Bond Registrar. The Bond Registrar shall keep,
22 or cause to be kept, at its principal corporate trust office,
23 sufficient books for the registration and transfer of the Bonds
24 which shall at all times be open to inspection by the county.
25 Such Bond Register shall contain the name and mailing address of
26 the owner of each Bond or nominee of such owner and the principal
27 amount and number of Bonds held by each owner or nominee.

28 The Bond Registrar is authorized, on behalf of the county,
29 to authenticate and deliver the Bonds transferred or exchanged in
30 accordance with the provisions of such Bonds and this ordinance
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1 and to carry out all of the Bond Registrar's powers and duties
2 under this ordinance.

3 The Bond Registrar shall be responsible for its
4 representations contained in the Certificate of Authentication on
5 the Bonds. The Bond Registrar may become the owner of Bonds with
6 the same rights it would have if it were not the Bond Registrar,
7 and to the extent permitted by law may act as depository for and
8 permit any of its officers or directors to act as a member of, or
9 in any other capacity with respect to, any committee formed to
10 protect the rights of Bond owners.

11 Upon surrender thereof to the Bond Registrar, the Bonds are
12 interchangeable for Bonds in any authorized denomination of an
13 equal aggregate principal amount and of the same interest rate and
14 maturity. Bonds may be transferred only if endorsed in the manner
15 provided thereon and surrendered to the Bond Registrar. Upon such
16 surrender, the Bond Registrar shall cancel the surrendered Bond
17 and shall authenticate and deliver, without charge to the owner
18 or transferee therefor, (other than taxes, if any, payable on
19 account of such transfer) a new Bond (or Bonds, at the option of
20 the new registered owner) of the same maturity and interest rate
21 and for the same aggregate principal amount, in any authorized
22 denomination, naming as registered owner the person or persons
23 listed as the assignee on the assignment form appearing on the
24 surrendered Bond, in exchange for such surrendered and cancelled
25 Bond. The Bond Registrar shall not be obligated to transfer or
26 exchange any Bond during the fifteen days preceding any interest
27 payment, principal payment or redemption date.

28 The county and the Bond Registrar, each in its discretion,
29 may deem and treat the registered owner of each Bond as the
30 absolute owner thereof for all purposes, and neither the county
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nor the Bond Registrar shall be affected by any notice to the contrary.

SECTION 9. Mutilated, Lost, or Destroyed Bonds. If any Bond shall become mutilated, the Bond Registrar shall authenticate and deliver a new Bond of like series, amount, date, interest rate and tenor in exchange and substitution for the Bond so mutilated, upon the owner's paying the expenses and charges of the county and the Bond Registrar in connection therewith and upon surrender to the Bond Registrar of the Bond so mutilated. Every mutilated Bond so surrendered shall be cancelled and destroyed by the Bond Registrar.

In case the Bonds or any of them shall be lost, stolen or destroyed, the Bond Registrar may authenticate and deliver a new Bond or Bonds of like amount, date, and tenor to the registered owner thereof upon the owner's paying the expenses and charges of the county and the Bond Registrar in connection therewith and upon his/her filing with the Bond Registrar evidence satisfactory to the Bond Registrar that such Bond or Bonds were actually lost, stolen or destroyed and of his/her ownership thereof, and upon furnishing the county and Bond Registrar with indemnity satisfactory to the Chief Financial Officer or County Finance Manager and the Bond Registrar.

SECTION 10. Corporate Authority. The county has full legal right, power and authority to adopt this ordinance, to sell, issue and deliver the Bonds as provided herein, and to carry out and consummate all other transactions contemplated by this ordinance.

SECTION 11. Due Authorization and Approval of Ordinance and Bonds. By all necessary official action prior to or concurrent herewith, the county has duly authorized and approved the execution and delivery of, and the performance by the county of its obligations contained in the Bonds and in this ordinance and

1 the consummation by it of all other transactions necessary to
2 effectuate this ordinance in connection with the issuance of the
3 Bonds, and such authorizations and approvals are in full force and
4 effect and have not been amended, modified or supplemented in any
5 material respect.

6 SECTION 12. Ordinance to Constitute Legal, Valid and Binding
7 Obligation of County. This ordinance constitutes a legal, valid
8 and binding obligation of the county.

9 SECTION 13. Bonds to Constitute Legal, Valid, and Binding
10 Obligations of County. The Bonds, when issued, sold,
11 authenticated and delivered, will constitute legal, valid and
12 binding general obligations of the county.

