

ORDINANCE NO. 443

AN ORDINANCE providing for the extension of date of payment and reduction of interest rate of \$8,500 principal amount of Kirkland Park bonds dated October 1, 1920; authorizing the Mayor and City Clerk to enter into a contract with the owner of said bonds for such extension of time of payment and reduction of interest.

WHEREAS, general obligation bonds of the City of Kirkland in the sum of \$8,500 dated October 1, 1920, have matured on October 1, 1940; and

WHEREAS, said City does not have sufficient funds on hand to pay the principal of said bonds; and

WHEREAS, the Washington Mutual Savings Bank of Seattle is the owner of bonds numbered 14 to 30 inclusive, of said issue in the principal sum of \$8,500 and is willing to agree to an extension of date of maturity of said bonds and a reduction of the interest rate thereof; and

WHEREAS, it is to the best interest of said city to enter into such agreement;

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Kirkland as follows:

Section 1. That the date of maturity of Kirkland Park Bonds dated October 1, 1920, numbered 14 to 30 inclusive, in the total principal sum of \$8,500, now owned by the Washington Mutual Savings Bank of Seattle, shall be, and the same is hereby, extended from the present due date as follows:

Bonds numbered 14 and 15 in the total principal sum of \$1,000 - October 1, 1941;

Bonds numbered 16 to 18, inclusive, in the total principal sum of \$1,500 - October 1, 1942;

Bonds numbered 19 to 21 inclusive, in the total principal sum of \$1,500 - October 1, 1943;

Bonds numbered 22 to 24 inclusive, in the total principal sum of \$1,500 - October 1, 1944;

Bonds numbered 25 to 27 inclusive, in the total principal sum of \$1,500 - October 1, 1945;

Bonds numbered 28 to 30 inclusive, in the total principal sum of \$1,500 - October 1, 1946.

There shall be stamped on each of said bonds the following words:

Maturity of this bond has been extended to October 1, 19\_\_ and the rate of interest thereon reduced to 4% per annum, payable semi-annually in accordance with the terms of an extension agreement entered into between the owner hereof and the City of Kirkland, pursuant to Ordinance No. \_\_\_\_ of said City.

Section 2. Said bonds shall bear interest at the rate of 4% per annum from October 1, 1940, until paid, payable semi-annually on the first days of October and April of each year. Interest coupons shall be attached to said bonds and shall be in substantially the following form except as to dates of payment:

Coupon No. \_\_\_\_ \$10.00

On the first day of \_\_\_\_\_ 19\_\_ the City of Kirkland, Washington, will pay to bearer at the office of the Treasurer of the City of Kirkland the sum of \$10.00 in lawful money of the United States, said sum being the semi-annual interest due that day on its Kirkland Park Bond dated October 1, 1920, numbered \_\_\_\_; provided that this coupon is subject to all the terms and conditions of the bond to which it is annexed, as modified as to date of maturity and rate of interest by an agreement between said City of Kirkland and the owner of this bond pursuant to Ordinance No. \_\_\_\_ of said City.

CITY OF KIRKLAND

By L. H. Jayer  
Mayor.

Attest:

W. B. Witherington  
City Clerk.

Section 3. That there shall be levied each year a tax upon all the taxable property situated in said City of Kirkland sufficient in amount to pay the principal and interest of said bonds as the same accrue, and the full faith and credit of said

city is hereby pledged to the levy and collection of said tax and the payment of the principal and interest of said bonds.

Section 4. That the Mayor and City Clerk are hereby authorized and directed to enter into an agreement with the Washington Mutual Savings Bank of Seattle, Washington, in substantially the form hereto attached, marked "Exhibit A", and are hereby authorized to take any and all action necessary to carry out the terms of said agreement.

Passed and approved this 21st day of October, 1940.

L H Gaycox

Mayor.

Attest:

W B Williams

City Clerk.

