

RESOLUTION NO. 694

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON APPROVING THE ISSUANCE BY THE REDMOND PUBLIC CORPORATION OF ITS FLOATING RATE DEMAND INDUSTRIAL DEVELOPMENT BONDS, 1984 (PACIFIC CIRCUITS, INC. PROJECT), IN THE AGGREGATE PRINCIPAL AMOUNT OF \$3,400,000, AND APPROVING RESOLUTION NO. 22 OF SAID PUBLIC CORPORATION AUTHORIZING SAID BONDS INCLUDING THE LOAN AGREEMENT.

WHEREAS, the City of Redmond, Washington (the "City"), by Ordinance No. 1060, as amended by Ordinance No. 1152, 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 (Reg. Sess.) codified as Chapter 39.84 RCW, as amended, (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 has received an application from Pacific Circuits, Inc., a Washington corporation (the "Company") for the financing of a portion of the cost of acquiring, constructing and installing a facility for the production and distribution of electronic circuit board units within the City of Redmond, which have been determined to be manufacturing facilities qualified under the Act (the "Project Facilities");

WHEREAS, the Public Corporation, by Resolution No. 22 (the "Bond Resolution") adopted on December 11, 1984, has authorized the issuance and sale of a certain issue, amounting to \$3,400,000, of its Floating Rate Demand Industrial Development Bonds, 1984 (Pacific Circuits, Inc. Project), to be initially issued as fully registered bonds (the "Bonds") and by the Bond Resolution has authorized a Loan Agreement dated as of December

1, 1984 with the Company and a Placement Agreement agreeing to sell the Bonds to various institutional investors identified therein (the "Purchasers"); and

WHEREAS, the Act provides that each county, city or town within whose planning jurisdiction the Project Facilities are to be located must approve the issuance of revenue bonds by the Public Corporation; and

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

WHEREAS, the City Council has held a public hearing fourteen days after publication of notice in a newspaper of general circulation in the City, at which hearing public testimony was heard on the Project Facilities to be financed and the issuance of the Bonds; and

WHEREAS, the Council has reviewed the Bond Resolution and intends, by adoption of this resolution, to approve the same and the agreement of the Public Corporation to issue the Bonds upon the terms set forth therein and in the various agreements approved therein in accordance with the Act;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Redmond, Washington, as follows:

Section 1. The issuance of the Series 1984 Bonds in the principal amount of \$3,400,000 and the Bond Resolution, a copy of which is on file among the records of this meeting, and the agreement of the Public Corporation to issue the Bonds 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.

Section 2. This resolution shall also constitute an approval by the City as the planning jurisdiction pursuant to RCW 39.84.060. This approval shall not in any way be deemed to be a

review or final approval of any development permit for the Project Facilities which may be in process, or may be submitted at a future date.

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

RESOLVED this 11th day of December, 1984.

CITY OF REDMOND

Doreen Marchione
Mayor, Doreen Marchione

ATTEST/AUTHENTICATED:

Doris A. Schaible
City Clerk, Doris A. Schaible

FILED WITH THE CITY CLERK: December 10, 1984

RESOLUTION NO. 22

A RESOLUTION of the Board of Directors of the Redmond Public Corporation authorizing the issuance and sale of its Floating Rate Demand Industrial Development Bonds, 1984 (Pacific Circuits, Inc. Project) in the aggregate principal amount of \$3,400,000; approving the documentation in connection with the issuance and sale of said bonds; authorizing the execution and delivery of said bonds; appointing a trustee; and providing for other matters relating thereto.

WHEREAS, the Redmond Public Corporation (the "Issuer"), acting through its Board of Directors (the "Board"), is authorized by Chapter 300, Washington Laws of 1981 (Reg. Sess.) codified as RCW Ch. 39.84, as amended, (the "Act"), to issue and sell its nonrecourse revenue bonds for the purposes of defraying the cost of acquiring, constructing, and installing industrial development facilities; and

WHEREAS, the Issuer is further authorized to make secured loans for the purpose of providing permanent financing of all or a part of the project cost of any industrial development facility upon terms and conditions as the Board shall deem advisable and not in conflict with the Act; and

WHEREAS, the Board adopted Resolution No. 17 on June 19, 1984, taking official action with respect to the issuance of its nonrecourse revenue bonds to provide funds to finance a portion of the cost of the acquisition, construction and installation of a facility for the production and distribution of electronic circuit board units (the "Project Facilities") by Pacific Circuits, Inc. (the "Company"); and