13 SECTION 14. Bond Registration. The county covenants that
14 until all Bonds shall have been surrendered and cancelled, it will
15 maintain a system of recording the ownership of each Bond that
16 complies with the applicable provisions of the Code.

17 SECTION 15. No Breach or Default. The adoption of this
18 ordinance, and compliance on the county's part with the provisions
19 contained herein, will not conflict with or constitute a breach
20 of or default under any constitutional provisions, law,
21 administrative regulation, judgment, decree, loan agreement,
22 indenture, bond, note, resolution, ordinance, motion, agreement
23 or other instrument to which the county is a party or to which the
24 county or any of its property or assets are otherwise subject, nor
25 will any such adoption, execution, delivery, sale, issuance or
26 compliance result in the creation or imposition of any lien,
27 charge or other security interest or encumbrance of any nature
28 whatsoever upon any of the property or assets of the county or
29 under the terms of any such law, regulation or instrument, except
30 as may be provided by the Bonds and this ordinance.
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1 SECTION 16. Debt Limit Not Exceeded. The county finds and
2 covenants that the Bonds are issued within all statutory and
3 constitutional debt limitations applicable to the county.

4 SECTION 17. Application of Bond Proceeds. There is hereby
5 authorized and established in the office of financial management
6 of the county a fund known as the "Advance Refunding Fund, 1991,"
7 which fund is to be drawn upon for the sole purpose of paying:

8 A. the interest on the May 1985 Bonds (i) which mature in
9 the principal amount of \$100,000 on December 1, 1992, (ii) which
10 mature in the principal amount of \$100,000 on December 1, 1993,
11 and (iii) which mature after December 1, 1995, payable on and
12 prior to December 1, 1995;

13 B. the maturing principal amount on December 1, 1992 of
14 \$100,000 of May 1985 Bonds and the maturing principal amount on
15 December 1, 1993 of \$100,000 of May 1985 Bonds;

16 C. the redemption price (100% of principal amount) on
17 December 1, 1995 of the May 1985 Bonds maturing on and after
18 December 1, 1995;

19 D. the interest on the principal amount of a portion of
20 the Bonds in accordance with the Refunding Plan as the same shall
21 become due on and prior to the Crossover Date; and

22 E. the redemption price (100% of the principal amount) on
23 the Crossover Date of the November 1985 Bonds maturing on and
24 after the Crossover Date.

25 The proceeds of sale of the Bonds, less accrued interest
26 which shall be deposited in the Bond Fund, shall be credited to
27 such Advance Refunding Fund. In addition, there shall be credited
28 to the Advancing Refunding Fund, amounts from the King County
29 Limited Tax General Obligation Bond Redemption Fund in order to
30 implement the Refunding Plan.
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1 Money in the Advance Refunding Fund shall be used immediately
 2 upon receipt thereof to defease the May 1985 Bonds which mature
 3 in the principal amount of \$100,000 in 1992, mature in the
 4 principal amount of \$100,000 in 1993 and which mature on and after
 5 December 1, 1995; and to provide for the payment of the November
 6 1985 Bonds which mature on and after the Crossover Date. The
 7 county shall defease such bonds and discharge such obligations by
 8 the use of money in the Advance Refunding Fund to purchase certain
 9 "Government Obligations" as such obligations are defined in
 10 Chapter 39.53 RCW as now or hereafter amended (which obligations
 11 so purchased, are herein called "Acquired Obligations") , bearing
 12 such interest and maturing as to principal and interest in such
 13 amounts and at such times which, together with any necessary
 14 beginning cash balance, will provide for the payment of A through
 15 E above.

16 Such Acquired Obligations shall be purchased at a yield not
 17 greater than the yield permitted by the Code and regulations
 18 relating to acquired obligations in connection with refunding bond
 19 issues.

