

RESOLUTION NO. 651

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, APPROVING THE ISSUANCE BY THE REDMOND PUBLIC CORPORATION OF ITS INDUSTRIAL DEVELOPMENT REVENUE BOND, SERIES 1983 (KIBUN CORPORATION OF WASHINGTON PROJECT), IN THE AGGREGATE PRINCIPAL AMOUNT OF \$7,000,000; APPROVING THE RESOLUTION OF SAID CORPORATION AUTHORIZING SAID BOND, INCLUDING THE LOAN AGREEMENT AND RELATED DOCUMENTS; AND AMENDING RESOLUTION NO. 645 PASSED BY THE CITY COUNCIL ON MAY 3, 1983.

WHEREAS, the City of Redmond, Washington, by Ordinance No. 1060, has approved and authorized the creation of the Redmond Public Corporation (the "Public Corporation") as a public corporation of the State of Washington pursuant to the provisions of Chapter 300, Laws of Washington 1981 codified as Chapter 39.84 RCW (the "Act") to act on behalf of the City to issue nonrecourse revenue bonds for the purpose of financing the costs of qualified industrial development facilities within the meaning of the Act, and

WHEREAS, the Public Corporation, by Resolution No. 10 (the "Bond Resolution") adopted on June 21, 1983, has authorized the issuance and sale of a certain issue, amount to \$7,000,000, of its Industrial Development Revenue Bond (Kibun Corporation of Washington project) to be initially issued as a single fully registered Bond No. R-1 (the "Bond") and by the Bond Resolution has authorized and approved a Loan Agreement dated as of June 31, 1983, with Kibun Corporation of Washington (the "Company"), and

WHEREAS, the Act requires that the governing body of the creating municipality approve the resolution of the Public Corporation authorizing the issuance of bonds approved by the Public Corporation, and

WHEREAS, the City Council has reviewed the Bond Resolution and intends, by adoption of this resolution, to approve the same and its agreement to issue the Bond upon the

terms set forth therein and in various agreements approved therein in accordance with the Act, and

WHEREAS, the City Council held a public hearing 14 days after publication of notice in a newspaper in general circulation in the City, and having heard all of those who wished to speak, and having closed said hearing, and

WHEREAS, Resolution No. 645 passed by the City Council on May 3, 1983, refers to the "Kibun Corporation of America" which should instead read "Kibun Corporation of Washington," now, therefore,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, HEREBY RESOLVE AS FOLLOWS:


Section 1. Resolution No. 645 passed by the City Council on May 3, 1983, is hereby amended to read "Kibun Corporation of Washington" instead of "Kibun Corporation of America."

Section 2. The issuance of the Bond and the Bond Resolution and the agreements and documents necessary to issue the Bond therein expressed and approved, in the amount and for the purpose therein described and referred to in the preamble of this resolution, are hereby approved in accordance with RCW 39.84.100. A copy of the Bond Resolution is attached hereto and incorporated herein.

Section 3. This resolution shall take effect immediately from and after its adoption and approval as required by law.

RESOLVED this 21st day of June, 1983.

CITY OF REDMOND


MAYOR, CHRISTINE T. HIMES

ATTEST/AUTHENTICATED:


CITY CLERK, PAUL F. KUSAKABE

FILED WITH THE CITY CLERK: June 20, 1983

RESOLUTION NO. 10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE REDMOND PUBLIC CORPORATION AUTHORIZING THE ISSUANCE OF \$7,000,000 PRINCIPAL AMOUNT OF INDUSTRIAL REVENUE BONDS (KIBUN CORPORATION OF WASHINGTON PROJECT), SERIES A OF THE REDMOND PUBLIC CORPORATION; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE, LOAN AGREEMENT, ASSIGNMENT OF LOAN AGREEMENT, MORTGAGE, ASSIGNMENT OF MORTGAGE AND BOND PURCHASE AGREEMENT IN CONNECTION THEREWITH; APPOINTING TRUSTEE AND PAYING AGENT; AUTHORIZING PROPER OFFICERS TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE; AND AMENDING RESOLUTION NO. 8, PASSED BY THE BOARD OF DIRECTORS ON APRIL 26, 1983.

