

# BEFORE THE BOARD OF COUNTY COMMISSIONERS

## MULTNOMAH COUNTY, OREGON

An Order of the Board of County Commissioners of	)	
Multnomah County, Oregon Authorizing the Issuance,	)	
Sale, Execution and Delivery of \$29,000,000 General	)	<b>ORDER NO. 96-125</b>
Obligation Library Bonds; Authorizing a Special	)	
Ad Valorem Tax Levy; Designating an Authorized	)	
Representative; Delegating the Approval and Authori-	)	
zation of Distribution of the Preliminary and	)	
Final Official Statements and the Method of Sale;	)	
Designating a Financial Advisor, Bond Counsel,	)	
Registrar and Paying Agent; Classifying Taxes; and	)	
Other Matters.	)	

WHEREAS, the above-entitled matter is before the Board of County Commissioners (the "Board") of Multnomah County, Oregon (the "County"), upon a showing by the Director, Finance Division, that, the County is authorized pursuant to the Charter of the County and Oregon Revised Statutes Chapters 287 and 288 to execute and deliver general obligation bonds.

WHEREAS, the Board of County Commissioners of Multnomah County, Oregon (the "County") on March 12, 1996 adopted Order No. 96-37 submitting to the voters of the County at a measure election on May 21, 1996, the question of contracting a general obligation bonded indebtedness in an amount not to exceed \$29,000,000 to finance the following:

1. Providing for computer equipment, library resources, and technology infrastructure for the Library system.
2. Acquiring land and modifying, reconstructing, constructing or making improvements to several branch library facilities.
3. Bond proceeds would also be used for bond issuance costs and underwriter fees related to the issuance of the general obligation bonds.

The above purposes shall be referred to herein as the "Project".

WHEREAS, at the election held within the County on May 21, 1996, the voters of the County voting at the measure election approved of the issuance of the general obligation bond indebtedness.

WHEREAS, the County adopts this Order to provide the terms under which the general obligation bonds will be sold and issued; and the County adopts this Order to authorize the issuance of the general obligation bonds and to classify the ad valorem taxes levied to pay debt service on the general obligation bonds as not being subject to the limits of section 11b, Article XI of the Oregon Constitution.

NOW, THEREFORE, BE IT ORDERED:

#### SECTION 1: BONDS AUTHORIZED

For the Project purposes, the County shall issue its General Obligation Library Bonds, Series 1996A (the "Bonds"), in one or more series in an aggregate principal amount not to exceed \$29,000,000. The Authorized Representative (defined below) is hereby authorized, on behalf of the County, to sell the Bonds as provided for herein.

The Bonds may be issued in more than one series of Bonds. Each Series of Bonds shall mature in no more than thirty (30) years from their respective date of issuance. The Bonds shall be issued in fully registered form in principal denominations as determined by the Authorized Representative. The Bonds shall be subject to a book-entry only system of ownership and transfer as provided for in Section 9 hereof. The remaining terms of the Bonds shall be established as provided in Section 14 hereof.

#### SECTION 2: DESIGNATION OF AUTHORIZED REPRESENTATIVE

The Board authorizes the Director, Finance Division or the Treasury Manager or their designee (the "Authorized Representative"), to act on behalf of the County and determine the remaining terms of the Bonds as specified in Section 14.

If the Authorized Representative determines that it is necessary and beneficial for the County to capitalize the interest payable on the Bonds during the construction of the Project, the Authorized Representative is authorized to apply Bond proceeds for this purpose.

#### SECTION 3: SECURITY; TAX LEVY

The Bonds are general obligations of the County. The full faith and credit of the County are pledged to the successive owners of each of the Bonds for the punctual payment of such obligations, when due. The County covenants with the Bondowners to impose and levy for fiscal year 1996-97 and annually thereafter, as provided by law, a direct ad valorem tax upon all of the taxable property within the County in sufficient amount without limitation as to rate or amount, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and other monies available for the payment of debt service on the Bonds, to pay interest accruing and the principal maturing on the Bonds promptly when and as they become due. To the extent other monies are not available to the County to timely pay debt service on the Bonds when due, the County covenants with the Bondowners to levy such a tax annually during each year that any of the Bonds, or bonds issued to refund them, are outstanding.