20 Such beginning cash balance, if any, and Acquired Obligations
 21 shall be irrevocably deposited with a bank to be chosen by the
 22 County Finance Manager (hereinafter called the "Refunding Agent")
 23 Any amounts described in subparagraphs A through E of this section
 24 which are not provided for in full by such beginning cash balance
 25 and the purchase and deposit of the Acquired Obligations described
 26 in this section shall be provided for by the irrevocable deposit
 27 of the necessary amount out of the proceeds of sale of the Bonds
 28 or any other money of the county legally available therefor with
 29 the aforesaid refunding agent. The proceeds of the Bonds
 30 remaining in the Advance Refunding Fund, 1991 after acquisition
 31 of the Acquired Obligations and provision for the necessary
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1 beginning cash balance shall be utilized to pay expenses of the
2 acquisition and safekeeping of the Acquired Obligations and the
3 costs of issuing the Bonds. The county may, from time to time,
4 transfer, or cause to be transferred, from the Advance Refunding
5 Fund, 1991 any moneys not thereafter required for the purposes set
6 forth in subparagraphs A through E above or for the payment of
7 expenses and costs. The county reserves the right to substitute
8 other securities for the Acquired Obligations in the event it may
9 do so pursuant to section 148 of the Code and applicable
10 regulations thereunder, upon compliance with the following
11 conditions:

12 (A) Such substitution is accomplished pursuant to
13 resolution of the council of the County, which may be adopted
14 either prior to or subsequent to the delivery of the Bonds.

15 (B) The securities to be substituted are direct
16 obligations of, or obligations the principal of and interest
17 on which are unconditionally guaranteed by, the United States
18 of America and bank certificates of deposit secured by such
19 obligations.

20 (C) Such securities bear such interest and mature at
21 such times and in such amounts as to fully replace the
22 Acquired Obligations for which they are substituted, and to
23 provide, together with Acquired Obligations and cash
24 remaining, for the payment of the amounts specified in
25 subparagraphs A through E of paragraph 1 above.

26 The county hereby irrevocably sets aside sufficient funds
27 through the purchase of Acquired Obligations and an initial cash
28 deposit to make the payments specified in A through E of
29 paragraph 1 above and to redeem the May 1985 Bonds maturing after
30 December 1, 1995 on December 1, 1995 and the November 1985 Bonds
31 maturing on or after December 1, 1995 on December 1, 1995.
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1 The county hereby irrevocably calls for redemption on
2 December 1, 1995, the May 1985 Bonds maturing after December 1,
3 1995 in accordance with the provisions of Section 5 of Ordinance
4 No. 7182 and calls for redemption on December 1, 1995, the
5 November 1985 Bonds maturing after December 1, 1995 in accordance
6 with the provisions of Section 1 of Ordinance No. 7379.

7 Said defeasance and call for redemption of the Refunding
8 Bonds shall be irrevocable after the final establishment of the
9 escrow account and delivery of the Acquired Obligations and the
10 requisite cash deposit, if any, to the Refunding Agent, except as
11 provided herein relating to the substitution of securities.

12 The refunding agent is hereby authorized and directed to
13 notify the fiscal agent to give notice of the redemption of the
14 refunded bonds in accordance with the applicable provisions of
15 Ordinance No. 7182 and Ordinance No. 7379. The County Finance
16 Manager is authorized and requested to provide whatever assistance
17 is necessary to accomplish such redemption and the giving of
18 notice therefor. The costs of publication of such notice shall
19 be an expense of the county.

20 The refunding agent is hereby authorized and directed to pay
21 to the fiscal agency or agencies of the State of Washington, sums
22 sufficient to pay, when due, the payments specified in
23 subparagraphs A through E of paragraph 1 of this subsection. All
24 such sums shall be paid from the moneys and Acquired Obligations
25 deposited with said Refunding Agent pursuant to this section of
26 this ordinance, and the income therefrom and proceeds thereof.
27 All such sums so paid shall be credited to the Advance Refunding
28 Fund, 1991. All moneys and Acquired Obligations deposited with
29 said bank and any income therefrom shall be held, invested and
30 applied in accordance with the provisions of this ordinance and
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1 with the laws of the State of Washington for the benefit of the
2 county and owners of the refunded bonds.

3 The county will take such actions as are found necessary to
4 see that all necessary and proper fees, compensation and expenses
5 of the refunding agent shall be paid when due. The proper
6 officers and agents of the county are directed to obtain from the
7 refunding agent an agreement setting forth the duties, obligations
8 and responsibilities of the refunding agent in connection with the
9 redemption and retirement of the refunded bonds as provided herein
10 and stating that such provisions for the payment of the fees,
11 compensation and expenses of such refunding agent are satisfactory
12 to it.

13 In order to carry out the purposes of the preceding section
14 of this ordinance and this section, the County Finance Manager is
15 authorized and directed to execute and deliver to the refunding
16 agent, the Escrow Agreement, a copy of such agreement when the
17 provisions thereof have been fixed and determined. Such
18 agreement, when finally executed, shall be marked "Exhibit B,"
19 shall be attached to this ordinance and by this reference thereto
20 is hereby made a part of this ordinance.

