



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

March 14, 2006

Ordinance 15386

Proposed No. 2005-0500.1

Sponsors Gossett

1 AN ORDINANCE providing for the issuance of one or
2 more series of limited tax general obligation bonds of the
3 county in an outstanding aggregate principal amount not to
4 exceed \$60,000,000 to refund all or a portion of the
5 county's Limited Tax General Obligation 501(c)(3)
6 Refunding Bonds 1996 Series B, Limited Tax General
7 Obligation Bonds (Various Purpose), 1997 Series G and
8 Limited Tax General Obligation and Refunding Bonds
9 (Various Purpose) 1999, Series A; providing for the public
10 sale of the bonds and the disposition of the proceeds of
11 sale; establishing funds for the receipt and expenditure of
12 bond proceeds and for the payment of the bonds; and
13 providing for the annual levy of taxes to pay the principal
14 thereof and interest thereon.

15
16
17

PREAMBLE:

18 The county has previously issued its Limited Tax General Obligation
19 501(c)(3) Refunding Bonds 1996 Series B, Limited Tax General
20 Obligation Bonds (Various Purpose), 1997 Series G and Limited Tax
21 General Obligation and Refunding Bonds (Various Purpose) 1999, Series
22 A. The county has an opportunity to refund all or a portion of those
23 bonds, thereby realizing savings to its taxpayers.

24 It is deemed necessary and advisable that the county now authorize the
25 issuance and sale of one or more series of its limited tax general obligation
26 bonds in an outstanding aggregate principal amount not to exceed
27 \$60,000,000 to undertake such refunding.

28 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

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

32 "Arbitrage and Tax Certification" means the certificate executed by the Finance
33 Director pertaining to the county's expectations with respect to the use, investment and
34 rebate, if any, of Bond proceeds for purposes of Sections 141 and 148 of the Code.

35 "Bond Fund" means the bond redemption account authorized to be established for
36 each series of the Bonds pursuant to Section 13 hereof.

37 "Bond Register" means the registration books maintained by the Bond Registrar
38 for purposes of identifying ownership of the Bonds.

39 "Bond Registrar" means the fiscal agency of the State of Washington in either
40 Seattle, Washington, or New York, New York, for the purposes of registering and

41 authenticating the Bonds, maintaining the Bond Register, effecting the transfer of
42 ownership of the Bonds and paying interest on and principal of the Bonds.

43 "Bonds" means the limited tax general obligation bonds of the county in an
44 outstanding aggregate principal amount not to exceed \$60,000,000 authorized to be
45 issued by this ordinance to refund all or a portion of the 1996B Bonds, the 1997G Bonds
46 and the 1999A Bonds, and to pay the costs of issuing such bonds.

47 "Code" means the federal Internal Revenue Code of 1986, as amended, together
48 with corresponding and applicable final, temporary or proposed regulations and revenue
49 rulings issued or amended with respect thereto by the United States Treasury Department
50 or the Internal Revenue Service, to the extent applicable to the Bonds.

51 "Commission" means the Securities and Exchange Commission.

52 "DTC" means The Depository Trust Company, New York, New York.

53 "Escrow Trustee" means the corporate trustee chosen to serve as such pursuant to
54 Section 11 hereof.

55 "Finance Director" means the director of the county finance and business
56 operations division of the department of executive services of the county or any other
57 county officer who succeeds to the duties now delegated to that office, or the designee of
58 such officer.

59 "Government Obligations" means "government obligations," as defined in
60 Chapter 39.53 RCW, as now in existence or hereafter amended.

61 "MSRB" means the Municipal Securities Rulemaking Board or any successor to
62 its functions.

63 "1996B Bonds" means the King County, Washington, Limited Tax General
64 Obligation 501(c)(3) Refunding Bonds, 1996 Series B.

65 "1997G Bonds" means the King County, Washington, Limited Tax General
66 Obligation Bonds (Various Purpose), 1997 Series G.

67 "1999A Bonds" means the King County, Washington, Limited Tax General
68 Obligation and Refunding Bonds (Various Purpose), 1999 Series A.

69 "NRMSIR" means a nationally recognized municipal securities information
70 repository.

71 "Rebate Amount" means the amount, if any, determined to be payable with
72 respect to the Bonds by the county to the United States of America in accordance with
73 Section 148(f) of the Code.

74 "Refunded Bonds" means, collectively, the Refunded 1996B Bonds, the Refunded
75 1997G Bonds and the Refunded 1999A Bonds.

76 "Refunded 1996B Bond Redemption Date" means, with respect to each series of
77 Bonds, each redemption date for the outstanding 1996B Bonds to be refunded thereby, as
78 identified or ratified in the Sale Motion therefor.

79 "Refunded 1996B Bonds" means, with respect to each series of Bonds, the portion
80 of the outstanding 1996B Bonds to be refunded thereby, as identified or ratified in the
81 Sale Motion therefor.

82 "Refunded 1997G Bond Redemption Date" means, with respect to each series of
83 Bonds, each redemption date for the outstanding 1997G Bonds to be refunded thereby, as
84 identified or ratified in the Sale Motion therefor.

85 "Refunded 1997G Bonds" means, with respect to each series of Bonds, the
86 portion of the outstanding 1997G Bonds to be refunded thereby, as identified or ratified
87 in the Sale Motion therefor.

88 "Refunded 1999A Bond Redemption Date" means, with respect to each series of
89 Bonds, each redemption date for the outstanding 1999A Bonds to be refunded thereby, as
90 identified or ratified in the Sale Motion therefor.

91 "Refunded 1999A Bonds" means, with respect to each series of Bonds, the
92 portion of the outstanding 1999A Bonds to be refunded thereby, as identified or ratified
93 in the Sale Motion therefor.

94 "Rule" means the Commission's Rule 15c2-12 under the Securities and Exchange
95 Act of 1934, as the same may be amended from time to time.

96 "Sale Motion" means, with respect to each series of the Bonds, the motion of the
97 council identifying (if such series of Bonds is sold by competitive bid) or ratifying (if
98 such series of Bonds is sold by negotiated sale) the Refunded Bonds to be refunded by
99 such series of Bonds, their respective redemption dates and the Government Obligations
100 to be purchased to undertake such refunding, ratifying and confirming the year and series
101 designation, date, principal amounts and maturity dates, interest rates and interest
102 payment dates, redemption provisions of the Bonds, and approving the bond purchase
103 contract (if the Bonds are sold by negotiated sale) or accepting a bid (if the Bonds are
104 sold by competitive bid) for the purchase of the Bonds, all in accordance with Section 17
105 hereof.