#### SECTION 4: USE OF PROCEEDS

The proceeds of the Bonds shall only be used to finance costs which constitute "capital construction or improvements" within the meaning of subsection 3(b) of Section 11b, Article IX of the Oregon Constitution, which constitute "capital construction" under ORS 310.140(17) or "capital improvements" under ORS 310.140(19) and which costs are also authorized by the ballot title approved by the voters and meet the purpose requirements of ORS 287.052 to 287.074, including without limitation paying for the costs of issuance and any other costs of obtaining permanent financing pursuant to ORS 287.012 and ORS 310.140(17)(c).

## SECTION 5: FORM OF BONDS

The Bonds shall be issued in substantially the form attached hereto as Exhibit A. The Bonds may be printed or typewritten, and may be issued as one or more temporary Bonds which shall be exchangeable for definitive Bonds when definitive Bonds are available. The Bonds may be prepared by Bond Counsel as book-entry only form Bonds; otherwise the Bonds shall be printed by a financial printer to be selected by the Authorized Representative.

## SECTION 6: EXECUTION OF BONDS

The Bonds shall be executed on behalf of the County with the manual or facsimile signature of the Chair of the Board and attested to by the manual or facsimile signature of the County Clerk. Additionally, the Bonds shall be authenticated by the manual signature of an authorized officer of the Bond Registrar.

## SECTION 7: APPOINTMENT OF REGISTRAR

The Authorized Representative is authorized to appoint a registrar and paying agent for the Bonds (the "Registrar"). A successor Registrar may be appointed for the Bonds by resolution of the County. The Registrar shall provide notice to Bondowners of any change in the Registrar not later than the next Bond payment date following the change in Registrar.

## SECTION 8: AUTHENTICATION, REGISTRATION, PAYMENT, EXCHANGE AND TRANSFER

- (1) No Bond shall be entitled to any right or benefit under this Order unless it shall have been authenticated by an authorized officer of the Registrar. The date of authentication shall be the date on which the Bondowner's name is listed on the Bond register.
- (2) All Bonds shall be in registered form. The Registrar shall authenticate all Bonds to be delivered at closing of this bond issue, and shall additionally authenticate all Bonds properly surrendered for exchange or transfer pursuant to this Order.
- (3) The ownership of all Bonds shall be entered in the Bond register maintained by the Registrar, and the County and the Registrar may treat the person listed as owner in the Bond register as the owner of the Bond for all purposes.
- (4) In the event the book-entry system of ownership is discontinued, the Registrar shall mail the amount due under each Bond to the registered owner at the address appearing on the Bond register on the fifteenth day of the month preceding the payment date (the "Record Date"). If payment is so mailed, neither the County nor the Registrar shall have any further liability to any party for such payment.
- (5) In the event the book-entry system of ownership is discontinued, Bonds may be exchanged for equal principal component amounts of Bonds of the same maturity which are in different authorized denominations, and Bonds may be transferred to other owners if the Bondowners submit the following to the Registrar:
  - (a) written instructions for exchange or transfer satisfactory to the Registrar, signed by the Bondowner or his attorney in fact and guaranteed or witnessed in a manner satisfactory to the Registrar; and

- (b) the Bonds to be exchanged or transferred.
- (6) In the event the book-entry system of ownership is discontinued, the Registrar shall not be required to exchange or transfer any Bonds submitted to it during any period beginning with a Record Date and ending on the next following payment date; however, such Bonds shall be exchanged or transferred promptly following that payment date.
- (7) The Registrar shall not be required to exchange or transfer any Bonds which have been designated for redemption if such Bonds are submitted to the Registrar during the 15-day period preceding the designated redemption date.
- (8) For purposes of this section, Bonds shall be considered submitted to the Registrar on the date the Registrar actually receives the materials described in subsection (5) of this section.
- (9) In the event any Bond is mutilated, lost, stolen or destroyed, the Registrar may issue a new Bond of like maturity, interest rate and denomination if the asserted owner of such Bond provides to the Registrar and the County an affidavit, certificate or other reliable proof that the Registrar or the County reasonably finds protects the County from conflicting claims for payment under the Bond. The Registrar may waive the requirements of ORS 288.420 and the County may waive the requirements of ORS 288.430 with respect to the Bond.
- (10) The County may alter these provisions regarding registration, exchange and transfer by mailing notification of the altered provisions to all Bondowners and the Registrar. The altered provisions shall take effect on the date stated in the notice, which shall not be earlier than 45 days after notice is mailed.

