

ORDINANCE NO. 2758

AN ORDINANCE OF THE CITY OF KIRKLAND ADOPTING A SYSTEM OF REGISTRATION FOR OBLIGATIONS OF THE CITY.

Be it ordained by the City Council of the City of Kirkland as follows:

Section 1. Pursuant to Chapter 167, Laws of 1983, a system of registering the ownership of bonds and other interest bearing obligations of the City is adopted. The terms "bond" and "obligation" as used in this ordinance shall have the meaning defined in Section 2, Chapter 167, Laws of 1983, as the same may be from time to time amended. The term "registrar" shall be the person or persons designated by the City to register the ownership of bonds and other obligations under this ordinance.

Section 2. All bonds and other obligations issued or entered into by the City which bear or require the City to pay interest which interest is intended by the City to be exempt from federal income taxation, shall be registered as to both principal and interest as provided in this ordinance. Such registration may be carried out by a book entry system of recording the ownership of a bond or other obligation whether or not a physical instrument is issued on the books of the City or the fiscal agency of the State of Washington, or by recording the ownership of a bond or other obligation together with requiring that any transfer or ownership may be effected only by the surrender of the old bond or other obligation and either the reissuance of the old bond or other obligation or the issuance of a new bond or other obligation to the new owner. No transfer of any such bonds or other obligations shall be effective until the name of the new owner and the new owner's mailing address, together with such other information deemed appropriate by the registrar, shall be recorded on the books of the registrar of the City.

Section 3. Registered bonds or other registered obligation may be issued in any denomination to represent several registered bonds or other obligations of smaller denominations and may permit the issuance of bonds or other obligations in denominations smaller than a larger denomination bond or obligations requested to be transferred. The ordinance authorizing the issuance of the bonds or other obligations shall provide for an authenticating trustee, transfer agent, registrar and paying

agent, which shall be one or more of the fiscal agencies of the State of Washington appointed in accordance with Chapter 43.80 RCW, except that with respect to interest-bearing warrants, installment contracts, interest-bearing leases and other instruments or obligations not usually subject to trading, assignment or transfer the Director of Administration and Finance for the City may serve as the transfer agent, registrar and paying officer. Any transfer agent, registrar and paying agent or officer shall comply with all applicable federal and state laws and regulations respecting the carrying out of such duties. Unless provided for in the contract between the City and the fiscal agencies, each such ordinance authorizing the issuance of such bonds or other obligations shall specify the terms and conditions of making payments of principal and interest, for the provision of printing any physical instruments including the use of identifying numbers or other designations, the specifying of record and payment dates, the determination of denominations, the manner of communicating to the owners of such bonds or other obligations, the receipt of the physical instruments for payment of principal, the destruction of such instruments and the certification of such destruction, the registration and release of securing interests and for such other matters pertaining to the registration of such bonds or other obligations authorized by such ordinance as the City may deem to be necessary or appropriate.

Section 4. The Director of Administration and Finance for the City is authorized to enter into a contract with the fiscal agency or agencies of the State of Washington in connection with the establishment and maintenance by such fiscal agency or agencies of a central depository system for the transfer or pledge of bonds or other obligations and for the services as authenticating trustee, transfer agent, registrar and paying agent for such bonds and other obligations. Such contract shall define the rights and duties of such fiscal agency so acting and the means of compensation thereof. In addition, in lieu of making provisions in each ordinance authorizing the issuance of bonds or other obligations, such contract may make specific provision for the procedures for payment, identification by numbers or other designations, the manner of issuance or reissuance of certificates, the manner of transfer, the manner of communication to owners of bonds or other obligations for accounting to the City and for cancelled certificate of destruction, registration and release of securing interest and for such other matters as may be appropriate.

Section 5. Any physical instrument issued or executed by the City subject to registration under this ordinance shall state on its face that the principal thereof and

interest thereon shall be paid only to the owner thereof registered as such on the books of the registrar as of the record date defined in the instrument and to no other person, and that such instrument, either principal or interest, may not be assigned except on the books of the registrar.

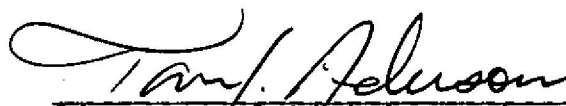
Section 6. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and posting or publication, as required by law.

Passed by majority vote of the Kirkland City Council in regular, open meeting this 18th day of July, 1983.

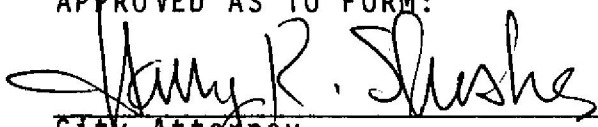
Signed in authentication thereof this 18th day of July, 1983.


MAYOR

ATTEST:


Director of Administration & Finance
(ex officio City Clerk)

APPROVED AS TO FORM:


City Attorney

CERTIFICATION OF POSTING

I hereby certify under penalty of perjury that the foregoing ordinance was posted on the 20th day of July, 1983 in accordance with the provisions of RCW 35A.12.160 and City of Kirkland Ordinance No. 2600.


Clerk