106 "SID" means a state information depository for the State of Washington (if one is
107 created).

108 **SECTION 2. Findings.** The county council hereby makes the following
109 findings:

110 A. Significant debt service savings can be realized by the county through the
111 refunding of all or a portion of the 1996B Bonds, the 1997G Bonds and the 1999A
112 Bonds.

113 B. The issuance of limited tax general obligation bonds payable from regular
114 property taxes to provide funds to refund all or a portion of the 1996B Bonds, the 1997G
115 Bonds and the 1999A Bonds, and to pay the costs of issuing such bonds will reduce the
116 overall costs of borrowing such funds and is in the best interests of the county and its
117 citizens.

118 **SECTION 3. Purpose, Authorization and Description of Bonds; Use of**
119 **Depository.**

120 A. Purpose and Authorization of Bonds. The county authorizes the issuance of
121 the Bonds to refund all or a portion of the 1996B Bonds, the 1997G Bonds and the 1999A
122 Bonds, and to pay the costs of issuing the Bonds.

123 B. Description. The Bonds may be issued in one or more series in an outstanding
124 aggregate principal amount not to exceed \$60,000,000. Each series of the Bonds shall be
125 designated "King County, Washington, Limited Tax General Obligation Refunding
126 Bonds," with an applicable year and series designation established as provided in
127 Section 17 hereof. Each series of Bonds shall be fully registered as to both principal and
128 interest, shall be in the denomination of \$5,000 each or any integral multiple thereof (but
129 no Bond shall represent more than one maturity), shall be numbered separately in such
130 manner and with any additional designation as the Bond Registrar deems necessary for

131 purposes of identification, and shall be dated as of such date and shall mature on the
132 dates, in the years and the amounts established as provided in Section 17 hereof.

133 The Bonds shall bear interest (computed on the basis of a 360-day year of twelve
134 30-day months) from their date or from the most recent interest payment date for which
135 interest has been paid or duly provided for, whichever is later, payable at the rate or rates
136 and on semiannual interest payment dates to be established as provided in Section 17
137 hereof.

138 C. Initial Immobilization of Bonds; Depository Provisions. The Bonds of each
139 series initially shall be held in fully immobilized form by DTC acting as depository
140 pursuant to the terms and conditions set forth in the Blanket Issuer Letter of
141 Representations heretofore executed on behalf of the county. Neither the county nor the
142 Bond Registrar shall have any responsibility or obligation to DTC participants or the
143 persons for whom they act as nominees with respect to such Bonds with respect to the
144 accuracy of any records maintained by DTC or any DTC participant, the payment by
145 DTC or any DTC participant of any amount in respect of principal or redemption price or
146 interest on such Bonds, any notice that is permitted or required to be given to Registered
147 Owners under this ordinance (except such notice as is required to be given by the county
148 to the Bond Registrar or to DTC), the selection by DTC or any DTC participant of any
149 person to receive payment in the event of a partial redemption of such Bonds or any
150 consent given or other action taken by DTC as owner of such Bonds.

151 The Bonds of each series initially shall be issued in denominations equal to the
152 aggregate principal amount of each maturity and initially shall be registered in the name
153 of CEDE & Co., as the nominee of DTC. The Bonds so registered shall be held in fully

154 immobilized form by DTC as depository. For so long as any such Bonds are held in fully
155 immobilized form, DTC, its successor or any substitute depository appointed by the
156 county, as applicable, shall be deemed to be the Registered Owner for all purposes
157 hereunder and all references to Registered Owners, bondowners, bondholders, owners or
158 the like shall mean DTC or its nominees and shall not mean the owners of any beneficial
159 interests in the Bonds. Registered ownership of such Bonds, or any portions thereof, may
160 not thereafter be transferred except:

161 (1) To any successor of DTC or its nominee, if that successor shall be qualified
162 under any applicable laws to provide the services proposed to be provided by it;

163 (2) To any substitute depository appointed by the county pursuant to this
164 subsection or such substitute depository's successor; or

165 (3) To any person as herein provided if such Bonds are no longer held in
166 immobilized form.

167 Upon the resignation of DTC or its successor (or any substitute depository or its
168 successor) from its functions as depository, or a determination by the county that it is no
169 longer in the best interests of beneficial owners of such Bonds to continue the system of
170 book entry transfers through DTC or its successor (or any substitute depository or its
171 successor), the county may appoint a substitute depository. Any such substitute
172 depository shall be qualified under any applicable laws to provide the services proposed
173 to be provided by it.

174 In the case of any transfer pursuant to clause (1) or (2) of the second paragraph of
175 this subsection, the Bond Registrar, upon receipt of all outstanding Bonds of such series
176 together with a written request on behalf of the county, shall issue a single new Bond

177 certificate for each maturity of Bonds of such series then outstanding, registered in the
178 name of such successor or such substitute depository, or their nominees, as the case may
179 be, all as specified in such written request of the county.

180 In the event that DTC or its successor (or substitute depository or its successor)
181 resigns from its functions as depository, and no substitute depository can be obtained; or
182 the county determines that it is in the best interests of the beneficial owners of the Bonds
183 of any series that they be able to obtain Bond certificates, the ownership of such Bonds
184 may be transferred to any person as herein provided, and such Bonds shall no longer be
185 held in fully immobilized form. The county shall deliver a written request to the Bond
186 Registrar, together with a supply of definitive Bonds of such series, to issue Bonds of
187 such series as herein provided in any authorized denomination. Upon receipt of all then
188 outstanding Bonds of such series by the Bond Registrar, together with a written request
189 on behalf of the county to the Bond Registrar, new Bonds of such series shall be issued in
190 such denominations and registered in the names of such persons as are requested in such
191 a written request.

192 D. Place, Manner and Medium of Payment. Both principal of and interest on the
193 Bonds shall be payable in lawful money of the United States of America. For so long as
194 outstanding Bonds are registered in the name of CEDE & Co., or its registered assigns, as
195 nominee of DTC, payments of principal of and interest on such Bonds shall be made in
196 next day funds on the date such payment is due and payable at the place and in the
197 manner provided in the Letter of Representations.

