
METROPOLITAN SERVICE DISTRICT

**RESOLUTION NO. 92-1592
OF THE COUNCIL**

A Resolution authorizing the issuance of General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, in the principal amount of not to exceed \$67,000,000 for the purpose of advance refunding and replacing the Metropolitan Service District's outstanding general obligation bonds issued in 1987 to finance the acquisition and construction of a regional convention and trade show center, and providing for related matters.

**Adopted by the Council of the
Metropolitan Service District
on March 26, 1992
Effective on March 26, 1992**

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This Table of Contents is not a part of this Resolution but is provided solely for the convenience of the reader.

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Section A. Findings. As the preamble to this Resolution, the Council of the Metropolitan Service District, Counties of Multnomah, Clackamas and Washington, State of Oregon ("Metro") hereby recites the matters set forth below in this Section A. To the extent any of the following recitals relates to a finding or determination which must be made by the Council in connection with the subject matter of this Resolution or any aspect thereof, the Council declares that by setting forth such recital such finding or determination is thereby made by the Council. This Section A and the recitals, findings and determinations set forth herein constitute a part of this Resolution.

(1) **Political Subdivision.** Metro is a municipality and political subdivision organized and existing under and pursuant to the laws of the State of Oregon, particularly Chapter 268 of Oregon Revised Statutes.

(2) **The 1987 Bonds.** Under and pursuant to ORS 268.520, Metro was and is authorized to issue its general obligation bonds upon the approval of a majority of the electors of Metro voting on the question, subject to the limitations imposed by law. At the general election duly called and held on November 4, 1986, a majority of the electors of Metro voting on the question authorized Metro to issue its general obligation bonds in an aggregate principal amount not to exceed \$65,000,000 (the "Elector Authorization") for the purpose of financing the acquisition and construction of a regional convention and trade show center (the "Convention Center"). Pursuant to the Elector Authorization and Metro Resolution No. 87-767 enacted on June 11, 1987, Metro issued its General Obligation Convention Center Bonds, Series 1987 in an original aggregate principal amount of \$65,000,000 (the "1987 Bonds"), said Convention Center having been heretofore acquired and constructed by Metro with the exception of certain additions and improvements thereto which will be acquired and constructed in due course.

(3) **Capital Construction or Improvements.** The Convention Center constitutes a "capital construction or improvement" within the meaning of ORS 288.160(1) and 310.140.

(4) Outstanding 1987 Bonds. There remain outstanding 1987 Bonds in the aggregate principal amount of \$60,680,000 maturing or being subject to mandatory sinking fund redemption on December 1 of each year, 1992 through 2012 (inclusive), bearing interest at *per annum* rates ranging from 5.75% to 8.2% and subject to redemption at the option of Metro on December 1, 1997 at a redemption price equal to the principal amount of the 1987 Bonds to be redeemed plus accrued and unpaid interest thereon to the date of redemption.

(5) Payment From Property Taxes. In accordance with the Elector Authorization and as required under State law, Metro levies and collects each year an *ad valorem* tax on all taxable property subject to taxation by Metro in an amount sufficient to pay all amounts coming due on the 1987 Bonds in the year in which such tax is levied, and is required to continue levying and collecting such tax until such time as all amounts owing under the 1987 Bonds have been paid in full. Such tax is levied outside of, and in addition to, the *ad valorem* taxes levied by Metro for other voter authorized purposes, is not subject to the limitations imposed Article XI, Section 11b of the Oregon Constitution and is levied in an amount sufficient to pay the 1987 Bonds when due without regard to rate or amount.

(6) Current Market Interest Rates. The current rates of interest available in the municipal bond markets for tax-exempt bonds having maturities and credit quality substantially the same as the maturities and credit quality of the outstanding 1987 Bonds are significantly lower than the rates of interest borne by the outstanding 1987 Bonds.

(7) Savings to Taxpayers by Issuing Refunding Bonds. In light of the rates of interest currently available, the issuance and sale by Metro of advance refunding bonds for the purpose of refunding, replacing, defeasing and (subject to the limitations on redemption applicable to the 1987 Bonds) redeeming at the earliest practicable date the outstanding 1987 Bonds is in the best interests of Metro and the persons and entities owning property subject to *ad valorem* taxation by Metro. The issuance and sale of such advance refunding bonds will enable Metro to realize aggregate debt service payments on such advance refunding bonds which are significantly lower than the aggregate debt service payments now required to be made with respect to the 1987 Bonds. As a result of such lower aggregate debt service payments, Metro will be able to levy and collect *ad valorem* property taxes to pay such advance refunding bonds in an amount that is significantly less than the amount of *ad valorem* property taxes that will be required to be levied and collected to pay the debt service on the outstanding 1987 Bonds to be so refunded, thereby helping to relieve and diminish the *ad valorem* tax burden on Metro's taxpayers.