21 SECTION 18. Bond Fund. There has heretofore been created
22 in the office of financial management of the county a special fund
23 to be drawn upon for the purpose of paying the principal of and
24 interest on the limited tax general obligation bonds of the
25 county. There is hereby created within said fund a special
26 account of the county to be known as the "1991 Series D Limited
27 Tax General Obligation Refunding Bond Redemption Account" (the
28 "Bond Fund"). The accrued interest on the Bonds shall be
29 deposited in the Bond Fund at the time of delivery of the Bonds
30 and shall be applied to the payment of interest on the Bonds. Any
31 premium received upon the sale of the Bonds shall be deposited
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1 into the Bond Fund and applied to the payment of principal of or
2 interest on the Bonds. The taxes hereafter levied for the purpose
3 of paying principal of and interest on the Bonds and other funds
4 to be used to pay the Bonds shall be deposited in the Bond Fund
5 no later than the date such funds are required for the payment of
6 principal of and interest on the Bonds; provided, that if the
7 payment of principal of and interest on the Bonds is required
8 prior to the receipt of such levied taxes, the county may make an
9 interfund loan to the Bond Fund pending actual receipt of such
10 taxes. The Bond Fund shall be drawn upon for the purpose of
11 paying the principal of and interest on the Bonds. Moneys in the
12 Bond Fund not needed to pay the interest or principal next coming
13 due may temporarily be deposited in such institutions or invested
14 in such obligations as may be lawful for the investment of county
15 moneys. The Bond Fund shall be a second tier fund in accordance
16 with Ordinance No. 7112 and K.C. 4.10.

17 SECTION 19. Pledge of Taxation and Credit. The county
18 hereby irrevocably covenants and agrees for as long as any of the
19 Bonds are outstanding and unpaid, that each year it will include
20 in its budget and levy an ad valorem tax upon all the property
21 within the county subject to taxation in an amount which will be
22 sufficient, together with all other revenues and moneys of the
23 county legally available for such purposes, to pay the principal
24 of and interest on the Bonds as the same shall become due. All
25 of such taxes so collected and any other moneys to be used for
26 such purposes shall be paid into the Bond Fund.

27 The county hereby irrevocably pledges that the annual tax
28 provided for herein to be levied for the payment of such principal
29 and interest shall be within and as a part of the tax levy
30 permitted to counties without a vote of the people, and that a
31 sufficient portion of each annual levy to be levied and collected
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1 by the county prior to the full payment of the principal of and
2 interest on the Bonds will be and is hereby irrevocably set aside,
3 pledged and appropriated for the payment of the principal of and
4 interest on the Bonds.

5 The full faith, credit and resources of the county are hereby
6 irrevocably pledged for the annual levy and collection of said
7 taxes and for the prompt payment of the principal of and interest
8 on the Bonds as the same shall become due.

9 SECTION 20. Tax-Exemption. The county shall comply with
10 the provisions of this section unless, in the written opinion of
11 nationally-recognized bond counsel to the county, such compliance
12 is not required in order to maintain the exemption of the interest
13 on the Bonds from federal income taxation.

14 The county hereby covenants that it will not make any use of
15 the proceeds from the sale of the Bonds or any other funds of the
16 county which may be deemed to be proceeds of such Bonds pursuant
17 to Section 148 of the Code and the applicable regulations
18 thereunder which will cause the Bonds to be "arbitrage bonds"
19 within the meaning of said Section and said regulations. The
20 county will comply with the applicable requirements of Section 148
21 of the Code (or any successor provision thereof applicable to the
22 Bonds) and the applicable regulations thereunder throughout the
23 term of the Bonds.

24 The county further covenants that it will not take any action
25 or permit any action to be taken that would cause the Bonds to
26 constitute "private activity bonds" under Section 141 of the Code.

27 SECTION 21. Arbitrage Rebate.

28 A. General Rule. The county will pay to the United States
29 of America in accordance with the provisions of this section at
30 least 90 percent of the rebatable arbitrage with respect to the
31 Bonds as of each Installment Computation Date, 100 percent of the
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1 rebatable arbitrage with respect to the Bonds as of the Final
2 Computation Date and any income attributable to such rebatable
3 arbitrage, unless the county otherwise meets the arbitrage rebate
4 requirements of the United States of America.

