

SILVER LAKE WATER DISTRICT
SNOHOMISH COUNTY, WASHINGTON
RESOLUTION NO. 377

A RESOLUTION adopting a system of registration of bonds and obligations of the District.

WHEREAS, Section 103(j) of the Internal Revenue Code of 1954, as amended, requires municipal bonds and obligations offered to the public, having a maturity of more than one year and issued after June 30, 1983, to be in registered form as a condition of the exemption from federal income taxation of the interest on those bonds and obligations; and

WHEREAS, section 3, chapter 167, Laws of 1983, authorizes water districts to establish a system of registering the ownership of their bonds or obligations as to principal and interest, or principal only; NOW, THEREFORE,

BE IS RESOLVED BY THE BOARD OF COMMISSIONERS OF SILVER LAKE WATER DISTRICT, SNOHOMISH COUNTY, WASHINGTON, as follows:

Section 1. Definitions. The following words shall have the following meanings when used in this resolution:

a. The term "bond" or "bonds" shall have the meaning defined in section 2(1), chapter 167, Laws of 1983, as the same may be from time to time amended.

b. The term "District" shall mean Silver Lake Water District, Snohomish County, Washington.

c. The term "fiscal agencies" shall mean the duly appointed fiscal agencies of the State of Washington serving as such at any given time.

d. The term "obligation" or "obligations" shall have the meaning defined in section 2(3), chapter 167, Laws of 1983, as the same from time to time may be amended.

e. The term "registrar" shall be the person or persons designated by the District to register ownership of bonds or obligations under this resolution.

Section 2. Findings. The Board of Commissioners of the District finds that it is in the District's best interest to establish a system of registering the ownership of the District's bonds and obligations in the manner permitted by law.

Section 3. Adoption of Registration System. The District adopts the following system of registering the ownership of its bonds and obligations.

a. Registration Requirement. All bonds and obligations offered to the public, having a maturity of more than one year and issued by the District after June 30, 1983, on which the interest is intended to be exempt from federal income taxation, shall be registered as to both principal and interest as provided in this resolution.

b. Method of Registration. The registration of all District bonds and obligations required to be registered shall be carried out either by

1) a book entry system of recording the ownership of the bond or obligation on the books of the District or the fiscal agencies, whether or not a physical instrument is issued; or

2) by recording the ownership of the bond or obligation and requiring as a condition of the transfer of ownership of any bond or obligation the surrender of the old bond or obligation and either the reissuance of the old bond or obligation or the issuance of a new bond or obligation to the new owners.

No transfer of any bond or obligation subject to registration requirements 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.

c. Denominations. Except as may be provided otherwise by the resolution authorizing their issuance, registered bonds or obligations may be issued and reissued in any denomination up to the outstanding principal amount of the bonds or obligations of which they are a part. Such denominations may represent all or a part of a maturity or several maturities and on reissuance may be in smaller amounts than the individual denominations for which they are reissued.

d. Appointment of Registrar. Unless otherwise provided in the resolution authorizing the issuance of registered bonds or obligations, the Snohomish County Treasurer shall be the registrar for all registered interest-bearing warrants, installment contracts, interest-bearing leases and other registered bonds or obligations not usually subject to trading and the fiscal agencies shall be the registrar for all other District bonds and obligations.

e. Duties of Registrar. The registrar shall serve as the District's authenticating trustee, transfer agent, registrar and paying agent for all registered bonds and obligations for which he, she, or it serves as registrar and shall comply fully with all applicable federal and state laws and regulations respecting the carrying out of those duties.

The rights, duties, responsibilities and compensation of the registrar shall be prescribed in each resolution authorizing the issuance of the bonds or obligations, which rights, duties, responsibilities and compensation shall be embodied in a contract executed by the Snohomish County Treasurer and the registrar, except in instances when the fiscal agencies serve as

registrar, the District adopts by reference the contract between the State Finance Committee of the State of Washington and the fiscal agencies in lieu of executing a separate contract and prescribing by resolution the rights, duties, obligations and compensation of the registrar. When the Snohomish County Treasurer serves as registrar, a separate contract shall not be required.

In all cases when the registrar is not the fiscal agencies and the obligation is assignable, the resolution authorizing the issuance of the registered bonds or obligations shall specify the terms and conditions of

- 1) making payments of principal and interest;
- 2) printing any physical instruments, including the use of identifying numbers or other designation;
- 3) specifying record and payment dates;
- 4) determining denominations;
- 5) establishing the manner of communicating with the owners of the bonds or obligations;
- 6) establishing the methods of receipting for the physical instruments for payment of principal, the destruction of such instruments and the certification of such destruction;
- 7) registering or releasing security interests, if any; and
- 8) such other matters pertaining to the registration of the bonds or obligations authorized by such resolution as the District may deem to be necessary or appropriate.

Section 4. Statement of Transfer Restrictions. Any physical instrument issued or executed by the District subject to registration under this resolution shall state on its face that the principal of and interest on the bonds or obligations 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

I, Leo Nelson, Secretary of the Board of Commissioners of Silver Lake Water District, Snohomish County, Washington, certify that the attached copy of Resolution No. ____ is a true and correct copy of the original resolution adopted on the 24th day of May, 1984, as that resolution appears on the Minute Book of the District.

DATED this 24th day of May, 1984.

Leo Nelson
Secretary of the Board of
Commissioners

1136s

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.

ADOPTED by the Board of Commissioners of Silver Lake Water District, Snohomish County, Washington, at a regular open public meeting thereof this 24th day of May, 1984.

A handwritten signature in cursive script, appearing to be 'H. H. ...', written over a horizontal line.
President and Commissioner

A handwritten signature in cursive script, appearing to be 'Rod Keppler', written over a horizontal line.
Commissioner

A handwritten signature in cursive script, appearing to be 'Leo Nelson', written over a horizontal line.
Secretary and Commissioner

1149s