WHEREAS, the Redmond Public Corporation (the "Corporation") has heretofore undertaken by its resolution, duly adopted at a meeting of its board of directors held on April 26, 1983, to finance the costs of the acquisition by Kibun Corporation of Washington, a Washington corporation (the "Company"), of title to approximately 3.24 acres of land in the City of Redmond (the "City") of the State of Washington and the construction thereon of an industrial development facility for the processing of seafood and soy milk products consisting of a factory containing approximately 37,000 square feet of building space and a freezing and refrigeration facility containing approximately 5,000 square feet of building space and the acquisition of certain related machinery and equipment (the "Project"), by the issuance of non-recourse revenue bonds of the Corporation under and pursuant

to Chapter 300, Laws of Washington 1981, codified as Chapter 37.84, Revised Code of Washington, as amended (the "Act"), subject to certain conditions; and

WHEREAS, pursuant to and in accordance with the Act, the City has by resolution, duly adopted at a meeting of the Redmond City Council on May 3, 1983, approved such resolution of the Corporation; and

WHEREAS, the Corporation is desirous of proceeding with the financing of the Project; and

WHEREAS, it has been determined that the estimated amount necessary to finance the cost of the Project, including necessary expenses incidental thereto, will require, in addition to funds which may be furnished by the company and other sources, the issuance, sale and delivery by the Corporation of its Industrial Revenue Bonds (Kibun Corporation of Washington Project), Series A in the aggregate principal amount of \$7,000,000 (the "Bonds"); and

WHEREAS, the Fuji Bank and Trust Company (the "Purchaser") proposes to purchase the Bonds from the Corporation pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement") among the Corporation, the Company and the Purchaser, and the Corporation proposes to loan the proceeds of the Bonds to the Company to finance the costs of the Project pursuant to a Loan Agreement (the "Loan Agreement") between the Corporation and the Company; and

WHEREAS, there have been prepared and submitted to the Corporation forms of:

(a) an Indenture of Trust (the "Indenture") between the Corporation and The Fuji Bank and Trust Company (in its capacity as trustee, the "Trustee"), under which the Bonds will be issued and by which they will be secured;

(b) the Loan Agreement;

(c) an Assignment of Loan Agreement (the "Assignment of Loan Agreement") under which substantially all right, title and interest of the Corporation in and to the Loan Agreement, including amounts due and to become due thereunder, will be assigned by the Corporation to the Trustee as security for the Bonds;

(d) a Mortgage (the "Mortgage") of the Project granted by the Company to the Corporation as security for the payments due or to become due under the Loan Agreement;

(e) an Assignment of Mortgage (the "Assignment of Mortgage") under which all of the Corporation's right, title and interest in and to the Mortgage will be assigned by the Corporation to the Trustee as security for the Bonds; and

(f) the Bond Purchase Agreement and

WHEREAS, Resolution No. 8 passed by the Board of Directors on April 26, 1983 refers to the "Kibun Corporation of America" which should instead read "Kibun corporation of Washington"; now, therefore,

THE BOARD OF DIRECTORS OF THE REDMOND PUBLIC CORPORATION HEREBY RESOLVE AS FOLLOWS:

Section 1. Resolution No. 8 passed by the Board of Directors on April 26, 1983, is hereby amended to read "Kibun corporation of Washington" instead of "Kibun Corporation of America."

Section 2. It is hereby found and determined that:

(a) The Bonds shall be payable solely from money received from the Company.

(b) the payments to be made by the Company under the Loan Agreement will provide sufficient revenues to pay the principal of and interest on the Bonds as and when the same become due and payable.

(c) The Corporation does not deem it necessary to establish any reserve fund in connection with the retirement of the Bonds or the maintenance of the Project.

(d) The terms of the Loan Agreement provide that the Company shall maintain the Project and carry all proper insurance with respect thereto.

(e) Based upon a preliminary opinion of Tung, Drabkin & Boynton, New York, New York, Bond Counsel, attached hereto as Exhibit A, the interest on the Bonds will be exempt from Federal income taxation.

Section 3. (a) To finance the cost of the Project, the Corporation is hereby authorized to issue the Bonds pursuant to, and subject to the provisions of, this resolution

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and the Indenture. The Bonds shall be fully registered as to principal and interest, in denominations of \$1,000 or integral multiples thereof and dated the date of authentication.