#### SECTION 9: BOOK-ENTRY ONLY SYSTEM

During any time that the Bonds are held in a book-entry only system (the "Book-Entry System"), the registered owner of all of the Bonds shall be The Depository Trust Company, New York, New York ("DTC"), and the Bonds shall be registered in the name of Cede & Co., as nominee for DTC. The County has entered into a Blanket Issuer Letter of Representations (the "Letter") wherein the County represents that it will comply with the requirements stated in DTC's Operational Arrangements as they may be amended from time to time.

Under the Book-Entry System, the Bonds shall be initially issued in the form of a single fully registered certificate, one for each maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered by the Registrar on the registration books in the name of Cede & Co., as nominee of DTC. The County and the Registrar may treat DTC (or its nominee) as the sole and exclusive registered owner of the Bonds registered in its name for the purposes of payment of the principal of, redemption price of, and premium, if any, or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving notice as required under this Order, registering the transfer of Bonds, obtaining any consent or other action to be taken by the owners and for all other purposes whatsoever; and neither the Registrar nor the County shall be affected by any notice to the contrary. The Registrar shall not have any responsibility or obligation to any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the registration books of the Registrar as being a registered owner, with respect to the accuracy of any records maintained by

DTC or any Participant; the payment by DTC or any Participant of any amount in respect of the principal or redemption price of or interest on the Bonds; any notice or direction which is permitted or required to be given to or received from owners under this Order; the selection by DTC or any DTC Participant of any person to receive payment in the event of a partial redemption of the Bonds; or any consent given or other action taken by DTC as owner; nor shall any DTC Participant or any such person be deemed to be a third party beneficiary of any owners' rights under this Order. The Registrar shall pay from moneys available hereunder all principal of and premium, if any, and interest on the Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to the principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. So long as the Bonds are held in the Book-Entry System, no person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the Registrar to make payments of principal of and premium, if any, and interest pursuant to this Order. Upon delivery by DTC to the Registrar of DTC's written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions of this Order with respect to transfers of Bonds, the term "Cede & Co.," in this Order shall refer to such new nominee of DTC.

At any time it determines that it is in the best interests of the owners, the County may notify the Registrar, and the Registrar will subsequently notify DTC, whereupon DTC will notify the DTC Participants, of the availability through DTC of Bond certificates. In such event, the Registrar shall issue, transfer and exchange, at the County's expense, Bond certificates as requested in writing by DTC in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the Registrar and discharging its responsibilities with respect thereto under applicable law. If DTC resigns as securities depository for the Bonds, Bond certificates shall be delivered pursuant to this section. Under such circumstances (if there is no successor securities depository), the Registrar shall be obligated to deliver Bond certificates as described in this Order, provided that the expense in connection therewith shall be paid by the County. In the event Bond certificates are issued, the provisions of this Order shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of, premium, if any, and interest on such Bonds. Whenever DTC requests the Registrar to do so, the Registrar will cooperate with DTC in taking appropriate action after written notice (a) to make available one or more separate certificates evidencing the Bonds to any DTC Participant having Bonds credited to its DTC account, or (b) to arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

#### SECTION 10: REDEMPTION

Optional and Mandatory Redemption. The Bonds may be subject to optional redemption and mandatory redemption prior to maturity as determined by the Authorized Representative.

#### SECTION 11: NOTICE OF REDEMPTION

Official notice of redemption shall be given by the County's Registrar on behalf of the County by mailing a copy of an official redemption notice by first-class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond register or at such other address as is furnished in writing by such registered owner to the Registrar, and by publishing the notice as required by law; provided that so long as a book-entry only system is maintained in effect, notice

of redemption shall be given at the time, to the entity and in the manner required in DTC's Operational Arrangements, and the Registrar shall not be required to give any other notice of redemption otherwise required herein, except for publishing the notice as required by law.

