

Integrated Circuits, Inc.  
Refunding Issue, Industrial  
Revenue Bonds

RESOLUTION NO. 774

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, APPROVING THE ISSUANCE BY THE REDMOND PUBLIC CORPORATION OF AN ISSUE OF ITS VARIABLE RATE INDUSTRIAL DEVELOPMENT REVENUE BONDS, SERIES 1988 (INTEGRATED CIRCUITS INCORPORATED PROJECT), IN THE AGGREGATE PRINCIPAL AMOUNT OF \$3,375,000; AND APPROVING THE RESOLUTION OF THE CORPORATION AUTHORIZING SAID BONDS, APPROVING THE TRUST INDENTURE, LOAN AGREEMENT AND RELATED DOCUMENTS.

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 1981 of the State of Washington (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. 9 (the "1983 Bond Resolution") adopted on May 3, 1983, authorized the issuance and sale of a certain issue, in the principal amount of \$3,000,000, of its Industrial Development Revenue Bond, Series 1983 (Integrated Circuits Incorporated Project) (the "Series 1983 Bond") and by the 1983 Bond Resolution authorized and approved a trust indenture, a

loan and security agreement and related documents, all dated as of May 3, 1983, with Integrated Circuits Incorporated (the "Company"); and

WHEREAS, the City Council reviewed the 1983 Bond Resolution and, by adoption of Resolution No. 647, approved the same and the Public Corporation's agreement to issue the Series 1983 Bond upon the terms set forth therein and in various agreements approved therein in accordance with the Act; and

WHEREAS, the Series 1983 Bond was issued and delivered under date of May 26, 1983; and

WHEREAS, the Public Corporation, by Resolution No. 15 (the "1984 Bond Resolution") adopted on May 8, 1984, authorized the sale and issuance of a supplemental issue, in the principal amount of \$720,000, of its Industrial Development Revenue Bond, Series 1984 (Integrated Circuits Incorporated Project) (the "Series 1984 Bond") and by the 1984 Bond Resolution authorized and approved a supplemental trust indenture, loan agreement and related documents, all dated as of May 29, 1984, with the Company; and

WHEREAS, the Series 1984 Bond was issued and delivered under date of May 29, 1984; and

WHEREAS, the Company wishes to refund and retire the \$2,740,000 principal amount remaining outstanding of the Series 1983 Bond and the \$657,600 principal amount remaining outstanding of the Series 1984 Bond with the use, in part, of proceeds of a new issue of industrial development refunding bonds issued by the Public Corporation; and

WHEREAS, the Public Corporation, by Resolution No. 88-1 (the "1988 Bond Resolution") adopted on June 21, 1988, has authorized the sale and issuance of an issue, in the principal amount of \$3,375,000, of its Variable Rate Industrial Development Bonds, Refunding Series 1988 (Integrated Circuits Incorporated Project) (the "Series 1988 Bonds"), and by the 1988 Resolution has authorized and approved a Trust Indenture, Loan Agreement and related documents, all to be dated the date of delivery of and payment for the said Series 1988 Bonds; 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 1988 Bond Resolution and intends, by adoption of this resolution, to approve the same and the Public Corporation's agreement to issue the Series 1988 Bonds upon the terms set forth therein and in various agreements approved therein in accordance with the Act, now, therefore,

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

Section 1. The sale and issuance of the Series 1988 Bonds, the Trust Indenture, the Loan Agreement and all documents related thereto necessary to sell and issue the Series 1988 Bonds in the amount and for the purpose therein described and referred to in the

recitals set forth above are hereby approved in accordance with RCW 39.84.100. A copy of the 1988 Bond Resolution of the Redmond Public Corporation, Resolution No. 88-1, is attached hereto and incorporated herein by this reference.

Section 2. This resolution shall take effect immediately from and after its adoption and approval as required by law.

RESOLVED this 21st day of June, 1988.

CITY OF REDMOND

  
MAYOR, DOREEN MARCHIONE

ATTEST/AUTHENTICATED:

  
CITY CLERK, DORIS A. SCHAIBLE

FILED WITH THE CITY CLERK: June 21, 1988  
PASSED BY THE CITY COUNCIL: June 21, 1988  
RESOLUTION NO. 774

SNS/skl  
6/21/88

**COPY**

REDMOND PUBLIC CORPORATION

RESOLUTION NO. 88-1

A RESOLUTION of the Board of Directors of the Redmond Public Corporation approving the form of the documents authorizing the sale and issuance by the Public Corporation of its VARIABLE RATE INDUSTRIAL DEVELOPMENT REVENUE BONDS, REFUNDING SERIES 1988 (Integrated Circuits Incorporated Project) in the aggregate principal amount of \$3,375,000 and the loan of the proceeds thereof to Integrated Circuits Incorporated; and authorizing the execution of said documents and said bonds on behalf of the Corporation.