198 In the event that the Bonds of any series are no longer held in fully immobilized
199 form by DTC or its successor (or substitute depository or its successor), interest on such

200 Bonds shall be paid by checks or drafts mailed, or by wire transfer, to the owners of such
201 Bonds at the addresses for such owners appearing on the Bond Register on the 15th day
202 of the calendar month preceding the interest payment date. Wire transfer will be made
203 only if so requested in writing and if the owner owns at least \$1,000,000 par value of
204 such Bonds. Principal of such Bonds shall be payable at maturity or on such dates as
205 may be fixed for prior redemption upon presentation and surrender of such Bonds by the
206 owners at either principal office of the Bond Registrar in Seattle, Washington, or New
207 York, New York, at the option of such owners.

208 SECTION 4. Optional Redemption of Bonds. The county may reserve the right
209 to redeem outstanding Bonds of any series prior to their maturity on the dates and at the
210 prices established by the bond purchase contract or the official notice of sale therefor, as
211 applicable, and ratified and confirmed by a Sale Motion in accordance with Section 17
212 hereof. Portions of the principal amount of any Bond, in increments of \$5,000 or any
213 integral multiple of \$5,000, may be redeemed. If less than all of the principal amount of
214 any Bond is redeemed, upon surrender of such Bond at the principal office of the Bond
215 Registrar there shall be issued to the registered owner, without charge therefor, for the
216 then unredeemed balance of the principal amount thereof, a new Bond or Bonds of the
217 same series, at the option of the registered owner, of like maturity and interest rate in any
218 denomination authorized by this ordinance.

219 All Bonds purchased or redeemed under this Section shall be canceled by the
220 Bond Registrar and shall not be reissued.

221 SECTION 5. Notice and Effect of Redemption. Unless waived by the
222 registered owner of Bonds to be redeemed or the nominee of such owner, official notice

223 of any such redemption shall be given by the Bond Registrar on behalf of the county by
224 mailing a copy of an official redemption notice by certified or registered mail, postage
225 prepaid, not less than 30 nor more than 60 days prior to the date fixed for redemption, to
226 the registered owner of the Bond or Bonds to be redeemed at the address shown on the
227 Bond Register or at such other address as is furnished in writing by such registered owner
228 to the Bond Registrar. The Bond Registrar shall provide additional notice of redemption
229 of the Bonds to each NRMSIR and SID, if any, in accordance with the ongoing
230 disclosure provisions to be adopted by a Sale Motion pursuant to Section 21 hereof.

231 All official notices of redemption shall be dated and shall state:

232 A. the redemption date;

233 B. the redemption price;

234 C. if less than all outstanding Bonds of the same series are to be redeemed, the
235 identification (and, in the case of partial redemption, the respective principal amounts) of
236 the Bonds to be redeemed;

237 D. that on the redemption date the redemption price will become due and payable
238 upon each such Bond or portion thereof called for redemption, and that interest thereon
239 shall cease to accrue from and after said date; and

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

243 Such notice of redemption shall be mailed within the same period, postage
244 prepaid, to Moody's Investors Service, Inc. and Standard & Poor's Public Finance
245 Ratings, at their offices in New York, New York, or their successors, and to such other

246 persons and with such additional information as the Finance Director shall deem
247 appropriate, but such mailings shall not be a condition precedent to the redemption of the
248 Bonds.

249 Prior to any redemption date, the county shall deposit with the Bond Registrar an
250 amount of money sufficient to pay the redemption price of all the Bonds or portions of
251 Bonds that are to be redeemed on that date.

252 Official notice of redemption having been given as aforesaid, the Bonds or
253 portions of Bonds so to be redeemed shall, on the redemption date, become due and
254 payable at the redemption price therein specified, and from and after such date (unless the
255 county shall default in the payment of the redemption price upon presentation) such
256 Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds
257 for redemption in accordance with said notice, such Bonds shall be paid by the Bond
258 Registrar at the redemption price. Installments of interest due on or prior to the
259 redemption date shall be payable as herein provided for payment of interest. Upon the
260 payment of the redemption price of Bonds being redeemed, each check or other transfer
261 of funds issued for such purpose shall bear the CUSIP number identifying, by issue and
262 maturity, the Bonds being redeemed with the proceeds of such check or other transfer.
263 Upon surrender for any partial redemption of any Bond, there shall be prepared for the
264 registered owner a new Bond or Bonds of the same series and maturity in the amount of
265 unpaid principal.

266 In addition to the foregoing notice, further notice shall be given by the Bond
267 Registrar as set out below, but no defect in said further notice nor any failure to give all

268 or any portion of such further notice shall in any manner defeat the effectiveness of a call
269 for redemption if notice thereof is given as above prescribed.

270 (1) Each further notice of redemption given hereunder shall contain the
271 information required above for an official notice of redemption plus: the CUSIP numbers
272 of all Bonds of the same series being redeemed; the date of issue of the series of Bonds as
273 originally issued; the rate of interest borne by each Bond being redeemed; the maturity
274 date of each Bond being redeemed; and any other descriptive information needed to
275 identify accurately the Bonds being redeemed.

276 (2) Each further notice of redemption shall be sent at least 35 days before the
277 redemption date by registered or certified mail or overnight delivery service to all
278 registered securities depositories then in the business of holding substantial amounts of
279 obligations of types comprising the Bonds (such depositories now being only DTC).

280 The requirements of this Section shall be deemed to be complied with when
281 notice is mailed as herein provided, whether or not it is actually received by the owner.

282 SECTION 6. Form of Bonds. The Bonds shall be in substantially the following
283 form:

284 NO. \$ _____

285

286 UNITED STATES OF AMERICA

287

288 STATE OF WASHINGTON

289

290 KING COUNTY

291 LIMITED TAX GENERAL OBLIGATION REFUNDING BOND,

292 [Year, Series]

293

294 INTEREST RATE: MATURITY DATE: CUSIP NO. :

295

296 REGISTERED OWNER:

297

298 PRINCIPAL AMOUNT:

299

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

308 Both principal of and interest on this bond are payable in lawful money of the
309 United States of America. While bonds are held on immobilized "book entry" system of
310 registration, the principal of this bond is payable to the order of the Registered Owner in
311 same day funds received by the Registered Owner on the maturity date of this bond, and
312 the interest on this bond is payable to the order of the Registered Owner in same day
313 funds received by the Registered Owner on each interest payment date. When bonds are

314 no longer held in an immobilized "book entry" registration system, the principal shall be
315 paid to the Registered Owner or nominee of such owner upon presentation and surrender
316 of this bond at either of the principal offices of the fiscal agency of the State of
317 Washington in either Seattle, Washington or New York, New York (collectively the
318 "Bond Registrar"), and the interest shall be paid by mailing a check or draft (on the date
319 such interest is due) to the Registered Owner or nominee of such owner at the address
320 shown on the registration books maintained by the Bond Registrar (the "Bond Register")
321 as of the 15th day of the month prior to the interest payment date; provided, however that
322 if so requested in writing by the Registered Owner of at least \$1,000,000 par value of the
323 bonds, interest will be paid by wire transfer.

