



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

May 22, 2007

Ordinance 15780

Proposed No. 2007-0192.1

Sponsors Ferguson and Phillips

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 \$75,000,000 to refund all or a portion of the
5 county's Limited Tax General Obligation and Refunding
6 Bonds (Various Purpose), 1993 Series B, Limited Tax
7 General Obligation and Refunding Bonds (Various
8 Purpose), 1996 Series A, Limited Tax General Obligation
9 Bonds (Various Purpose), 2001, Limited Tax General
10 Obligation Bonds (Various Purpose), 2002, Limited Tax
11 General Obligation Bonds, 2003, Series A and Limited Tax
12 General Obligation and Refunding Bonds, 2003, Series B;
13 providing for the public sale of the bonds and the
14 disposition of the proceeds of sale; establishing funds for
15 the receipt and expenditure of bond proceeds and for the
16 payment of the bonds; and providing for the annual levy of
17 taxes to pay the principal thereof and interest thereon.

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PREAMBLE:

The county has previously issued its Limited Tax General Obligation and Refunding Bonds (Various Purpose), 1993 Series B, Limited Tax General Obligation and Refunding Bonds (Various Purpose), 1996 Series A, Limited Tax General Obligation Bonds (Various Purpose), 2001, Limited Tax General Obligation Bonds (Various Purpose), 2002, Limited Tax General Obligation Bonds, 2003, Series A and Limited Tax General Obligation and Refunding Bonds, 2003, Series B. The county has an opportunity to refund all or a portion of those bonds, thereby realizing savings to its taxpayers.

It is deemed necessary and advisable that the county now authorize the issuance and sale of one or more series of its limited tax general obligation bonds in an outstanding aggregate principal amount not to exceed \$75,000,000 to undertake such refunding.

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.

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

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

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

44 "Bond Registrar" means the fiscal agency of the State of Washington in either
45 Seattle, Washington, or New York, New York, for the purposes of registering and
46 authenticating the Bonds, maintaining the Bond Register, effecting the transfer of
47 ownership of the Bonds and paying interest on and principal of the Bonds.

48 "Bonds" means the limited tax general obligation bonds of the county in an
49 outstanding aggregate principal amount not to exceed \$75,000,000 authorized to be
50 issued by this ordinance to refund all or a portion of 1993B Bonds, the 1996A Bonds, the
51 2001 Bonds, the 2002 Bonds, the 2003A Bonds and the 2003B Bonds, and to pay the
52 costs of issuing such bonds.

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

57 "Commission" means the Securities and Exchange Commission.

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

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

61 "Finance Director" means the director of the county finance and business
62 operations division of the department of executive services of the county or any other

63 county officer who succeeds to the duties now delegated to that office, or the designee of
64 such officer.

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

67 "MSRB" means the Municipal Securities Rulemaking Board or any successor to
68 its functions.

69 "1993B Bonds" means the King County, Washington, Limited Tax General
70 Obligation and Refunding Bonds (Various Purpose), 1993 Series B.

71 "1996A Bonds" means the King County, Washington, Limited Tax General
72 Obligation and Refunding Bonds (Various Purpose), 1996 Series A.

73 "NRMSIR" means a nationally recognized municipal securities information
74 repository.

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

78 "Refunded Bonds" means, collectively, the Refunded 1993B Bonds, the Refunded
79 1996A Bonds, the Refunded 2001 Bonds, the Refunded 2002 Bonds, the Refunded
80 2003A Bonds and the Refunded 2003B Bonds.

81 "Refunded 1993B Bond Redemption Date" means, with respect to each series of
82 Bonds, each redemption date for the outstanding 1993B Bonds to be refunded thereby, as
83 identified or ratified in the Sale Motion therefor.

84 "Refunded 1993B Bonds" means, with respect to each series of Bonds, the portion
85 of the outstanding 1993B Bonds to be refunded thereby, as identified or ratified in the
86 Sale Motion therefor.

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

90 "Refunded 1996A Bonds" means, with respect to each series of Bonds, the
91 portion of the outstanding 1996A Bonds to be refunded thereby, as identified or ratified
92 in the Sale Motion therefor.

93 "Refunded 2001 Bond Redemption Date" means, with respect to each series of
94 Bonds, each redemption date for the outstanding 2001 Bonds to be refunded thereby, as
95 identified or ratified in the Sale Motion therefor.