All official notices of redemption shall be dated and shall state, without limitation: (1) the redemption date; (2) the redemption price; (3) if less than all outstanding Bonds are to be redeemed, the identification of the Bonds to be redeemed; (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption; (5) that interest thereon shall cease to accrue from and after said date; (6) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Bond Registrar; and (7) the assigned CUSIP numbers of all Bonds to be redeemed.

On or prior to any redemption date, the County shall deposit with the Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the County shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. All Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

#### SECTION 12: TAX-EXEMPT STATUS AND COVENANT AS TO ARBITRAGE

The County covenants to use the proceeds of the Bonds, and the facilities financed with the Bonds, and to otherwise comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), so that interest paid on the Bonds will not be includable in gross income of the Bondowners for federal income tax purposes. The County specifically covenants:

- (1) to comply with the "arbitrage" provisions of Section 148 of the Code, and to pay any rebates to the United States on the gross proceeds of the Bonds; and
- (2) to operate the facilities financed with the proceeds of the Bonds so that the Bonds are not "private activity bonds" under Section 141 of the Code; and
- (3) comply with all reporting requirements.

The Authorized Representative may enter into covenants on behalf of the County to protect the tax-exempt status of the Bonds.

#### SECTION 13: BONDS NOT "QUALIFIED TAX-EXEMPT OBLIGATIONS"

The Bonds are not "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

#### SECTION 14: DELEGATION FOR ESTABLISHMENT OF TERMS AND SALE OF THE BONDS

The Authorized Representative is hereby authorized pursuant to ORS 288.520(4) to:

- (1) establish the respective dates for a public competitive bid or negotiated sale of each series of Bonds, establish the principal and interest payment dates, principal amounts, optional and mandatory redemption provisions, interest rates, and denominations and all other terms for the Bonds;
- (2) approve the final form of and cause an official notice of bond sale to be published, award the successful bid or reject the bids for each series of Bonds as required pursuant to ORS 287.026 or if market conditions require, to enter into a negotiated sale of the Bonds or any series thereof and to execute and deliver any bond purchase agreement in connection therewith;
- (3) issue and sell all or a portion of the Bonds as deferred interest bonds or zero coupon bonds;
- (4) issue and sell all or a portion of the Bonds as "citizens bonds" pursuant to ORS 287.029;
- (5) approve and authorize the preparation and distribution of preliminary and final official statements for the Bonds;
- (6) obtain ratings on the Bonds if determined by the County and the Authorized Representative to be in the best interest of the County;
- (7) take such actions as are necessary to qualify the Bonds for the Book-Entry System of DTC;
- (8) apply for municipal bond insurance for the Bonds, if in the best interest of the County, and expend Bond proceeds to pay any bond insurance premium;
- (9) approve, execute and deliver a Continuing Disclosure Certificate pursuant to SEC Rule 15c2-12, as amended (17 CFR Part 240, § 240.15c2-12);
- (10) approve, execute and deliver the Bond closing documents and certificates;
- (11) enter into covenants regarding the use of the proceeds of the Bonds and the projects financed with the proceeds of the Bonds, to maintain the tax-exempt status of the Bonds; and
- (12) execute and deliver a certificate specifying the action taken pursuant to this Section 14, and any other certificates, documents or agreements that the Authorized Representative determines are desirable to issue, sell and deliver the Bonds in accordance with this Order.

#### SECTION 15: CONTINUING DISCLOSURE:

The County shall undertake in a Continuing Disclosure Certificate for the benefit of registered Bondowners to provide to each Nationally Recognized Municipal Securities Information Repository ("NRMSIRs"), and if and when one is established, the State Information Depository ("SID"), on an annual basis on or before 270 days after the end of each fiscal year, commencing with the fiscal year ending June 30, 1997, the information required pursuant to paragraph (b)(5)(i)(A)(B) and (D) of the Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. § 240.15c2-12 (the "Rule")). In addition, the County will undertake for the benefit of the registered Bondowners to provide in a timely manner to the NRMSIRs or to the Municipal Securities Rulemaking Board ("MSRB") notices of certain material events required to be delivered pursuant to paragraph (b)(5)(i)(C) of the Rule.

#### SECTION 16: ESTABLISHMENT OF FUNDS AND ACCOUNTS

The following funds and accounts shall be created into which the proceeds of the Bonds shall be deposited, which funds and accounts shall be continually maintained, except as otherwise provided, so long as the Bonds remain unpaid.