324 This bond is one of an authorized issue of bonds of like date and tenor, except as
325 to number, amount, rate of interest and date of maturity, in the aggregate principal
326 amount of \$ _____, and is issued to refund [all][a portion of] the County's
327 [Limited Tax General Obligation 501(c)(3) Refunding Bonds, 1996 Series B][,][and]
328 [Limited Tax General Obligation Bonds (Various Purpose), 1997 Series G][,][and]
329 [Limited Tax General Obligation and Refunding Bonds (Various Purpose), 1999 Series
330 A], and to pay the costs of issuing the bonds.

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

334 [The bonds of this issue are subject to redemption prior to maturity as follows:
335 (information to come from related Sale Motion)].

336 Portions of the principal sum of this bond in installments of \$5,000 or any integral
337 multiple thereof also may be redeemed in accordance with the provisions set forth above,
338 and if less than all of the principal sum hereof is to be redeemed, upon the surrender of
339 this bond at the principal offices of the Bond Registrar there shall be issued to the
340 Registered Owner, without charge therefor, for the then unredeemed balance of the
341 principal sum hereof, at the option of the owner, a bond or bonds of like maturity and
342 interest rate in any of the denominations authorized by King County Ordinance _____
343 (the "Bond Ordinance").

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

351 If such notice has been given and if the County has set aside, on the date fixed for
352 redemption, sufficient money for the payment of all bonds called for redemption, the
353 bonds so called shall cease to accrue interest after such redemption date, and all such
354 bonds shall no longer be deemed to be outstanding for any purpose, except that the
355 Registered Owners thereof shall be entitled to receive payment of the redemption price
356 and accrued interest to the redemption date from the money set aside for such purpose.

357 The County has irrevocably covenanted in the Bond Ordinance that each year it
358 will include in its budget and levy an *ad valorem* tax within the constitutional and

359 statutory tax limitations provided by law without a vote of the people upon all the
360 property within the County subject to taxation in an amount that will be sufficient,
361 together with all other revenues, taxes and money of the County legally available for such
362 purposes, to pay the principal of and interest on the bonds as the same shall become due.
363 The County has irrevocably pledged its full faith, credit and resources for the annual levy
364 and collection of such taxes and for the prompt payment of the principal of and interest
365 on the bonds as the same shall become due.

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

369 This bond shall not be valid or become obligatory for any purpose or be entitled
370 to any security or benefit under the Bond Ordinance until the Certificate of
371 Authentication hereon shall have been manually signed by the Bond Registrar.

372 It is hereby certified that all acts, conditions and things required by the
373 Constitution and statutes of the State of Washington and the Charter and ordinances of
374 the County to exist, to have happened, been done and performed precedent to and in the
375 issuance of this bond have happened, been done and performed and that the issuance of
376 this bond and the bonds of this series does not violate any constitutional, statutory or
377 other limitation upon the amount of bonded indebtedness that the County may incur.

378 IN WITNESS WHEREOF, the County has caused this bond to be executed by the
379 manual or facsimile signatures of the County Executive and the Clerk of the County
380 Council, and the seal of the County to be impressed or imprinted hereon, as of this
381 [] day of [].

382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404

KING COUNTY, WASHINGTON

By _____

County Executive

ATTEST:

Clerk of the Council

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

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within mentioned Bond Ordinance and is of the Limited Tax General Obligation Refunding Bonds, [Year, Series], of King County, Washington, dated [_____].

WASHINGTON STATE FISCAL
AGENCY, as Bond Registrar

By _____

Authorized Officer

405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427

ASSIGNMENT

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

PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION
NUMBER OF TRANSFEREE

[]

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

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

DATED: _____, _____.

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

428 SIGNATURE GUARANTEED:

429

430

431

432 SECTION 7. Execution of Bonds. The Bonds shall be executed on behalf of the
433 county with the manual or facsimile signatures of the county executive and the clerk of
434 the council, and shall have the seal of the county impressed or imprinted thereon.

435 In case either or both of the officers who shall have executed the Bonds shall
436 cease to be an officer or officers of the county before the Bonds so signed shall have been
437 authenticated or delivered by the Bond Registrar, or issued by the county, such Bonds
438 may nevertheless be authenticated, delivered and issued and upon such authentication,
439 delivery and issuance, shall be as binding upon the county as though those who signed
440 the same had continued to be such officers of the county. Any Bond also may be signed
441 and attested on behalf of the county by such persons as at the actual date of execution of
442 such Bond shall be the proper officers of the county although at the original date of such
443 Bond any such person shall not have been such officer of the county.

444 Only such Bonds as shall bear thereon a Certificate of Authentication in the form
445 hereinbefore recited, manually executed by the Bond Registrar, shall be valid or
446 obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate
447 of Authentication shall be conclusive evidence that the Bonds so authenticated have been
448 duly executed, authenticated and delivered hereunder and are entitled to the benefits of
449 this ordinance.

450 SECTION 8. Bond Registrar. The county hereby adopts for the Bonds the
451 system of registration specified and approved by the Washington State Finance
452 Committee. The Bond Registrar shall keep, or cause to be kept, at its principal corporate
453 trust office, sufficient books for the registration and transfer of the Bonds, which shall at
454 all times be open to inspection by the county. Such Bond Register shall contain the name
455 and mailing address of the owner of each Bond or nominee of such owner and the
456 principal amount and number of Bonds held by each owner or nominee. The Bond
457 Registrar is authorized, on behalf of the county, to authenticate and deliver the Bonds
458 transferred or exchanged in accordance with the provisions of such Bonds and this
459 ordinance and to carry out all of the Bond Registrar's powers and duties under this
460 ordinance.