I hereby certify that the foregoing is a true and correct copy of an Ordinance of the city of Kingston that the same was published or posted according to law, said Ordinance being No. 443 and entitled "An Ordinance... as above

W B Williams

EXHIBIT "A"

THIS AGREEMENT, made and entered into this 21st day of October, 1940, by and between the Washington Mutual Savings Bank, of Seattle, Washington, a savings bank duly organized and existing under the laws of the State of Washington, hereinafter called Party of the First Part, and the City of Kirkland, a municipal corporation of the third class of the State of Washington, hereinafter called Party of the Second Part, WITNESSETH:

WHEREAS, general obligation bonds of the City of Kirkland in the sum of \$8,500 dated October 1, 1920, and numbered 14 to 30 inclusive, have matured on October 1, 1940; and

WHEREAS, party of the second part does not have sufficient funds on hand to pay the principal of said bonds; and

WHEREAS, party of the first part is the owner of said bonds and is willing to extend the time of payment of such bonds and reduce the rate of interest thereon upon certain terms and conditions; and

WHEREAS, it would be very harmful to the interests of the party of the second part to have a default occur in the payment of said bonds, and the arrangement for the extension of the time of payment of said bonds and the reduction of interest thereon is advantageous and to the best interest of party of the second part;

Now therefore, IT IS HEREBY AGREED by and between the parties as follows:

1. That the date of maturity of the general obligation bonds of party of the second part dated October 1, 1920, numbered

14 to 30 inclusive, in the total principal sum of \$8,500 now owned by party of the second part is hereby extended under the terms and conditions hereinafter set forth from their present due date as follows:

Bonds numbered 14 and 15 in the total principal sum of \$1,000 - October 1, 1941;

Bonds numbered 16 to 18, inclusive, in the total principal sum of \$1,500 - October 1, 1942;

Bonds numbered 19 to 21 inclusive, in the total principal sum of \$1,500 - October 1, 1943;

Bonds numbered 22 to 24 inclusive, in the total principal sum of \$1,500 - October 1, 1944;

Bonds numbered 25 to 27 inclusive, in the total principal sum of \$1,500 - October 1, 1945;

Bonds numbered 28 to 30 inclusive, in the total principal sum of \$1,500 - October 1, 1946.

2. There shall be stamped on each of said bonds the following words:

Maturity of this bond has been extended to October 1, 19\_\_ and the rate of interest thereon reduced to 4% per annum, payable semi-annually in accordance with the terms of an extension agreement entered into between the owner hereof and the City of Kirkland, pursuant to Ordinance No. 443 of said City.

3. Said bonds shall bear interest at the rate of 4% per annum from October 1, 1940, until paid, payable semi-annually on the first days of October and April of each year. Interest

coupons shall be attached to said bonds and shall be in substantially the following form except as to dates of payment:

Coupon No. \_\_\_\_\_ \$10.00

On the first day of \_\_\_\_\_ 19\_\_ the City of Kirkland, Washington, will pay to bearer at the office of the Treasurer of the City of Kirkland the sum of \$10.00 in lawful money of the United States, said sum being the semi-annual interest due that day on its Kirkland Park Bond dated October 1, 1920, numbered \_\_\_\_\_; provided that this coupon is subject to all the terms and conditions of the bond to which it is annexed, as modified as to date of maturity and rate of interest by an agreement between said City of Kirkland and the owner of this bond pursuant to Ordinance No. 443 of said City.

Attest:

W. H. Wittmann  
City Clerk

CITY OF KIRKLAND

By L. H. Jaycox  
Mayor

I hereby certify that the foregoing is a true and correct copy of an Agreement of the City of Kirkland and that the same was published or posted according to law, said Ordinance being No. 443 and entitled "An Ordinance..."

4. There shall be levied each year a tax upon all the taxable property situate in said City of Kirkland sufficient in amount to pay the principal and interest of said bonds as the same accrue, and the full faith and credit of said city is pledged to the levy and collection of said tax and the payment of the principal and interest of said bonds.

5. Party of the second part hereby agrees that all collections hereafter made of uncollected and delinquent taxes levied for the payment of either principal or interest of said bonds shall be used solely for the purpose of paying the principal and interest of the bonds hereby extended as they severally become due.

6. Party of the second part hereby agrees that it will at its cost furnish party of the first part with the approving legal opinion of Preston, Thorgrimson & Turner of Seattle, Washington, as to said extension agreement.

Party of the second part hereby represents that the bonds herein referred to which are hereby extended are valid outstanding general obligations of the City of Kirkland and that it will pay all charges incident to the extension of said bonds.

IN WITNESS WHEREOF, the parties hereto have executed this contract the day and year first above written.

WASHINGTON MUTUAL SAVINGS BANK

By Quinn Smith  
Its President

CITY OF KIRKLAND, WASHINGTON

By L H Jaycox  
Mayor.

Attest:

W B Williams  
City Clerk.