- (1) Debt Service Account. The County shall maintain the Debt Service Account in the County's Debt Service Fund for the payment of principal, premium, if any, and interest on the Bonds as they become due. All accrued interest, if any, and all taxes levied and other moneys available for the payment of the Bonds shall be deposited to the Debt Service Account.
- (2) Capital Project Fund(s). The County shall maintain the Capital Project Fund or Funds for the purpose of accounting for and paying all costs of the Project and the costs related to the preparation, authorization, issuance and sale of the Bonds. The County may establish a separate Capital Project Fund or subaccounts thereof for each series of Bonds. Any interest earnings on moneys invested from the Capital Project Fund(s) may be retained in the Capital Project Fund(s) or may separately be accounted for in segregated funds or accounts. For investment purposes, proceeds of the Bonds may be commingled with other funds of the County to the extent permitted by law. The County's share of any liquidated damages or other moneys paid by defaulting contractors or their sureties will be deposited into the Capital Project Fund(s) to assure the completion of the Project.

Upon completion of the Project and upon payment in full of all costs related thereto, any balance remaining in the Capital Project Fund(s) shall be (i) deposited to the Debt Service Account for payment of debt service, (ii) used for the full or partial defeasance of the Bonds, or (iii) remain in the Capital Project Fund(s) for other authorized capital construction or improvements approved by the County's Bond Counsel as a proper use of such funds.

#### SECTION 17: APPOINTMENT OF BOND COUNSEL AND FINANCIAL ADVISOR.

The County hereby appoints Ater Wynne Hewitt Dodson & Skerritt to serve as bond counsel for the Bonds. The County hereby appoints Regional Financial Advisors, Inc. as its independent financial advisor for the Bonds.



## SECTION 18: ORDER TO CONSTITUTE CONTRACT

In consideration of the purchase and acceptance of any or all of the Bonds by those who shall own the same from time to time (the "Bondowners"), the provisions of this Order shall be part of the contract of the County with the Bondowners and shall be deemed to be and shall constitute a contract between the County and the Bondowners. The covenants, pledges, representations and warranties contained in this Order or in the closing documents executed in connection with the Bonds, including without limitation the County's covenants and pledges contained in Section 3 hereof, and the other covenants and agreements herein set forth to be performed by or on behalf of the County shall be contracts for the equal benefit, protection and security of the Bondowners, all of which shall be of equal rank without preference, priority or distinction of any of such Bonds over any other thereof, except as expressly provided in or pursuant to this Order.

## SECTION 19<sup>AB</sup>: ORDER CLASSIFYING TAXES

The County hereby classifies the taxes levied to pay principal and interest on the Bonds as not subject to the limits of section 11b, Article XI of the Oregon Constitution. This Order shall constitute an order authorizing issuance of bonded indebtedness (the Bonds) which includes a classification of bonded indebtedness (the Bonds) as not subject to the limits of section 11b, Article XI of the Oregon Constitution for purposes of ORS 305.583(6) and ORS 310.415(1)(d). The Authorized Representative is hereby authorized to publish an advertisement in a newspaper of general circulation in Multnomah County, Oregon of the County's adoption of this Order and classification of taxes levied to pay principal and interest on the Bonds as not being subject to the limits of section 11b, Article XI of the Oregon Constitution in substantially the form of the notice as shown on Exhibit B attached hereto, within 15 days after passage of this Order and which meets the requirements of ORS 305.583(8).

ADOPTED by the Board of County Commissioners this 18th day of July, 1996.