461 The Bond Registrar shall be responsible for its representations contained in the
462 Certificate of Authentication on the Bonds. The Bond Registrar may become the owner
463 of Bonds with the same rights it would have if it were not the Bond Registrar, and to the
464 extent permitted by law may act as depository for and permit any of its officers or
465 directors to act as a member of, or in any other capacity with respect to, any committee
466 formed to protect the rights of Bond owners.

467 Upon surrender thereof to the Bond Registrar; the Bonds are interchangeable for
468 Bonds in any authorized denomination of an equal aggregate principal amount and of the
469 same series, interest rate and maturity. Bonds may be transferred only if endorsed in the
470 manner provided thereon and surrendered to the Bond Registrar. Upon such surrender,
471 the Bond Registrar shall cancel the surrendered Bond and shall authenticate and deliver,
472 without charge to the owner or transferee therefor (other than taxes, if any, payable on

473 account of such transfer), a new Bond (or Bonds, at the option of the new registered
474 owner) of the same series, maturity and interest rate and for the same aggregate principal
475 amount, in any authorized denomination, naming as registered owner the person or
476 persons listed as the assignee on the assignment form appearing on the surrendered Bond,
477 in exchange for such surrendered and canceled Bond. The Bond Registrar shall not be
478 obligated to transfer or exchange any Bond during a period beginning at the opening of
479 business on the 15th day of the month next preceding any interest payment or principal
480 payment date and ending at the close of business on such payment date.

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

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

491 In case the Bonds or any of them shall be lost, stolen or destroyed, the Bond
492 Registrar may authenticate and deliver a new Bond or Bonds of like amount, date, series
493 and tenor to the registered owner thereof upon the owner's paying the expenses and
494 charges of the county and the Bond Registrar in connection therewith and upon his/her
495 filing with the Bond Registrar evidence satisfactory to the Bond Registrar that such Bond

496 or Bonds were actually lost, stolen or destroyed and of his/her ownership thereof, and
497 upon furnishing the county and Bond Registrar with indemnity satisfactory to the Finance
498 Director and the Bond Registrar.

499 SECTION 10. Covenants and Warranties. The county makes the following
500 covenants and warranties:

501 A. The county has full legal right, power and authority to adopt this ordinance, to
502 sell, issue and deliver the Bonds as provided herein, and to carry out and consummate all
503 other transactions contemplated by this ordinance.

504 B. By all necessary official action prior to or concurrently herewith, the county
505 has duly authorized and approved the execution and delivery of, and the performance by
506 the county of its obligations contained in the Bonds and in this ordinance and the
507 consummation by it of all other transactions necessary to effectuate this ordinance in
508 connection with the issuance of the Bonds, and such authorizations and approvals are in
509 full force and effect.

510 C. This ordinance constitutes a legal, valid and binding obligation of the county.

511 D. The Bonds, when issued, sold, authenticated and delivered, will constitute the
512 legal, valid and binding general obligations of the county.

513 E. Until all Bonds shall have been surrendered and canceled, the county will
514 maintain or cause to be maintained a system of registration of the Bonds that complies
515 with the applicable provisions of the Code.

516 F. The adoption of this ordinance, and compliance on the county's part with the
517 provisions contained herein, will not conflict with, constitute a breach of, or constitute a
518 default under, any constitutional provisions, law, administrative regulation, judgment,

519 decree, loan agreement, indenture, bond, note, resolution, ordinance, motion, agreement
520 or other instrument to which the county is a party or to which the county or any of its
521 property or assets are otherwise subject.

522 G. The county finds and covenants that the Bonds are issued within all statutory
523 and constitutional debt limitations applicable to the county.

524 SECTION 11. Application of Bond Proceeds. There is hereby authorized to be
525 created a special account of the county for each series of the Bonds to be maintained with
526 a corporate trustee chosen by the Finance Director (hereinafter called the "Escrow
527 Trustee"), each of which will be known as the "King County Limited Tax General
528 Obligation Refunding Bond Refunding Account," with the same year and series
529 designation as that corresponding to the related series of the Bonds (each hereinafter
530 called a "Refunding Account"). Each Refunding Account is to be drawn upon for the
531 purpose of paying the principal of and interest on the Refunded Bonds to be refunded by
532 the related series of the Bonds, paying costs related to the refunding of such Refunded
533 Bonds, and paying costs of issuing the related series of Bonds.

534 The net principal proceeds from the sale of each series of the Bonds shall be
535 credited to the related Refunding Account.

536 Money in each Refunding Account shall be used immediately upon receipt
537 thereof to provide for the payment of the principal of and interest on the Refunded Bonds
538 to be refunded by the related series of the Bonds as hereinafter set forth in this section, to
539 pay costs related to the refunding of such Refunded Bonds, and to pay costs of issuing the
540 related series of the Bonds. The county shall discharge such obligations by the use of
541 money in the each Refunding Account for each series of the Bonds to purchase certain

542 noncallable Government Obligations, as identified or ratified in the Sale Motion therefor,
543 bearing such interest and maturing as to principal and interest in such amounts and at
544 such times which, together with any necessary initial cash balance will provide for the
545 payment of the principal, if any, of and the interest on the specified Refunded 1996B
546 Bonds that will become due and payable on or before their respective Refunded 1996B
547 Bond Redemption Date(s) and the redemption price of such Refunded 1996B Bonds
548 payable on their respective Refunded 1996B Bond Redemption Date(s), the principal, if
549 any, of and the interest on the specified Refunded 1997G Bonds that will become due and
550 payable on or before their respective Refunded 1997G Bond Redemption Date(s) and the
551 redemption price of such Refunded 1997G Bonds payable on their respective Refunded
552 1997G Bond Redemption Date(s), and the principal, if any, of and the interest on the
553 specified Refunded 1999A Bonds that will become due and payable on or before their
554 respective Refunded 1999A Bond Redemption Date(s) and the redemption price of such
555 Refunded 1999A Bonds payable on their respective Refunded 1999A Bond Redemption
556 Date(s) (collectively, the "Refunded Bond Payments"). Such Government Obligations
557 shall be purchased at a yield not greater than the yield permitted by the Internal Revenue
558 Code of 1986, as amended, and applicable regulations thereunder relating to acquired
559 obligations in connection with refunding bond issues.