WHEREAS, the City of Redmond, Washington (the "City"), 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 1981 of the State of Washington (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. 9 (the "1983 Bond Resolution"), adopted on May 3, 1983, authorized the issuance and sale of a certain issue, in the principal amount of \$3,000,000 of its Industrial Development Revenue Bond (Integrated Circuits Incorporated Project) (the "Series 1983 Bond") and by the 1983 Bond Resolution authorized and approved a trust indenture, a loan and security agreement and related documents, all dated as of May 3, 1983, with Integrated Circuits Incorporated (the "Company"); and

WHEREAS, the City Council reviewed the 1983 Bond Resolution and, by adoption of Resolution No. 647, approved the same and the Public Corporation's agreement to issue the Series 1983 Bond upon the terms set forth therein and in various agreements approved therein in accordance with the Act; and

WHEREAS, the Series 1983 Bond was issued and delivered under date of May 26, 1983; and

WHEREAS, the Public Corporation, by Resolution No. 15 (the "1984 Bond Resolution"), adopted on May 8, 1984, authorized the sale and issuance of a supplemental issue, in the principal amount of \$720,000, of its Industrial Development Revenue Bond, Series 1984 (Integrated Circuits Incorporated Project) (the "Series 1984 Bond") and by the 1984 Bond Resolution has authorized and approved a supplemental trust indenture, loan agreement and related documents, all dated as of May 29, 1984, with the Company; and,

WHEREAS, the Series 1984 Bond was issued and delivered under date of May 29, 1984; and

WHEREAS, the Company wishes to refund and retire the \$2,740,000 principal amount remaining outstanding of the Series 1983 Bond and the \$657,600 principal amount remaining outstanding of the Series 1984 Bond with the use, in part, of proceeds of a new issue of industrial development refunding bonds issued by the Public Corporation; and

WHEREAS, the Public Corporation has reviewed all of the documents identified in Section 2 hereof (except for the Final Official Statement described in Section 2(e) hereof and the certificates, documents, instruments and other papers described in Section 2(f) hereof), all of which documents pertain to the authorization, sale and issuance of the REDMOND PUBLIC CORPORATION VARIABLE RATE INDUSTRIAL REVENUE DEVELOPMENT BONDS, REFUNDING SERIES 1988 (Integrated Circuits Incorporated Project) in an aggregate principal amount of \$3,375,000 (the "Series 1988 Bonds"), the loan of the proceeds thereof to the Company and the provision of security for the payment of the Series 1988 Bonds; and

WHEREAS, the Company has met all the requirements of the Act and the Bylaws of the Public Corporation to enable the Public Corporation to issue the Series 1988 Bonds in order to provide to the Company a part of the funds necessary to currently refund and retire all of the outstanding Series 1983 Bonds and Series 1984 Bonds (the "Refunding Project");

WHEREAS, the Public Corporation has heretofore submitted to the State Department of Trade and Economic Development a copy of the enabling ordinance and charter of the Public Corporation and a description of the Refunding Project and basis for its qualification as an Industrial Development Facility, and the Public Corporation has received notice from said Department that the Refunding Project is eligible for financing pursuant to the Act;

NOW, THEREFORE, BE IT RESOLVED by the REDMOND PUBLIC CORPORATION, as follows:

Section 1: Designation of Public Corporation Representative.

The Chairman and Secretary of the Public Corporation are hereby designated, authorized and empowered to act on behalf of the Public Corporation as the representatives of the Public Corporation (each a "Public Corporation Representative") with respect to the financing described in this Resolution and each is hereby authorized and empowered to carry out all of the functions of the Public Corporation Representative as set forth in this Resolution, including, but not limited to, making such determinations and taking such actions, as the Public Corporation Representative is empowered or directed to make hereunder within the limitations established hereby. To the extent that the Chairman and Secretary of the Public Corporation are authorized and/or directed hereby to take any action on behalf of the Public Corporation such action may be taken by either one of them, acting alone, or both of them acting in concert, and any such action taken shall be the full and binding action of the Public Corporation with respect to the matter in question.

Section 2: Approval of Documents Pertaining to Issuance of the Series 1988 Bonds and Loan of Proceeds to the Company.