### **BOARD OF COUNTY COMMISSIONERS MULTNOMAH COUNTY, OREGON**



By

  
Beverly Stein  
Multnomah County Chair

### **REVIEWED:**

ATER WYNNE HEWITT DODSON & SKERRITT, LLP, as  
Bond Counsel for MULTNOMAH COUNTY, OREGON

By

  
Douglas E. Goe

**EXHIBIT A**

No. R-

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF OREGON

**MULTNOMAH COUNTY, OREGON**

**GENERAL OBLIGATION LIBRARY BOND  
SERIES 1996A**

DATED DATE	INTEREST RATE PER ANNUM	MATURITY DATE	CUSIP NUMBER
_____ 1, 199__	_____ %	_____ 1, ____	_____

REGISTERED OWNER: ----- CEDE & CO. -----

PRINCIPAL AMOUNT: ----- DOLLARS -----

MULTNOMAH COUNTY, OREGON (the "County"), for value received, acknowledges itself indebted and hereby promises to pay to the registered owner hereof, or registered assigns, the principal amount indicated above on the above maturity date together with interest thereon from the date hereof at the rate per annum indicated above. Interest is payable semiannually on the first day of \_\_\_\_\_ and the first day of \_\_\_\_\_ in each year until maturity or prior call and redemption, commencing \_\_\_\_\_ 1, 199\_\_, to the registered owner at the address appearing on the Bond Register as of the close of business on the fifteenth day of the calendar month immediately preceding the applicable interest payment date. The County's paying agent and registrar, which is currently the principal corporate trust office of \_\_\_\_\_, in Portland, Oregon (the "Registrar"), will cause principal and interest payments to be received by Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), or its registered assigns in same-day funds on each payment date. Such payments shall be made payable to the order of "Cede & Co."

ADDITIONAL PROVISIONS OF THIS BOND APPEAR ON SUBSEQUENT PAGES AND THE REVERSE SIDES HEREOF; THESE PROVISIONS HAVE THE SAME EFFECT AS IF THEY WERE PRINTED HEREON.

This Bond is one of a series of General Obligation Library Bonds, Series 1996A, in the aggregate principal amount of \$ \_\_\_\_\_ (the "Bonds"), issued by the County to finance the costs of providing for computer equipment, library resources, and technology infrastructure for the Library system; acquiring land and modifying, reconstructing, constructing or making improvements to several branch library facilities; and to pay all bond issuance costs and underwriter fees related to the issuance of the general obligation bonds (the "Project"), pursuant to the County's authorizing Order No. \_\_\_\_\_ adopted on June \_\_, 1996 (the "Order"), in full and strict accordance and compliance with all of the provisions of the Constitution and Statutes of the State of Oregon and the County's Charter.

[The Bonds maturing in years \_\_\_\_ through \_\_\_\_, inclusive, are not subject to redemption prior to maturity. The Bonds maturing on or after \_\_\_\_\_ 1, \_\_\_\_ are subject to redemption at

the option of the County on any interest payment date on or after \_\_\_\_ 1, \_\_\_\_, by lot within a maturity, at a price of par plus accrued interest to the date of redemption.]

[The Bonds maturing \_\_\_\_ 1, \_\_\_\_, shall be subject to mandatory redemption in part, by lot, at the principal amount thereof, without premium, plus accrued interest to the date fixed for redemption, in the amounts and on the dates set forth below:

Redemption Date

Principal Amount

\* final maturity]

Official notice of any such redemption shall be given by the Registrar on behalf of the County by mailing a copy of an official redemption notice by first-class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond register or at such other address as is furnished in writing by such registered owner to the Registrar, and as otherwise required by law; provided that so long as the book-entry-only system is maintained in effect, notice of redemption shall be given at the time, to the entity and in the manner required in DTC's Operational Arrangements, and the Registrar shall not be required to give any other notice of redemption otherwise required in the Order, except for publishing the notice as required by law.

The Bonds are initially issued as a book-entry-only security issue with no certificates provided to the Bondowners. Records of Bond ownership will be maintained by the Registrar and DTC and its Participants.

Should the book-entry-only security system be discontinued, the Bonds shall be issued in the form of fully registered Bonds without coupons in denominations as determined by the Authorized Representative. Such Bonds may be exchanged for Bonds of the same aggregate principal amount, or any authorized denominations, as provided in the Order.

Any transfer of this Bond must be registered, as provided in the Order, upon the Bond Register kept for that purpose at the principal corporate trust office of the Registrar. Upon registration, a new registered Bond or Bonds, of the same series and maturity and in the same aggregate principal amount shall be issued to the transferee as provided in the Order. The County and the Registrar may treat the person in whose name this Bond is registered as its absolute owner for all purposes, as provided in the Order.