560 Such Government Obligations and any necessary initial cash balance shall be
561 irrevocably deposited with the Escrow Trustee. Any Refunded Bond Payments that are
562 not provided for in full by such initial cash balance and the purchase and deposit of
563 Government Obligations described in this section shall be provided for by the irrevocable
564 deposit of the necessary amount out of the proceeds of sale of the related series of the

565 Bonds or any other monies of the county legally available therefor with the Escrow
566 Trustee. Any proceeds of a series of the Bonds remaining in the related Refunding
567 Account after acquisition of the Government Obligations and provision for the necessary
568 initial cash balance may be utilized to pay expenses of the acquisition and safekeeping of
569 the Government Obligations and expenses of the issuance of such series of the Bonds.

570 The county reserves the right to substitute other noncallable securities for the
571 Government Obligations in the event it may do so pursuant to Section 148 of the federal
572 Internal Revenue Code of 1986, as amended, and applicable regulations thereunder, upon
573 compliance with the following conditions: (i) such substitution is accomplished pursuant
574 to a motion of the county council, which may be adopted either prior to or subsequent to
575 the delivery of any series of Bonds; (ii) the securities to be substituted are noncallable
576 Government Obligations; and (iii) such securities bear such interest and mature at such
577 times and in such amounts as to fully replace the Government Obligations for which they
578 are substituted, and to provide, together with Government Obligations and cash
579 remaining, for the payment of the Refunded Bond Payments.

580 The county shall irrevocably set aside sufficient funds out of the proceeds of the
581 Government Obligations purchased from proceeds of each series of the Bonds, together
582 with any necessary initial cash balance, to pay the related Refunded Bond Payments.

583 The county hereby conditionally calls the Refunded 1996B Bonds for redemption
584 on the Refunded 1996B Bond Redemption Date(s) in accordance with the provisions of
585 Ordinance No. 12070 and Motion No. 9778, authorizing redemption and retirement of the
586 1996B Bonds prior to their fixed maturities. The county hereby conditionally calls the
587 Refunded 1997G Bonds for redemption on the Refunded 1997G Bond Redemption

588 Date(s) in accordance with the provisions of Ordinance No. 12909 and Motion No.
589 10359, authorizing redemption and retirement of the 1997G Bonds prior to their fixed
590 maturities. The county hereby conditionally calls the Refunded 1999A Bonds for
591 redemption on the Refunded 1999A Bond Redemption Date(s) in accordance with the
592 provisions of Ordinance No. 13467 and Motion No. 10679, authorizing redemption and
593 retirement of the 1999A Bonds prior to their fixed maturities. Such conditional call for
594 redemption of any such Refunded Bonds to be refunded by each series of the Bonds shall
595 become irrevocable only after the final establishment of the escrow account therefor and
596 delivery of the Government Obligations to the Escrow Trustee, except as provided herein
597 for the substitution of securities.

598 The Escrow Trustee is hereby authorized and directed to provide for the giving of
599 notice of the redemption of the Refunded Bonds in accordance with Ordinance No. 12070
600 (with respect to any Refunded 1996B Bonds), Ordinance No. 12909 (with respect to any
601 Refunded 1997G Bonds) and Ordinance No. 13467 (with respect to any Refunded 1999A
602 Bonds). The Finance Director is authorized and requested to provide whatever assistance
603 is necessary to accomplish such redemption and the giving of notice therefor. The costs
604 of publication of such notice shall be an expense of the county.

605 The Escrow Trustee is hereby authorized and directed to pay to the county, or, at
606 the direction of the Finance Director, to the fiscal agency or agencies of the State of
607 Washington, sums sufficient to pay, when due, the Refunded Bond Payments. All such
608 sums shall be paid from the Government Obligations deposited with said Escrow Trustee
609 pursuant to this section of this ordinance, and the income therefrom and proceeds thereof.
610 All such sums so paid shall be credited to the applicable Refunding Account. All monies

611 and Government Obligations deposited with the Escrow Trustee and any income
612 therefrom shall be held, invested and applied in accordance with the provisions of this
613 ordinance and with the laws of the State of Washington for the benefit of the county and
614 holders of the related Refunded Bonds.

615 The county will take such actions as are found necessary to see that all necessary
616 and proper fees, compensation and expenses of the Escrow Trustee for refunding the
617 Refunded Bonds shall be paid when due.

618 The proper officers and agents of the county are directed to obtain from the
619 Escrow Trustee an agreement setting forth the duties, obligations and responsibilities of
620 the Escrow Trustee in connection with the redemption and retirement of the Refunded
621 Bonds as provided herein and stating that such provisions for the payment of the fees,
622 compensation and expenses of such Escrow Trustee are satisfactory to it. In order to
623 carry out the purposes of this section, the Finance Director is authorized and directed to
624 execute and deliver to the Escrow Trustee, a copy of such agreement when the provisions
625 thereof have been fixed and determined.

626 SECTION 12. Application of Bond Proceeds--General. The exact amounts of
627 net proceeds derived from the sale of each series of the Bonds to be deposited in
628 accordance with Section 11 hereof shall be determined by the Finance Director upon the
629 sale thereof.

630 Funds deposited in the funds and accounts established in Section 11 hereof shall
631 be invested as permitted by law for the sole benefit of the respective funds. Irrespective
632 of the general provisions of Ordinance No. 7112 and K.C. 4.10, the county current
633 expense fund shall not receive any earnings attributable to such funds. Money other than

634 proceeds of the Bonds may be deposited in the funds and accounts established under
635 Section 11 provided, however, that proceeds of the Bonds and earnings thereon shall be
636 accounted for separately for purposes of the computations required to be made under
637 Section 16 hereof. For purposes of such computations, Bond proceeds shall be deemed to
638 have been expended first.

639 SECTION 13. Bond Redemption Fund. There has heretofore been created a
640 special fund of the county to be drawn upon for the purpose of paying the principal of
641 and interest on the limited tax general obligation bonds of the county. There is hereby
642 authorized to be created within said fund for each series of the Bonds a special account of
643 the county to be known as the "Limited Tax General Obligation Refunding Bond
644 Redemption Account, [Year, Series]" (each, a "Bond Fund").

645 The accrued interest on each series of the Bonds shall be deposited in the related
646 Bond Fund at the time of delivery of such series of the Bonds and shall be applied to the
647 payment of interest on the Bonds.