5 B. Computation of Rebatable Arbitrage. The rebatable
6 arbitrage with respect to the Bonds computed in accordance with
7 the Arbitrage Accounting and Rebate Computation Certificate and,
8 as of each Computation Date, will be the excess of:

9 1. The future value of all Nonpurpose Receipts with
10 respect to the Bonds; over

11 2. The future value of all Nonpurpose Payments with
12 respect to the Bonds.

13 The future value will be computed as of each Computation Date.

14 C. Payment Procedure.

15 1. The payment of rebatable arbitrage due as of each
16 Installment Computation Date will be paid no later than the date
17 that is 60 days after the Installment Computation Date.

18 2. The payment of rebatable arbitrage due as of the
19 Final Computation Date will be paid no later than the latest of
20 (a) the date that is 60 days after the Final Computation Date, (b)
21 the date that is 8 months after the date of issuance of the Bonds,
22 or (c) the date 60 days after the earlier of (x) the date that the
23 Issuer no longer expects to spend gross proceeds of the Bonds
24 within 6 months of the date of issuance of the Bonds or (y) 12
25 months after the date of issuance of the Bonds.

26 3. Each payment of rebatable arbitrage will be made
27 to the Internal Revenue Service Center, Philadelphia, Pennsylvania
28 19225 and will be accompanied by IRS Form 8038-T.

29 D. Other Methodology. Notwithstanding Section 22, payments
30 of rebatable arbitrage will be made in accordance with
31 instructions provided by bond counsel to the county if necessary
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1 to maintain the federal income tax exemption for interest payments
2 made on the Bonds.

3 SECTION 22. Use of Bond Proceeds; Restrictions on
4 Amendments. The county covenants that none of the proceeds of
5 the Bonds will be used for any purpose other than as provided in
6 this ordinance and that the county shall not suffer any amendment
7 or supplement to this ordinance, or any departure from the due
8 performance of the obligations of the county hereunder, which
9 might materially adversely affect the rights of the owners from
10 time to time of the Bonds.

11 SECTION 23. Financial Information. The county covenants
12 that it will make available for inspection by the Bond owners, at
13 the office of financial management, a copy of the latest audit
14 report of the state auditor on the county's books and accounts and
15 will also furnish a copy thereof, upon request, to any Bond owner.

16 SECTION 24. Sale of 1991 Bonds. The Purchase Contract
17 prepared by Kirchner Moore, a Division of George K. Baum & Company
18 is hereby accepted and approved, and the County Executive is
19 hereby authorized to negotiate and accept on behalf of the county
20 the final terms thereof and of the Bonds, subject to the
21 following: (a) the maximum aggregate principal amount of the Bonds
22 shall not exceed \$13,000,000; (b) the final maturity of the Bonds
23 shall not be beyond December 1, 2005; (c) the true interest cost
24 on the Bonds shall not exceed 7.0%; and (d) the present value
25 savings from the Refunding Plan approved in Section 2 hereof shall
26 not be less than \$500,000.

27 SECTION 25. Delivery of Bonds. The county shall cause
28 definitive Bonds to be prepared, executed and delivered, which
29 Bonds shall be typewritten, lithographed or printed with engraved
30 or lithographed borders.
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1 If definitive Bonds are not ready for delivery by the date
2 established for closing, then the County Finance Manager, upon
3 the approval of the purchasers, may cause to be issued and
4 delivered to the purchasers one or more temporary Bonds with
5 appropriate omissions, changes and additions. Any temporary Bond
6 or Bonds shall be entitled and subject to the same benefits and
7 provisions of this ordinance with respect to the payment, security
8 and obligation thereof as definitive Bonds authorized thereby.
9 Such temporary Bond or Bonds shall be exchangeable without cost
10 to the owners thereof for definitive Bonds when the latter are
11 ready for delivery.

12 SECTION 26. Preliminary Official Statement Declaration.

13 The county will be provided with copies of a preliminary official
14 statement (the "Preliminary Official Statement"), prepared in
15 connection with the sale of the Bonds. For the sole purpose of the
16 Bond purchaser's compliance with Securities and Exchange
17 Commission Rule 15c2-12(b)(1), the Preliminary Official Statement
18 will be deemed final as of its date, except for the omission of
19 information on offering prices, interest rates, selling
20 compensation, delivery dates, ratings, other terms of the Bonds
21 dependent on such matters and the identity of the Bond purchaser,
22 upon approval thereof by the County Finance Manager.