(b) The Bonds shall bear interest to the extent permitted by applicable law on the principal balance thereof outstanding from time to time (computed on the basis of a 360-day year for the actual number of days elapsed) from the date of the Bonds until paid in full at an interest rate per annum determined quarter-annually by the Trustee (the "Regular Rate") equal to the product of (i) the Margin Rate, as hereinafter defined, times (ii) the sum of (x) 1.0%, plus (y) the Prime Rate, as hereinafter defined. The Margin Rate is a function of the maximum rate of Federal income tax on corporations, as provided in Section 11 of the Internal Revenue Code of 1954, as amended (the "Federal Tax Rate"). The Margin Rate shall be adjusted by the Trustee under the Indenture at any time the Federal Tax Rate changes so that the Margin Rate shall always be equal to the product of (i) the difference between (x) 1.0 minus (y) the Federal Tax Rate, times (ii) 1.33333. The Prime Rate is the interest rate per annum announced from time to time by The Fuji Bank and Trust Company, New York, New York, or the successor thereto, as its prime rate. The Regular Rate for the payment period ending September 30, 1983, shall be determined by reference to the Prime Rate and the Margin Rate in effect on the date of issuance and delivery of the Bonds, and the Prime

Rate and Margin Rate in effect on each January 1, April 1, July 1 and October 1 thereafter shall be used in determining the Regular Rate applicable on the Bonds during the quarterly payment period beginning on such date. Interest on the Bonds shall be payable quarter-annually on January 1, April 1, July 1 and October 1 of each year, commencing October 1, 1983, until payment of the principal amount thereof in full.

(c) The principal of the Bonds shall be payable in 28 equal quarter-annual installments of \$250,000 each commencing on October 1, 1986, and continuing on each quarter-annual interest payment date thereafter until payment in full of the Bonds, and the final payment of principal thereon shall be due and payable on July 1, 1993.

(d) The Bonds shall be subject to mandatory and optional prepayment prior to maturity as set forth in Sections 3.01 and 3.02 of the Indenture.

(e) The form of the Bonds and the provisions for signatures, authentication, payment, registration, prepayment and number shall be as set forth in the Indenture.

Section 4. The Bonds shall be limited obligations of the Corporation, payable solely from the payments pledged to the payment thereof under the Indenture (except to the extent paid out of moneys attributable to the proceeds derived from sale of the Bonds or to income from the temporary investment thereof) and shall be a valid claim of the respective holders thereof only against the Bond Fund and the

Construction Fund created under the Indenture, other moneys and securities held in trust by the Trustee under the Indenture, moneys realized from the Mortgage, the revenues and receipts from the Project and the payments to be received under the Loan Agreement, all of which shall be pledged and assigned under the Indenture, the Assignment of Loan Agreement and the Assignment of Mortgage for the equal and ratable payment of the principal of and interest on the Bonds and shall be used for no other purpose, except as may be otherwise expressly authorized in the Indenture. No recourse shall be had for the payment of any principal of or interest on the Bonds against any officer or director of the Corporation. Neither the State of Washington, the City of Redmond or any other municipal corporation, quasi municipal corporation, subdivision or agency of the State of Washington shall be obligated to pay the principal of the bonds or the interest thereon or other costs incident thereto. No tax funds or governmental revenue may be used to pay the principal of the Bonds or the interest thereon. Neither any or all of the faith and credit nor the taxing power of the State of Washington, the City of Redmond or any other municipal corporation, quasi municipal corporation, subdivision or agency of the State of Washington is pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto.

Section 5. The Bonds shall be executed in the manner provided in the Indenture and shall be delivered to the Trustee for proper authentication and delivery to the Purchaser.

Section 6. The forms of the Indenture, the Loan Agreement, the Assignment of Loan Agreement, the Mortgage, the Assignment of Mortgage and the Bond Purchase Agreement, as submitted to this meeting, identified as Exhibits A, B, C, D, E and F hereto, respectively, and made a part of this resolution as though set forth in full herein, are hereby approved. The Chairman and/or Secretary of the Corporation is hereby authorized and directed to execute and deliver the Indenture, the Loan Agreement, the Assignment of Loan Agreement, the Mortgage, the Assignment of Mortgage and the Bond Purchase Agreement, substantially in the forms presented to this meeting, with such additions, changes and omissions as may be approved by the officer of the Corporation executing the same, said execution being conclusive evidence of such approval; and the Secretary of the Corporation is hereby authorized and directed to affix the corporate seal of the Corporation to the aforementioned documents and to attest the same.

Section 7. The Fuji Bank and Trust Company, New York, New York is hereby designated Trustee and Paying Agent for the Bonds under the Indenture.

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Section 8. The Chairman, and/or Secretary of the Corporation, acting alone or in any combination, are hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this resolution.

Section 9. This resolution shall take effect from and after its adoption and approval by the Redmond City Council.

RESOLVED by the Board of Directors of the Redmond Public Corporation this 21st day of June, 1983.

REDMOND PUBLIC CORPORATION

By _____
Arnold J. Tomac, Director

By _____
Roger I. Trepanier, Director

By _____
John P. Vache', Director

ATTEST:

Secretary, John D. Wallace

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