648 The taxes hereafter levied for the purpose of paying principal of and interest on
649 each series of the Bonds and other funds to be used to pay such series of the Bonds shall
650 be deposited in the related Bond Fund no later than the date such funds are required for
651 the payment of principal of and interest on such series of the Bonds; provided, however,
652 that if the payment of principal of and interest on any series of the Bonds is required prior
653 to the receipt of such levied taxes, the county may make an interfund loan to the related
654 Bond Fund pending actual receipt of such taxes. The related Bond Fund shall be drawn
655 upon for the purpose of paying the principal of and interest on each series of the Bonds.
656 Money in each Bond Fund not needed to pay the interest or principal next coming due

657 may temporarily be deposited in such institutions or invested in such obligations as may
658 be lawful for the investment of county funds. Each Bond Fund shall be a second tier fund
659 in accordance with Ordinance No. 7112 and K.C.C. 4.10.

660 SECTION 14. Pledge of Taxation and Credit. The county hereby irrevocably
661 covenants and agrees for as long as any of the Bonds are outstanding and unpaid, that
662 each year it will include in its budget and levy an *ad valorem* tax within the constitutional
663 and statutory tax limitations provided by law without a vote of the people upon all the
664 property within the county subject to taxation in an amount that will be sufficient,
665 together with all other revenues, taxes and money of the county legally available for such
666 purposes, to pay the principal of and interest on the Bonds as the same shall become due.
667 All such taxes so collected and any other money to be used for such purposes shall be
668 paid into the applicable Bond Fund no later than the date such funds are required for the
669 payment of principal of and interest on each series of the Bonds.

670 The county hereby irrevocably pledges that the annual tax provided for herein to
671 be levied for the payment of such principal and interest shall be within and as a part of
672 the tax levy to counties without a vote of the people, and that a sufficient portion of each
673 annual levy to be levied and collected by the county prior to the full payment of the
674 principal of and interest on the Bonds will be and is hereby irrevocably set aside, pledged
675 and appropriated for the payment of the principal of and interest on the Bonds.

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

679 SECTION 15. Tax Exemption. The county shall comply with the provisions of
680 this section unless, in the written opinion of nationally recognized bond counsel to the
681 county, such compliance is not required to maintain the exemption of the interest on the
682 Bonds from federal income taxation.

683 The county hereby covenants that it will not make any use of the proceeds from
684 the sale of the Bonds or any other funds of the county that may be deemed to be proceeds
685 of such Bonds pursuant to Section 148 of the Code and the applicable regulations
686 thereunder that will cause the Bonds to be "arbitrage bonds" within the meaning of said
687 Section and said regulations. The county will comply with the applicable requirements of
688 Section 148 of the Code (or any successor provision thereof applicable to the Bonds) and
689 the applicable regulations thereunder throughout the term of the Bonds.

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

693 SECTION 16. Arbitrage Rebate. The county will compute, if necessary, and
694 pay the Rebate Amount, if any, to the United States of America at the times and in the
695 amounts necessary to meet the requirements of the Code to maintain the federal income
696 tax exemption for interest payments on the Bonds, in accordance with the Arbitrage and
697 Tax Certification.

698 SECTION 17. Sale of Bonds.

699 A. Determination by Finance Director. The county hereby authorizes the public
700 sale of the Bonds. The Bonds shall be sold in one or more series, any of which may be
701 sold in a combined offering of other bonds of the county, at the option of the Finance

702 Director. The Finance Director shall determine, in consultation with the county's
703 financial advisors, whether each series of the Bonds shall be sold by negotiated sale or
704 competitive bid.

705 B. Procedure for Negotiated Sale. If the Finance Director determines that any
706 series of the Bonds shall be sold by negotiated sale, the Finance Director shall, in
707 accordance with applicable county procurement procedures, solicit one or more
708 underwriting firms with which to negotiate the sale of the Bonds. The purchase contract
709 for each series of the Bonds shall establish the year and series designation, date, principal
710 amounts and maturity dates, interest rates and interest payment dates, redemption
711 provisions and delivery date for such series of the Bonds, so long as the aggregate
712 principal amount of the Bonds to be outstanding following the issuance of such series of
713 Bonds does not exceed \$60,000,000. The county council, by Sale Motion, shall approve
714 the bond purchase contract, ratify the identification of the Refunded Bonds to be refunded
715 by such series of Bonds, their respective redemption dates and the Government
716 Obligations to be purchased to undertake such refunding, and ratify the terms for the
717 series of Bonds established thereby.

718 C. Procedure for Sale by Competitive Bid. If the Finance Director determines
719 that any series of the Bonds shall be sold by competitive bid, bids for the purchase of
720 each series of the Bonds shall be received at such time and place and by such means as
721 the Finance Director shall direct. The Finance Director is hereby authorized to prepare
722 an official notice of bond sale for each series of the Bonds to be sold pursuant to
723 competitive bid, establishing in such notice the year and series designation, date,
724 principal amounts and maturity dates, interest payment dates, redemption provisions and

725 delivery date for such series of Bonds, so long as the aggregate principal amount of the
726 Bonds to be outstanding following the issuance of such series of Bonds does not exceed
727 \$60,000,000. The official notice of bond sale or an abridged form thereof shall be
728 published in such newspapers or financial journals as may be deemed desirable or
729 appropriate by the financial advisors to the county.

730 Upon the date and time established for the receipt of bids for any series of the
731 Bonds, the Finance Director or his designee shall review the bids, shall cause the bids to
732 be mathematically verified and shall report to the county council regarding the bids
733 received. Such bids shall then be considered and acted upon by the county council in an
734 open public meeting. The county council reserves the right to reject any and all bids for
735 any series of the Bonds. The county council, by a Sale Motion, shall identify the
736 Refunded Bonds to be refunded by such series of Bonds, their respective redemption
737 dates and the Government Obligations to be purchased to undertake such refunding,
738 ratify the year and series designation, date, principal amounts and maturity dates, interest
739 rates and interest payment dates, redemption provisions and delivery date for such series
740 of the Bonds, and accept the bid for the purchase of such series of the Bonds.

741 SECTION 18. Delivery of Bonds. Following the sale of each series of the
742 Bonds, the county shall cause definitive Bonds of such series to be prepared, executed
743 and delivered, which Bonds shall be typewritten, lithographed or printed with engraved
744 or lithographed borders.

745 If definitive Bonds of any series are not ready for delivery by the date established
746 for their delivery to the initial purchasers thereof, then the Finance Director, upon the
747 approval of the purchasers, may cause to be issued and delivered to the purchasers one or

748 more temporary Bonds of the same series with appropriate omissions, changes and
749 additions. Any such temporary Bond or Bonds shall be entitled and subject to the same
750 benefits and provisions of this ordinance with respect to the payment, security and
751 obligation thereof as definitive Bonds authorized thereby. Such temporary Bond or
752 Bonds shall be exchangeable without cost to the owners thereof for definitive Bonds of
753 the same series when the latter are ready for delivery.