The Public Corporation hereby accepts, approves and agrees to all the terms and conditions of the following documents pertaining to the Series 1988 Bonds (the "Documents"), in substantially the



form provided to the Public Corporation on or prior to this date, with such insertions, deletions or modifications as are hereafter deemed by either Public Corporation Representative to be in the best interests of the Public Corporation, which Documents authorize or provide for, inter alia, the sale, execution, issuance and delivery of the Series 1988 Bonds; the distribution of the Preliminary Official Statement pertaining to the Series 1988 Bonds (the "Preliminary Official Statement") to prospective purchasers thereof and others and the execution, distribution and use of the Final Official Statement pertaining to the Series 1988 Bonds (the "Final Official Statement") and the information contained therein in connection with the public offering and sale of the Series 1988 Bonds to actual purchasers thereof and others; the loan of the proceeds of the Series 1988 Bonds to the Company for the purpose of accomplishing the Refunding Project; the establishment with the Trustee named in such documents of a Bond Fund necessary to the payment of and security for the Series 1988 Bonds; interest on the Series 1988 Bonds to vary weekly, but be subject to later being fixed at the option of the Company; the assignment and delegation to the Trustee of the Public Corporation's rights and duties (with certain exceptions and reservations) arising under the Loan Agreement as security for the Series 1988 Bonds:

(a) The Trust Indenture (the "Indenture") between the Public Corporation and Seattle-First National Bank, as trustee (the "Trustee"); and

(b) The Loan Agreement (the "Loan Agreement") between the Public Corporation and the Company; and

(c) The Remarketing Agreement (the "Remarketing Agreement") among the Public Corporation, the Company and Dain Bosworth Incorporated, as remarketing agent (the "Remarketing Agent"); and

(d) The Bond Purchase Agreement (the "Bond Purchase Agreement") among the Public Corporation, the Company and Dain Bosworth Incorporated, as underwriter (the "Underwriter") of the Series 1988 Bonds; and

(e) The Final Official Statement pertaining to the Series 1988 Bonds, in substantially the form of the Preliminary Official Statement pertaining to the Series 1988 Bonds, with such additions, deletions and modifications as are hereafter deemed by the Public Corporation Representatives to be in the best interests of the Public Corporation; and

(f) Any and all other certificates, documents, instruments and other papers which, in the judgment of the Public Corporation Representative, are necessary to the sale, execution, issuance and delivery of the Series 1988 Bonds, the loan of the proceeds from the sale and issuance of the Series 1988 Bonds to the Company, the provision of security for the payment of the Series 1988 Bonds and the accomplishment of the Refunding Project.

Section 3: Conditions Precedent to Execution and Delivery of Documents and Series 1988 Bonds

The following shall be conditions precedent (the "Conditions Precedent") to the execution and delivery of the Documents and the

Series 1988 Bonds, as authorized and directed pursuant to Section 6 hereof:

(a) The Company and the Underwriter shall have executed and delivered the Bond Purchase Agreement to the Public Corporation for execution by the Public Corporation.

(b) The Weekly Interest Rate (defined in the Indenture) on the Bonds for the period immediately following delivery of the Bonds to the Underwriter (which period will not exceed 7 days) shall have been set pursuant to and within the limitations contained in the Indenture for setting any Weekly Interest Rate.

Section 4: Authorization to Execute and Deliver Series 1988 Bonds and Documents

Upon satisfaction of the Conditions Precedent, on or before August 20, 1988, the Public Corporation Representative is hereby authorized and directed to execute, for and on behalf of the Public Corporation, the Bond Purchase Agreement, and to deliver the same to the Corporation and the Underwriter.

Upon determination by the Public Corporation Representative that all conditions to closing set forth in the Bond Purchase Agreement have been satisfied, or upon waiver of such conditions by the appropriate parties (including the Public Corporation Representative, if appropriate) (a) the Chairman and Secretary of the Public Corporation are hereby authorized and directed to execute, for and on behalf of the Public Corporation, each and every Series 1988 Bond in substantially the form and in the manner

set forth in the Indenture, and to cause the Series 1988 Bonds to be authenticated and delivered to the Underwriter at the closing; and (b) the Public Corporation Representative is hereby directed to execute, for and on behalf of the Public Corporation, and to deliver to the persons entitled to executed copies of the same, all of the Documents (except the Bond Purchase Agreement), with such insertions, deletions and modifications as are hereafter deemed by the Public Corporation Representative to be necessary to conform the Documents to each other or to be in the best interests of the Public Corporation.

The Public Corporation Representative is further authorized, subject to the foregoing limitations, to endorse, for and on behalf of the Public Corporation, any and all negotiable instruments made payable to the Public Corporation in payment for the Series 1988 Bonds at closing.

Section 5: Finding as to Tax Exemption

The Public Corporation hereby finds, as required by the Act, that the interest to be paid on the Series 1988 Bonds will not be, in its opinion, included in gross income of the recipients thereof for purposes of income taxation by the federal government. The finding is made in reliance upon the opinion of Riddell, Williams, Bullitt & Walkinshaw, bond counsel.

Section 6: Execution of Resolution in Counterparts


This Resolution may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original; and such counterparts together shall constitute one and the same instrument.

Section 7: Immediate Effect


This Resolution shall take effect immediately on its adoption.

ADOPTED at an open public meeting, held upon notice duly given as required by law, this 21st day of June, 1988.


REDMOND PUBLIC CORPORATION

  
Chairman and Director

  
Director

  
Director

ATTEST:

  
Secretary

NGB/skl  
6/21/88