96 "Refunded 2001 Bonds" means, with respect to each series of Bonds, the portion
97 of the outstanding 2001 Bonds to be refunded thereby, as identified or ratified in the Sale
98 Motion therefor.

99 "Refunded 2002 Bond Redemption Date" means, with respect to each series of
100 Bonds, each redemption date for the outstanding 2002 Bonds to be refunded thereby, as
101 identified or ratified in the Sale Motion therefor.

102 "Refunded 2002 Bonds" means, with respect to each series of Bonds, the portion
103 of the outstanding 2002 Bonds to be refunded thereby, as identified or ratified in the Sale
104 Motion therefor.

105 "Refunded 2003A Bond Redemption Date" means, with respect to each series of
106 Bonds, each redemption date for the outstanding 2003A Bonds to be refunded thereby, as
107 identified or ratified in the Sale Motion therefor.

108 "Refunded 2003A Bonds" means, with respect to each series of Bonds, the
109 portion of the outstanding 2003A Bonds to be refunded thereby, as identified or ratified
110 in the Sale Motion therefor.

111 "Refunded 2003B Bond Redemption Date" means, with respect to each series of
112 Bonds, each redemption date for the outstanding 2003B Bonds to be refunded thereby, as
113 identified or ratified in the Sale Motion therefor.

114 "Refunded 2003B Bonds" means, with respect to each series of Bonds, the portion
115 of the outstanding 2003B Bonds to be refunded thereby, as identified or ratified in the
116 Sale Motion therefor.

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

119 "Sale Motion" means, with respect to each series of the Bonds, the motion of the
120 council identifying (if such series of Bonds is sold by competitive bid) or ratifying (if
121 such series of Bonds is sold by negotiated sale) the Refunded Bonds to be refunded by
122 such series of Bonds, their respective redemption dates and the Government Obligations
123 to be purchased to undertake such refunding, ratifying and confirming the year and any
124 applicable series designation, date, principal amounts and maturity dates, interest rates
125 and interest payment dates, redemption provisions of the Bonds, and approving the bond
126 purchase contract (if the Bonds are sold by negotiated sale) or accepting a bid (if the

127 Bonds are sold by competitive bid) for the purchase of the Bonds, all in accordance with
128 Section 17 hereof.

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

131 "2001 Bonds" means the King County, Washington, Limited Tax General
132 Obligation Bonds (Various Purpose), 2001.

133 "2002 Bonds" means the King County, Washington, Limited Tax General
134 Obligation and Refunding Bonds (Various Purpose), 2002.

135 "2003A Bonds" means the King County, Washington, Limited Tax General
136 Obligation Bonds, 2003, Series A.

137 "2003B Bonds" means the King County, Washington, Limited Tax General
138 Obligation and Refunding Bonds, 2003, Series B.

139 **SECTION 2. Findings.** The county council hereby makes the following
140 findings:

141 A. Significant debt service savings can be realized by the county through the
142 refunding of all or a portion of the 1993B Bonds, the 1996A Bonds, the 2001 Bonds, the
143 2002 Bonds, the 2003A Bonds and the 2003B Bonds.

144 B. The issuance of limited tax general obligation bonds payable from regular
145 property taxes to provide funds to refund all or a portion of the 1993B Bonds, the 1996A
146 Bonds, the 2001 Bonds, the 2002 Bonds, the 2003A Bonds and the 2003B Bonds, and to
147 pay the costs of issuing such bonds will reduce the overall costs of borrowing such funds
148 and is in the best interests of the county and its citizens.

149 **SECTION 3. Purpose, Authorization and Description of Bonds; Use of**
150 **Depository.**

151 A. Purpose and Authorization of Bonds. The county authorizes the issuance of
152 the Bonds to refund all or a portion of the 1993B Bonds, the 1996A Bonds, the 2001
153 Bonds, the 2002 Bonds, the 2003A Bonds and the 2003B Bonds, and to pay the costs of
154 issuing the Bonds.