754 SECTION 19. Preliminary Official Statement Declaration. The county hereby
755 authorizes and directs the Finance Director: (i) to review and approve the information
756 contained in the preliminary official statement (the "Preliminary Official Statement")
757 prepared in connection with the sale of each series of the Bonds; and (ii) for the sole
758 purpose of the Bond purchasers' compliance with Securities and Exchange Commission
759 Rule 15c2-12(b)(1), to "deem final" that Preliminary Official Statement as of its date,
760 except for the omission of information on offering prices, interest rates, selling
761 compensation, delivery dates, any other terms or provisions required by the county to be
762 specified in a competitive bid, ratings, other terms of the Bonds dependent on such
763 matters and the identity of the Bond purchasers. After each Preliminary Official
764 Statement has been reviewed and approved in accordance with the provisions of this
765 section, the county hereby authorizes the distribution of such Preliminary Official
766 Statement to prospective purchasers of such series of Bonds.

767 SECTION 20. Approval of Official Statement. Following the sale of each
768 series of the Bonds, the Finance Director is hereby authorized to review and approve on
769 behalf of the county a final official statement with respect to such series of Bonds. The
770 county agrees to cooperate with the purchaser of each series of the Bonds to deliver or

771 cause to be delivered, within seven business days from the date of the Sale Motion, and in
772 sufficient time to accompany any confirmation that requests payment from any customer
773 of such successful bidder, copies of a final official statement pertaining to such Bonds in
774 sufficient quantity to comply with paragraph (b)(4) of the Rule and the rules of the
775 MSRB.

776 **SECTION 21. Undertaking to Provide Ongoing Disclosure.** In each Sale
777 Motion, the county council will set forth an undertaking for ongoing disclosure with
778 respect to the Bonds, as required by Section (b)(5) of the Rule.

779 **SECTION 22. General Authorization.** The appropriate county officials, agents
780 and representatives are hereby authorized and directed to do everything necessary for the
781 prompt sale, issuance, execution and delivery of the Bonds, and for the proper use and
782 application of the proceeds of the sale thereof.

783 **SECTION 23. Refunding or Defeasance of Bonds.** The county may issue
784 refunding bonds pursuant to the laws of the State of Washington or use money available
785 from any other lawful source to pay when due the principal of and interest on any series
786 of the Bonds, or any portion thereof included in a refunding or defeasance plan, and to
787 redeem and retire, refund or defease all such then-outstanding Bonds and to pay the costs
788 of the refunding or defeasance.

789 In the event that money and/or noncallable Government Obligations maturing at
790 such time or times and bearing interest to be earned thereon in amounts (together with
791 such money, if necessary) sufficient to redeem and retire, refund or defease part or all of
792 the Bonds in accordance with their terms, are set aside in a special account of the county
793 to effect such redemption and retirement, and such money and the principal of and

794 interest on such Government Obligations are irrevocably set aside and pledged for such
795 purpose, then no further payments need be made into the Bond Fund for the payment of
796 the principal of and interest on the Bonds so provided for, and such Bonds shall cease to
797 be entitled to any lien, benefit or security of this ordinance except the right to receive the
798 money so set aside and pledged, and such Bonds shall be deemed not to be outstanding
799 hereunder.

800 Within 30 days of the defeasance of any of the Bonds, the Bond Registrar shall
801 provide notice of defeasance of such Bonds to the registered owners of the Bonds and to
802 each NRMSIR and SID, if any, in accordance with the undertaking for ongoing
803 disclosure to be adopted by a Sale Motion pursuant to Section 21 hereof.

804 SECTION 24. Open Market Purchase. The county reserves the right to
805 purchase any or all of the Bonds on the open market at any time and at any price.

806 SECTION 25. Contract; Severability. The covenants contained in this
807 ordinance shall constitute a contract between the county and the owners of each and
808 every Bond. If any one or more of the covenants or agreements provided in this
809 ordinance to be performed on the part of the county shall be declared by any court of
810 competent jurisdiction to be contrary to law, then such covenant or covenants, agreement
811 or agreements, shall be null and void and shall be deemed separable from the remaining
812 covenants and agreements of this ordinance and shall in no way affect the validity of the
813 other provisions of this ordinance or of the Bonds.

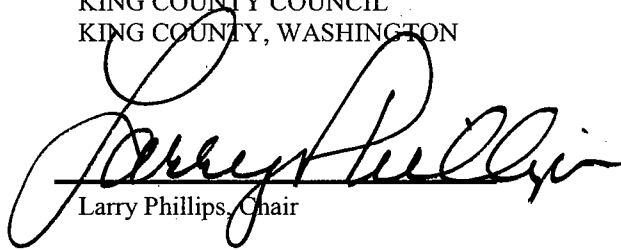
814 SECTION 26. Complete Alternative. This ordinance shall be deemed to
815 provide a complete, additional and alternative method for the performance of those
816 subjects authorized hereby and shall be regarded as supplemental and additional to

817 powers conferred by other county ordinances. Whenever Bonds are issued and sold in
818 conformance with this ordinance, such issuance and sale need not comply with contrary
819 requirements of any other county ordinance applicable to the issuance and sale of bonds
820 or other obligations.
821

Ordinance 15386 was introduced on 11/21/2005 and passed by the Metropolitan King
County Council on 3/13/2006, by the following vote:

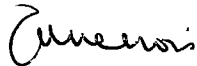
Yes: 9 - Mr. Phillips, Mr. von Reichbauer, Ms. Lambert, Mr. Dunn, Mr.
Ferguson, Mr. Gossett, Ms. Hague, Ms. Patterson and Mr. Constantine
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



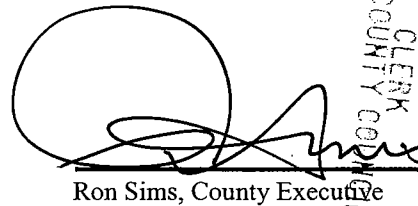
Larry Phillips, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 22 day of MARCH, 2006.



Ron Sims, County Executive

RECEIVED
2006 MAR 24 PM 1:28
KING COUNTY CLERK
KING COUNTY CO. WA

Attachments None