The Bondowner may exchange or transfer this Bond only by surrendering it, together with a written instrument of transfer which is satisfactory to the Registrar and duly executed by the registered owner or his duly authorized attorney, at the principal corporate trust office of the Registrar in the manner and subject to the conditions set forth in the Order.

IT IS HEREBY CERTIFIED, RECITED, AND DECLARED that all conditions, acts, and things required to exist, to happen, and to be performed precedent to and in the issuance of this Bond have existed, have happened, and have been performed in due time, form, and manner as required by the Constitution and Statutes of the State of Oregon and the County's Charter; that the issue of which this Bond is a part, and all other obligations of such County, are within every debt limitation and other limit prescribed by such Constitution and Statutes and the County's Charter; and that the County has provided for the levying annually of a direct ad valorem tax upon all the property within the boundaries of the

County so taxable for its purposes in an amount sufficient, with other available funds, to pay the interest on and the principal of the Bonds of such issue as such obligations become due and payable.

IN WITNESS WHEREOF, the Board of County Commissioners of Multnomah County, Oregon, has caused this Bond to be signed by the manual or facsimile signature of its Chair and attested by the manual or facsimile signature of its County Clerk, as of the date indicated above.

\_\_\_\_\_  
Chair

\_\_\_\_\_  
County Clerk

THIS BOND SHALL NOT BE VALID UNLESS  
PROPERLY AUTHENTICATED BY THE REGISTRAR  
IN THE SPACE INDICATED BELOW.

DATED:

CERTIFICATE OF AUTHENTICATION

This is one of the County's General Obligation Library Bonds, Series 1996A, issued pursuant to the Order described herein.

\_\_\_\_\_, as Registrar

By \_\_\_\_\_  
Authorized Officer

## ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_

\_\_\_\_\_  
(Please insert social security or other identifying number of assignee)

this Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ as attorney to transfer this Bond on the books kept for registration thereof with the full power of substitution in the premises.

Dated: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of this Bond in every particular, without alteration or enlargement or any change whatever.

NOTICE: The signatures to this Assignment must be guaranteed by a financial institution that is a member of the Securities Transfer Agents Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP") or the New York Stock Exchange, Inc. Medallion Securities Program ("MSP").

Signature Guaranteed

\_\_\_\_\_  
(Bank, Trust Company or Brokerage Firm)

\_\_\_\_\_  
Authorized Officer

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM -- tenants in common

TEN ENT -- as tenants by the entireties

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

OREGON CUSTODIANS use the following

\_\_\_\_\_ CUST UL OREG \_\_\_\_\_ MIN as custodian for  
(as custodian for) (name of minor)

OR UNIF TRANS MIN ACT

(under the Oregon Uniform Transfer to Minors Act)

Additional abbreviations may also be used though not in the list above.

## EXHIBIT B

### NOTICE OF ADOPTION OF ORDER CLASSIFYING TAXES

Multnomah County, Oregon (the "County") hereby gives notice that on \_\_\_\_\_, 1996, the Board of County Commissioners of the County adopted its Order No. \_\_\_\_\_ (the "Order") which, among other things, classifies the ad valorem taxes to be levied upon all of the taxable property within the County for the purpose of paying principal and interest on the County's \$29,000,000 aggregate principal amount of its General Obligation Library Bonds approved by the legal voters of the County at the election held May 21, 1996, as not being subject to the limits of section 11b, Article XI of the Oregon Constitution. A complete copy of the Order may be obtained by contacting Mr. David A. Boyer, Director, Finance Division, Multnomah County, Oregon, 1120 S.W. Fifth Avenue, Suite 1430, Portland, Oregon 97204, Telephone: (503) 248-3903. A judicial review of the County's classification of such taxes may be sought within 60 days of the date of the Order pursuant to ORS 305.583(6).

This notice is published pursuant to ORS 305.583(8) and ORS 310.145.

DATED: \_\_\_\_\_, 1996.

MULTNOMAH COUNTY, OREGON  
DAVID A. BOYER, DIRECTOR, FINANCE DIVISION

Published: \_\_\_\_\_, 1996

[This notice is to be published in the general news section (not in the classified advertisements) of *The Oregonian*, Portland, Oregon, within 15 days of the adoption of the Order. The notice shall measure at least three inches square and be printed in a type size at least equal to 8-point type.]