23 SECTION 27. Approval of Official Statement. The County

24 Executive, the chief financial officer or the County Finance
25 Manager is hereby authorized and directed to review and approve
26 on behalf of the county a final official statement with respect
27 to the Bonds.

28 SECTION 28. General Authorization. The appropriate county

29 officials, agents and representatives are hereby authorized and
30 directed to do everything necessary for the prompt sale, issuance,
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1 execution and delivery of the Bonds, and for the proper use and
2 application of the proceeds of the sale thereof.

3 SECTION 29. Advance Refunding or Defeasance. The county may
4 issue advance refunding bonds pursuant to the laws of the State
5 of Washington or use money available from any other lawful source
6 to pay when due the principal of and interest on the Bonds, or any
7 portion thereof included in a refunding or defeasance plan, and
8 to redeem and retire, refund or defease all such then-outstanding
9 Bonds and to pay the costs of the refunding or defeasance.

10 In the event that money and/or noncallable "Government
11 Obligations," as such obligations are defined in Chapter 39.53
12 RCW, as now or hereafter amended, maturing at such time or times
13 and bearing interest to be earned thereon in amounts (together
14 with such money, if necessary) sufficient to redeem and retire,
15 refund or defease part or all of the Bonds in accordance with
16 their terms, are set aside in a special account of the county to
17 effect such redemption and retirement, and such moneys and the
18 principal of and interest on such Government Obligations are
19 irrevocably set aside and pledged for such purpose, then no
20 further payments need be made into the Bond Fund for the payment
21 of the principal of and interest on the Bonds so provided for, and
22 such Bonds shall cease to be entitled to any lien, benefit or
23 security of this ordinance except the right to receive the moneys
24 so set aside and pledged, and such Bonds shall be deemed not to
25 be outstanding hereunder.

26 SECTION 30. Open Market Purchase. The county reserves the
27 right to purchase any or all, of the Bonds on the open market at
28 any time at any price.

29 SECTION 31. Contract; Severability. The covenants contained
30 in this ordinance shall constitute a contract between the county
31 and the owners of each and every Bond. If any one or more of the
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1 covenants or agreements provided in this ordinance to be performed
2 on the part of the county shall be declared by any court of
3 competent jurisdiction to be contrary to law, then such covenant
4 or covenants, agreement or agreements, shall be null and void and
5 shall be deemed separable from the remaining covenants and
6 agreements of this ordinance and shall in no way affect the
7 validity of the other provisions of this ordinance or of the
8 Bonds.

9 INTRODUCED AND READ for the first time this 6ⁿ day of
10 May, 1991.

11 PASSED this 13⁺ day of May, 1991.

12 KING COUNTY COUNCIL
13 KING COUNTY, WASHINGTON

14 Lois North
15 Chair

16 ATTEST:

17 Gerald A. Poter
18 Clerk of the Council

19 APPROVED this 23rd day of May, 1991.

20 Jim Hill
21 King County Executive

EXHIBIT A

_____, 1991

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

Attention: General Counsel's office

Re: King County, Washington
Limited Tax General Obligation Refunding Bonds, 1991,
Series D - \$ _____

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"). Seattle-First National Bank and The Bank of New York (collectively, the "Registrar") are acting as registrar and authenticating and paying agent with respect to the Bonds, pursuant to Ordinance No. _____ of the County (the "Bond Ordinance"). Kirchner Moore, Incorporated is distributing the Bonds through The Depository Trust Company ("DTC").

To induce DTC to accept the Bonds as eligible for deposit at DTC and to act in accordance with its Rules with respect to the Bonds, the County and the Registrar make the following representations to DTC:

1. Subsequent to closing on the Bonds, there shall be deposited with DTC one Bond certificate in registered form registered in the name of DTC's nominee, CEDE & Co., for each stated maturity of the Bonds in the face amounts set forth on Schedule A hereto, the total of which represents 100% of the principal of the Bonds.

2. In the event of any solicitation of consents from and voting by holders of the Bonds, the County or Registrar shall establish a record date for such purposes and give DTC notice of such record date not less than 15 calendar days in advance of such record due to the extent possible.

3. In the event of a redemption or any other similar transaction resulting in retirement of all Bonds outstanding or a reduction in aggregate principal of Bonds outstanding ("full or partial redemption") or an advance refunding of all or part of the Bonds outstanding, the Registrar or the County shall give DTC notice of such event not less than 30 days nor more than 60 days prior to the redemption date or, in the case of an advance refunding, the date the proceeds are deposited in escrow.