155 B. Description. The Bonds may be issued in one or more series in an outstanding
156 aggregate principal amount not to exceed \$75,000,000. Each series of the Bonds shall be
157 designated "King County, Washington, Limited Tax General Obligation Refunding
158 Bonds," with a year and any applicable series designation established as provided in
159 Section 17 hereof. Each series of Bonds shall be fully registered as to both principal and
160 interest, shall be in the denomination of \$5,000 each or any integral multiple thereof (but
161 no Bond shall represent more than one maturity), shall be numbered separately in such
162 manner and with any additional designation as the Bond Registrar deems necessary for
163 purposes of identification, and shall be dated as of such date and shall mature on the
164 dates, in the years and the amounts established as provided in Section 17 hereof.

165 The Bonds shall bear interest (computed on the basis of a 360-day year of twelve
166 30-day months) from their date or from the most recent interest payment date for which
167 interest has been paid or duly provided for, whichever is later, payable at the rate or rates
168 and on semiannual interest payment dates to be established as provided in Section 17
169 hereof.

170 C. Initial Immobilization of Bonds; Depository Provisions. The Bonds of each
171 series initially shall be held in fully immobilized form by DTC acting as depository

172 pursuant to the terms and conditions set forth in the Blanket Issuer Letter of
173 Representations heretofore executed on behalf of the county. Neither the county nor the
174 Bond Registrar shall have any responsibility or obligation to DTC participants or the
175 persons for whom they act as nominees with respect to such Bonds with respect to the
176 accuracy of any records maintained by DTC or any DTC participant, the payment by
177 DTC or any DTC participant of any amount in respect of principal or redemption price or
178 interest on such Bonds, any notice that is permitted or required to be given to Registered
179 Owners under this ordinance (except such notice as is required to be given by the county
180 to the Bond Registrar or to DTC), the selection by DTC or any DTC participant of any
181 person to receive payment in the event of a partial redemption of such Bonds or any
182 consent given or other action taken by DTC as owner of such Bonds.

183 The Bonds of each series initially shall be issued in denominations equal to the
184 aggregate principal amount of each maturity and initially shall be registered in the name
185 of CEDE & Co., as the nominee of DTC. The Bonds so registered shall be held in fully
186 immobilized form by DTC as depository. For so long as any such Bonds are held in fully
187 immobilized form, DTC, its successor or any substitute depository appointed by the
188 county, as applicable, shall be deemed to be the Registered Owner for all purposes
189 hereunder and all references to Registered Owners, bondowners, bondholders, owners or
190 the like shall mean DTC or its nominees and shall not mean the owners of any beneficial
191 interests in the Bonds. Registered ownership of such Bonds, or any portions thereof, may
192 not thereafter be transferred except:

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

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

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

199 Upon the resignation of DTC or its successor (or any substitute depository or its
200 successor) from its functions as depository, or a determination by the county that it is no
201 longer in the best interests of beneficial owners of such Bonds to continue the system of
202 book entry transfers through DTC or its successor (or any substitute depository or its
203 successor), the county may appoint a substitute depository. Any such substitute
204 depository shall be qualified under any applicable laws to provide the services proposed
205 to be provided by it.

206 In the case of any transfer pursuant to clause (1) or (2) of the second paragraph of
207 this subsection, the Bond Registrar, upon receipt of all outstanding Bonds of such series
208 together with a written request on behalf of the county, shall issue a single new Bond
209 certificate for each maturity of Bonds of such series then outstanding, registered in the
210 name of such successor or such substitute depository, or their nominees, as the case may
211 be, all as specified in such written request of the county.

212 In the event that DTC or its successor (or substitute depository or its successor)
213 resigns from its functions as depository, and no substitute depository can be obtained; or
214 the county determines that it is in the best interests of the beneficial owners of the Bonds
215 of any series that they be able to obtain Bond certificates, the ownership of such Bonds
216 may be transferred to any person as herein provided, and such Bonds shall no longer be
217 held in fully immobilized form. The county shall deliver a written request to the Bond

218 Registrar, together with a supply of definitive Bonds of such series, to issue Bonds of
219 such series as herein provided in any authorized denomination. Upon receipt of all then
220 outstanding Bonds of such series by the Bond Registrar, together with a written request
221 on behalf of the county to the Bond Registrar, new Bonds of such series shall be issued in
222 such denominations and registered in the names of such persons as are requested in such
223 a written request.