WHEREAS, the City Council of the City of Redmond has held an open public hearing on the issuance of the Bonds and the Project Facilities on December 11, 1984, pursuant to notice published in the Daily Journal-American on November 20, 1984; and

WHEREAS, it appears to be in the best interests of the Issuer and the Company to proceed with the financing of a portion of the costs of the Project Facilities through the issuance of a issue of nonrecourse industrial development revenue bonds of the Issuer; and

WHEREAS, several institutional investors to be identified in the Placement Agreement between the Issuer and First Interstate Bank of California (the "Purchasers"), have offered to purchase said bonds to be designated Floating Rate Demand Industrial Development Bonds, 1984 (Pacific Circuits, Inc. Project), in the principal amount of \$3,400,000 (the "Bonds"); and

WHEREAS, forms for the following documents relating to the Bonds and the loan of Bond proceeds have been prepared and submitted to this Board and are hereby directed to be filed with the Secretary of the Board:

(a) A Loan Agreement (the "Loan Agreement"), to be dated as of December 1, 1984, proposed to be made and entered into between the Issuer and the Company;

(b) An Indenture of Trust (the "Indenture"), to be dated as of December 1, 1984, proposed to be made and entered into by the Issuer and Seattle Trust and Savings Bank, as Trustee (the "Trustee"), authorizing the issuance of and setting forth the

terms and conditions of the Bonds, assigning the Issuer's interest in the Loan Agreement, the Deed of Trust and certain other security documents and the right to receive the Letter of Credit (as such terms are hereinafter defined), and setting forth the proposed recitals, covenants and agreements of the parties with respect thereto;

(c) A Deed of Trust and Security Agreement (the "Deed of Trust") to be dated as of December 1, 1984, from the Company for the benefit of the Issuer and The Sumitomo Bank, Limited, as co-beneficiaries securing the repayment of the Bonds; and

(d) A Letter of Credit (the "Letter of Credit"), to be issued by The Sumitomo Bank, Limited, to secure the payment of principal of, interest, and premium, if any, on the Bonds up to a maximum stated amount equal to the principal of, premium, if any, and 140 days' interest on the Bonds;

(e) A Placement Memorandum (the "Placement Memorandum"), to be dated as of the date of issuance of the Bonds, with respect to the Bonds, a draft of which has been delivered to the Public Corporation;

(f) A Placement Agreement (the "Placement Agreement") to be dated as of the date of issuance and delivery of the Bonds by and between First Interstate Bank of California, as Placement Agent, and the Issuer;

(g) A Remarketing Agreement (the "Remarketing Agreement") dated as of December 1, 1984, between the Company and First

Interstate Bank of California as Remarketing Agent, and consented to by the Issuer;

(h) A Disbursement Agreement (the "Disbursement Agreement") dated as of December 1, 1984, between the Company, the Sumitomo Bank, Limited, and First Interstate Bank of Washington, and consented to by the Issuer;

(i) A Bailment Agreement and Pledge (the "Bailment Agreement") dated as of December 1, 1984, between the Sumitomo Bank, Limited, the Trustee, First Interstate Bank of California, and the Company, and consented to by the Issuer.

(j) An Indemnification and Compensation Agreement (the "Indemnification and Compensation Agreement") dated as of December 1, 1984, between the Company and the Issuer; NOW THEREFORE,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE REDMOND PUBLIC CORPORATION, as follows:

Section 1: Findings of the Issuer. The Board hereby finds as follows:

(a) The Project Facilities comprise real and personal properties which shall be industrial development facilities contemplated by and qualified under by the Act;

(b) The financing of the Project Facilities, the issuance and sale of the Bonds, the execution and delivery of the Loan Agreement, the Indenture, the Placement Agreement and the Indemnification and Compensation Agreement, and the performance of all covenants and agreements of the Issuer contained in the Loan

Agreement, the Indenture, the Placement Agreement and the Indemnification and Compensation Agreement, and of all other acts and things required under the Constitution and laws of the State of Washington to make the Loan Agreement, the Indenture, the Placement Agreement, the Indemnification and Compensation Agreement and the Bonds valid and binding, limited obligations of the Issuer in accordance with their terms, respectively, are authorized by the Act;

(c) The issuance and sale of the Bonds and the loan of the Bond proceeds by the Issuer to the Company to pay a portion of the cost of the Project Facilities are in conformity with and satisfy the guidelines of the Issuer with respect to industrial development facilities and bonds under the Act; and

(d) In reliance upon delivery of an approving legal opinion from Bond Counsel, Preston, Thorgrimson, Ellis & Holman, the Board hereby finds and determines that the interest on the Bonds will be exempt from income taxation by the federal government.