4. In the event of a partial redemption or an advance refunding of part of the Bonds outstanding, the Registrar or the County shall send DTC a notice specifying: (1) the amount of redemption or refunding; (2) in the case of a refunding, the maturity date(s) established under the refunding; and (3) the date such notice is to be mailed to Bondholders or published (the "Publication Date"). Such notice shall be sent to DTC by a secure means (e.g., legible facsimile transmission, registered or

1 certified mail, overnight express delivery) in a timely manner
2 designated to assure that such notice is in DTC's possession no
3 later than the close of business on the business day before the
4 Publication Date. The Registrar or the County will forward such
5 notice either in a separate secure transmission for each CUSIP
6 number or in a secure transmission for multiple CUSIP numbers
7 which include a manifest or list of each CUSIP submitted in that
8 transmission. (The Registrar or the County sending such notice
9 shall have a method to verify subsequently the use of such means
10 and timeliness of the notice.) The Publication Date shall be not
11 less than 30 days nor more than 60 days prior to the redemption
12 date, or, in the case of advance refunding, the date the proceeds
13 are deposited in escrow.

14 5. In the event of an invitation to tender the Bonds,
15 notice to Bondholders by the County or Registrar, specifying the
16 terms of the tender and the date such notice is to be mailed to
17 Bondholders or published ("the Publication Date") shall be sent
18 to DTC by a secure means (e.g., legible facsimile transmission,
19 registered or certified mail, overnight express delivery) in a
20 timely manner designed to assure that such notice is in DTC's
21 possession no later than the close of business on the business day
22 before the Publication Date. (The County or Registrar sending such
23 notice shall have a method to verify subsequently the use of such
24 means and timeliness of the notice.)

25 6. All notices and payment advices sent to DTC shall
26 contain the CUSIP number of the Bonds.

27 7. Notices to DTC by facsimile transmission shall be sent
28 to DTC's Call Notification Department at (516) 227-4039 or (516)
29 227-4190. The Registrar shall confirm DTC's receipt of such
30 facsimile transmission by telephoning the Call Notification
31 Department at (516) 227-4070. Notices to DTC by mail or by other
32 means shall be sent to:

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

8. Interest payments shall be received by CEDE & Co., as
nominee of DTC, or its registered assigns, in next-day funds on
each payment date (or the equivalent in accordance with existing
arrangements between the County, the Registrar and DTC). Such
payments shall be made payable to the order of "CEDE & Co."

9. 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 each payment date. Principal payments shall be made
payable to the order of "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

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

5 11. In the event of a redemption, acceleration or any other
6 similar transaction (e.g., tenders made and accepted in response
7 to the County's or Registrar's invitation) necessitating a
8 reduction in aggregate principal amount of Bonds outstanding or
9 an advance refunding of part of the Bonds outstanding, DTC, in its
10 discretion, (a) may request the County or the Registrar to issue
11 and authenticate a new Bond certificate, or (b) shall make an
12 appropriate notation on the Bond certificate indicating the date
13 and amounts of such reduction in principal, except in the case of
14 final maturity, in which case the certificate must be presented
15 to the Registrar prior to payment.

16 12. In the event the County determines pursuant to the Bond
17 ordinances that beneficial owners of the Bonds should be able to
18 obtain certificated Bonds, the County or the Registrar shall
19 notify DTC of the availability of Bond certificates and shall
20 issue, transfer and exchange Bond certificates in appropriate
21 amounts as required by DTC and others.

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

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

Very truly yours,

SEATTLE-FIRST NATIONAL BANK
THE BANK OF NEW YORK,
collectively, as Registrar

By SEATTLE-FIRST NATIONAL
BANK

By _____
Title: _____

KING COUNTY, WASHINGTON

By _____
Finance Manager

9946

1 ACCEPTED:

2 THE DEPOSITORY TRUST COMPANY

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4 By _____
5 Authorized Officer

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SCHEDULE A

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<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
\$	December 1, 1994	
	December 1, 1995	
	December 1, 1996	
	December 1, 1997	
	December 1, 1998	
	December 1, 1999	
	December 1, 2000	
	December 1, 2001	
	December 1, 2002	
	December 1, 2003	
	December 1, 2004	
	December 1, 2005	