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

230 In the event that the Bonds of any series are no longer held in fully immobilized
231 form by DTC or its successor (or substitute depository or its successor), interest on such
232 Bonds shall be paid by checks or drafts mailed, or by wire transfer, to the owners of such
233 Bonds at the addresses for such owners appearing on the Bond Register on the 15th day
234 of the calendar month preceding the interest payment date. Wire transfer will be made
235 only if so requested in writing and if the owner owns at least \$1,000,000 par value of
236 such Bonds. Principal of such Bonds shall be payable at maturity or on such dates as
237 may be fixed for prior redemption upon presentation and surrender of such Bonds by the
238 owners at either principal office of the Bond Registrar in Seattle, Washington, or New
239 York, New York, at the option of such owners.

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

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

253 **SECTION 5. Notice and Effect of Redemption.** Unless waived by the
254 registered owner of Bonds to be redeemed or the nominee of such owner, official notice
255 of any such redemption shall be given by the Bond Registrar on behalf of the county by
256 mailing a copy of an official redemption notice by certified or registered mail, postage
257 prepaid, not less than 30 nor more than 60 days prior to the date fixed for redemption, to
258 the registered owner of the Bond or Bonds to be redeemed at the address shown on the
259 Bond Register or at such other address as is furnished in writing by such registered owner
260 to the Bond Registrar. The Bond Registrar shall provide additional notice of redemption
261 of the Bonds to each NRMSIR and SID, if any, in accordance with the ongoing
262 disclosure provisions to be adopted by a Sale Motion pursuant to Section 21 hereof.

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

264 A. the redemption date;

265 B. the redemption price;

266 C. if less than all outstanding Bonds of the same series are to be redeemed, the

267 identification (and, in the case of partial redemption, the respective principal amounts) of

268 the Bonds to be redeemed;

269 D. that on the redemption date the redemption price will become due and payable

270 upon each such Bond or portion thereof called for redemption, and that interest thereon

271 shall cease to accrue from and after said date; and

272 E. the place where such Bonds are to be surrendered for payment of the

273 redemption price, which place of payment shall be either of the principal offices of the

274 Bond Registrar.

275 Such notice of redemption shall be mailed within the same period, postage

276 prepaid, to FitchRatings, Moody's Investors Service, Inc. and Standard & Poor's Public

277 Finance Ratings, at their offices in New York, New York, or their successors, and to such

278 other persons and with such additional information as the Finance Director shall deem

279 appropriate, but such mailings shall not be a condition precedent to the redemption of the

280 Bonds.

281 Prior to any redemption date, the county shall deposit with the Bond Registrar an

282 amount of money sufficient to pay the redemption price of all the Bonds or portions of

283 Bonds that are to be redeemed on that date.

284 Official notice of redemption having been given as aforesaid, the Bonds or

285 portions of Bonds so to be redeemed shall, on the redemption date, become due and

286 payable at the redemption price therein specified, and from and after such date (unless the
287 county shall default in the payment of the redemption price upon presentation) such
288 Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds
289 for redemption in accordance with said notice, such Bonds shall be paid by the Bond
290 Registrar at the redemption price. Installments of interest due on or prior to the
291 redemption date shall be payable as herein provided for payment of interest. Upon the
292 payment of the redemption price of Bonds being redeemed, each check or other transfer
293 of funds issued for such purpose shall bear the CUSIP number identifying, by issue and
294 maturity, the Bonds being redeemed with the proceeds of such check or other transfer.
295 Upon surrender for any partial redemption of any Bond, there shall be prepared for the
296 registered owner a new Bond or Bonds of the same series and maturity in the amount of
297 unpaid principal.

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

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

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

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

314 SECTION 6. Form of Bonds. The Bonds shall be in substantially the following
315 form:

316 NO. \$ _____

317 UNITED STATES OF AMERICA

318 STATE OF WASHINGTON

319 KING COUNTY

320 LIMITED TAX GENERAL OBLIGATION REFUNDING BOND,

321 [Year][,][Series]

322 INTEREST RATE: MATURITY DATE: CUSIP NO. :

323 REGISTERED OWNER:

324 PRINCIPAL AMOUNT:

325 KING COUNTY, WASHINGTON (the "County"), hereby acknowledges itself to
326 owe and for value received promises to pay to the Registered Owner identified above, or
327 registered assigns, on the Maturity Date specified above, the Principal Amount specified
328 above and to pay interest thereon (computed on the basis of a 360-day year of twelve 30-
329 day months) from _____, or the most recent date to which interest has been
330 paid or duly provided for until payment of this bond at the Interest Rate set forth above,

331 payable on _____, and semiannually thereafter on the ____ days of each
332 succeeding _____ and _____.