Section 2: Authorization and Approval of the Project Facilities, Loan Agreement and Indenture. The Issuer is hereby authorized to lend the proceeds of the Bonds to the Company to pay a portion of the costs of the Project Facilities and to pledge and assign the loan repayments and revenues therefrom and its interest in the Loan Agreement, the Deed of Trust and certain other security documents, and the right to receive the Letter of Credit to the Trustee hereinafter appointed, all as provided in the Loan Agreement, the Indenture, the Remarketing Agreement, and the

Placement Agreement. The forms of Loan Agreement, Letter of Credit, Deed of Trust, Placement Memorandum, Indenture, Remarketing Agreement, Placement Agreement, the Bailment Agreement, the Disbursement Agreement and Indemnification and Compensation Agreement are approved subject to such modifications as are deemed appropriate and approved by the President and counsel for the Issuer, which approval shall be conclusively evidenced by execution and delivery of the Loan Agreement, the Indenture, and the Bonds by the President and Secretary (or Assistant Secretary) of the Board as therein required. The Loan Agreement is hereby directed to be executed in the name and on behalf of the Issuer by the President and Secretary (or Assistant Secretary) of the Board, but only to be delivered upon execution thereof by the Company. The Indenture is directed to be executed in the name and on behalf of the Issuer by the President and Secretary (or Assistant Secretary) of the Board, and delivered to the Trustee.

Section 3: Authorization of Bonds. In order to defray a portion of the costs of acquiring, constructing, equipping and installing the Project Facilities by the Company, the Issuer does hereby authorize the issuance, sale and delivery of the Redmond Public Corporation Floating Rate Demand Industrial Development Bonds, 1984 (Pacific Circuits, Inc. Project) (the "Bonds"), in the aggregate principal amount of \$3,400,000 in the form set forth as Exhibit B to the Indenture, pursuant to the terms stated therein and subject to call and redemption at such times and under such circumstances as are set forth in the Indenture and upon the other

terms and provisions set forth in the Indenture which this Board hereby determines are necessary or desirable to protect the Issuer or increase the marketability of the Bonds.

Section 4: Sale of Bonds. The proposal of the Purchasers to purchase the Bonds pursuant to the Placement Agreement at a price of \$3,400,000, plus accrued interest thereon to the date of delivery of the Bonds, if any, is hereby accepted. The Placement Agreement shall be executed in the name and on behalf of the Issuer by the President or Vice President of the Board, but shall be delivered only upon execution thereof by the Company and the Placement Agent.

Section 5. Execution and Delivery of Bonds. The President (or Vice President) and Secretary (or Assistant Secretary) of the Board of Directors of the Issuer are authorized and directed to execute by facsimile or manual signatures for and on behalf of the Issuer the Bonds as provided in the Indenture, and to deliver such Bonds to the Trustee hereinafter named for authentication and thereafter to deliver the Bonds to the Purchasers upon the simultaneous payment of the purchase price as specified in the Placement Agreement.

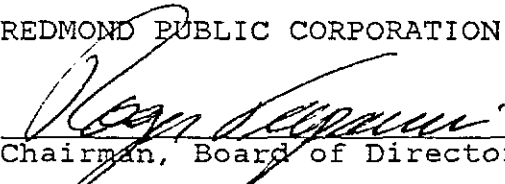
Section 6. Appointment of Trustee. Seattle Trust and Savings Bank is hereby designated as Trustee for the Bonds, and the Issuer does request and authorize the Trustee on behalf of the Issuer to authenticate the Bonds, and the President or Vice-President of the Board is authorized to execute a formal request to authenticate for and on behalf of the Issuer.

Section 7. Further Documents and Certificates. The President, Vice President, Secretary and Assistant Secretary and such other officers of the Corporation as may be appropriate, are authorized and directed to execute any and all documents and do any and all things determined necessary in order to effect the accomplishment of the issuance, sale and delivery of the Bonds and to deliver the necessary documents to the proper parties as requested to carry out the intended purpose of this Resolution.

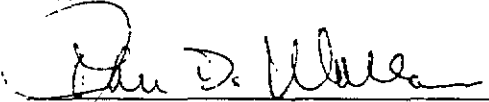
John D. Wallace, the Secretary of the Corporation, is hereby appointed as the Authorized Representative of the Corporation to execute documents on behalf of the Corporation pursuant to the Indenture.

ADOPTED and approved at a regular meeting of the the Board of Directors of the Redmond Public Corporation, held this 11th day of December, 1984.

REDMOND PUBLIC CORPORATION


Chairman, Board of Directors

ATTEST:


Secretary