333 Both principal of and interest on this bond are payable in lawful money of the
334 United States of America. While bonds are held on immobilized "book entry" system of
335 registration, the principal of this bond is payable to the order of the Registered Owner in
336 same day funds received by the Registered Owner on the maturity date of this bond, and
337 the interest on this bond is payable to the order of the Registered Owner in same day
338 funds received by the Registered Owner on each interest payment date. When bonds are
339 no longer held in an immobilized "book entry" registration system, the principal shall be
340 paid to the Registered Owner or nominee of such owner upon presentation and surrender
341 of this bond at either of the principal offices of the fiscal agency of the State of
342 Washington in either Seattle, Washington or New York, New York (collectively the
343 "Bond Registrar"), and the interest shall be paid by mailing a check or draft (on the date
344 such interest is due) to the Registered Owner or nominee of such owner at the address
345 shown on the registration books maintained by the Bond Registrar (the "Bond Register")
346 as of the 15th day of the month prior to the interest payment date; provided, however that
347 if so requested in writing by the Registered Owner of at least \$1,000,000 par value of the
348 bonds, interest will be paid by wire transfer.

349 This bond is one of an authorized issue of bonds of like date and tenor, except as
350 to number, amount, rate of interest and date of maturity, in the aggregate principal
351 amount of \$ _____, and is issued to refund [all][a portion of] the County's
352 [Limited Tax General Obligation and Refunding Bonds (Various Purpose), 1993 Series
353 B][,][and][Limited Tax General Obligation and Refunding Bonds (Various Purpose),

354 1996 Series A)[,][and][Limited Tax General Obligation Bonds (Various Purpose),
355 2001)][,][and][Limited Tax General Obligation Bonds (Various Purpose), 2002)][,][and
356][Limited Tax General Obligation Bonds, 2003A)][,][and][Limited Tax General
357 Obligation and Refunding Bonds, 2003B], and to pay the costs of issuing the bonds.

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

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

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

371 Notice of redemption, unless waived, is given by the Bond Registrar by mailing
372 an official redemption notice by certified or registered mail, postage prepaid, not less
373 than 30 days and not more than 60 days prior to the date fixed for redemption, to the
374 Registered Owner of any bond to be redeemed at the address appearing on the Bond
375 Register. The requirements for such notice shall be deemed to be complied with when

376 notice is mailed as herein provided, regardless of whether or not it is actually received by
377 the owner of any bond.

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

384 The County has irrevocably covenanted in the Bond Ordinance that each year it
385 will include in its budget and levy an *ad valorem* tax within the constitutional and
386 statutory tax limitations provided by law without a vote of the people upon all the
387 property within the County subject to taxation in an amount that will be sufficient,
388 together with all other revenues, taxes and money of the County legally available for such
389 purposes, to pay the principal of and interest on the bonds as the same shall become due.
390 The County has irrevocably pledged its full faith, credit and resources for the annual levy
391 and collection of such taxes and for the prompt payment of the principal of and interest
392 on the bonds as the same shall become due.

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

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

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

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

409 KING COUNTY, WASHINGTON

410 By _____

411 County Executive

412 ATTEST:

413 _____

414 Clerk of the Council

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

417 CERTIFICATE OF AUTHENTICATION

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

421 WASHINGTON STATE FISCAL

422 AGENCY, as Bond Registrar
423 By _____
424 Authorized Officer

425 ASSIGNMENT

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

428 _____
429 PLEASE INSERT SOCIAL SECURITY OR TAXPAYER IDENTIFICATION
430 NUMBER OF TRANSFEREE
431 []

432 _____
433 (Please print or typewrite name and address, including zip code of Transferee)
434 _____

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

438 DATED: _____, _____.
439 _____

440 NOTE: The signature on this
441 Assignment must correspond with
442 the name of the registered owner as
443 it appears upon the face of the within
444 bond in every particular, without

445 alteration or enlargement or any
446 change whatever.

447 SIGNATURE GUARANTEED:

448 _____

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

452 In case either or both of the officers who shall have executed the Bonds shall
453 cease to be an officer or officers of the county before the Bonds so signed shall have been
454 authenticated or delivered by the Bond Registrar, or issued by the county, such Bonds
455 may nevertheless be authenticated, delivered and issued and upon such authentication,
456 delivery and issuance, shall be as binding upon the county as though those who signed
457 the same had continued to be such officers of the county. Any Bond also may be signed
458 and attested on behalf of the county by such persons as at the actual date of execution of
459 such Bond shall be the proper officers of the county although at the original date of such
460 Bond any such person shall not have been such officer of the county.

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

467 SECTION 8. Bond Registrar. The county hereby adopts for the Bonds the
468 system of registration specified and approved by the Washington State Finance
469 Committee. The Bond Registrar shall keep, or cause to be kept, at its principal corporate
470 trust office, sufficient books for the registration and transfer of the Bonds, which shall at
471 all times be open to inspection by the county. Such Bond Register shall contain the name
472 and mailing address of the owner of each Bond or nominee of such owner and the
473 principal amount and number of Bonds held by each owner or nominee. The Bond
474 Registrar is authorized, on behalf of the county, to authenticate and deliver the Bonds
475 transferred or exchanged in accordance with the provisions of such Bonds and this
476 ordinance and to carry out all of the Bond Registrar's powers and duties under this
477 ordinance.

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

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

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

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

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

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

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

516 SECTION 10. Covenants and Warranties. The county makes the following
517 covenants and warranties:

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

521 B. By all necessary official action prior to or concurrently herewith, the county
522 has duly authorized and approved the execution and delivery of, and the performance by
523 the county of its obligations contained in the Bonds and in this ordinance and the
524 consummation by it of all other transactions necessary to effectuate this ordinance in
525 connection with the issuance of the Bonds, and such authorizations and approvals are in
526 full force and effect.

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

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

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

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

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

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

541 **SECTION 11. Application of Bond Proceeds.** There is hereby authorized to be
542 created a special account of the county for each series of the Bonds to be maintained with
543 a corporate trustee chosen by the Finance Director (hereinafter called the "Escrow
544 Trustee"), each of which will be known as the "King County Limited Tax General
545 Obligation Refunding Bond Refunding Account," with the same year and series
546 designation as that corresponding to the related series of the Bonds (each hereinafter
547 called a "Refunding Account"). Each Refunding Account is to be drawn upon for the
548 purpose of paying the principal of and interest on the Refunded Bonds to be refunded by
549 the related series of the Bonds, paying costs related to the refunding of such Refunded
550 Bonds, and paying costs of issuing the related series of Bonds.

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

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

559 noncallable Government Obligations, as identified or ratified in the Sale Motion therefor,
560 bearing such interest and maturing as to principal and interest in such amounts and at
561 such times which, together with any necessary initial cash balance will provide for the
562 payment of the principal, if any, of and the interest on the specified Refunded 1993B
563 Bonds that will become due and payable on or before their respective Refunded 1993B
564 Bond Redemption Date(s) and the redemption price of such Refunded 1993B Bonds
565 payable on their respective Refunded 1993B Bond Redemption Date(s), the principal, if
566 any, of and the interest on the specified Refunded 1996A Bonds that will become due and
567 payable on or before their respective Refunded 1996A Bond Redemption Date(s) and the
568 redemption price of such Refunded 1996A Bonds payable on their respective Refunded
569 1996A Bond Redemption Date(s), the principal, if any, of and the interest on the
570 specified Refunded 2001 Bonds that will become due and payable on or before their
571 respective Refunded 2001 Bond Redemption Date(s) and the redemption price of such
572 Refunded 2001 Bonds payable on their respective Refunded 2001 Bond Redemption
573 Date(s), the principal, if any, of and the interest on the specified Refunded 2002 Bonds
574 that will become due and payable on or before their respective Refunded 2002 Bond
575 Redemption Date(s) and the redemption price of such Refunded 2002 Bonds payable on
576 their respective Refunded 2002 Bond Redemption Date(s), the principal, if any, of and
577 the interest on the specified Refunded 2003A Bonds that will become due and payable on
578 or before their respective Refunded 2003A Bond Redemption Date(s) and the redemption
579 price of such Refunded 2003A Bonds payable on their respective Refunded 2003A Bond
580 Redemption Date(s), and the principal, if any, of and the interest on the specified
581 Refunded 2003B Bonds that will become due and payable on or before their respective