(9) Authority to Issue Advance Refunding Bonds. Pursuant and subject to the requirements of ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, and ORS 268.525, Metro is authorized and empowered, without a vote of the electors, to issue and sell advance refunding bonds for the purpose of refunding, replacing, defeasing and redeeming the outstanding 1987 Bonds as described above and as hereinafter set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT AS FOLLOWS:

Section 1. Definitions. As used in this Resolution, the following terms shall have the respective meanings set forth in this Section 1.

"Act" means ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, ORS 268.525 and related provisions of the laws of the State of Oregon affecting, governing or authorizing the issuance of advance refunding bonds for the purpose of refunding outstanding general obligation bonds.

"Authorizing Legislation" means, collectively, the Elector Authorization, the Act and this Resolution.

"Beneficial Owners" shall mean, whenever used with respect to a Bond, the person or entity in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant pursuant to the arrangements for book-entry determination of ownership applicable to the Securities Depository.

"Book-Entry System" shall mean that system whereby the clearance and settlement of securities transactions is made through electronic book-entry changes, thereby eliminating the need of physical movement of securities.

"Bonds" means Metro's General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, authorized to be issued pursuant to Section 2 of this Resolution.

"Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

"Council" means the Council of Metro acting as the duly constituted governing body of Metro in which Metro's legislative powers are vested under law.

"DTC" shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"Elector Authorization" means the approving vote of a majority of the electors of Metro voting on the question at the general election duly called and held on November 4, 1986, wherein said electors authorized Metro to issue and sell the 1987 Bonds for the purposes described in Section A of this Resolution.

"Escrow Agreement" means the agreement to be entered into by and between Metro and the Escrow Agent, which agreement is authorized by this Resolution to be prepared, executed and delivered in connection with the issuance and sale of the Bonds and the refunding and defeasance of the Refunded Bonds.

"Escrow Agent" means First Interstate Bank of Oregon, N.A., a national banking association with its principal corporate trust offices located in Portland, Oregon, acting in its capacity as escrow agent under and pursuant to the Escrow Agreement.

"Escrow Deposit" means the cash and Government Obligations required to be deposited with the Escrow Agent under the Escrow Agreement for the purpose of refunding, replacing, defeasing and redeeming the Refunded Bonds in accordance with the refunding plan of Metro, which deposit shall:

(i) be made from a portion of the proceeds derived from the issuance and sale of the Bonds (by using such proceeds to purchase a sufficient amount of Government Obligations and, to the extent the Government Obligations so purchased are insufficient for the purposes of such deposit, by depositing a portion of such sale proceeds in cash) and from any other lawfully available funds of Metro; and

(ii) be in an amount which, together with the investment earnings derived from such deposit and any cash constituting part of such deposited, will be sufficient to pay all installments of principal, interest and redemption premiums (if any) on the Refunded Bonds when they fall due (whether by stated maturity date or call for redemption) in accordance with the refunding plan of Metro.

"Government Obligations" shall have the meaning assigned to such phrase in ORS 288.605(5).

"Interest Payment Date" means each January 1 and July 1 of each year, commencing July 1, 1992.

"1987 Bonds" means Metro's General Obligation Convention Center Bonds, Series 1987 originally issued in the aggregate principal amount of \$65,000,000 pursuant to the Elector Authorization and applicable law.

"Participant" shall mean a broker-dealer, bank or other financial institution for which DTC holds Bonds as Securities Depository.

"Paying Agent" means the paying agent for the Bonds appointed pursuant to Section 7 of this Resolution, the initial paying agent being First Interstate Bank of Oregon, N.A.

"Purchase Agreement" means the agreement between Metro and PaineWebber Incorporated pursuant to which PaineWebber Incorporated agrees to purchase the Bonds from Metro and Metro agrees to sell to the Bonds to PaineWebber Incorporated.

"Refunded Bonds" means the outstanding 1987 Bonds maturing on December 1 of each year, 1992 through 2012.

"Registrar" means the registrar for the Bonds appointed pursuant to Section 7 of this Resolution, the initial registrar being First Interstate Bank of Oregon, N.A.

"Securities Depository" shall mean, initially, The Depository Trust Company, New York, New York, and its successors and replacement securities depository appointed hereunder.

"Underwriter" means PaineWebber Incorporated as the underwriter for the Bonds pursuant to the Purchase Agreement.

Section 2. The Bonds.

(a) Authorization. Pursuant to and subject to the requirements of the Act, Metro shall issue the Bonds for the purpose of refunding, replacing, defeasing and redeeming the outstanding Refunded Bonds, all as provided in and subject to the limitations hereinafter set forth in this Resolution.

(b) Date of Bonds; Designation. The Bonds shall be dated March 15, 1992. The Bonds shall be designated "Metropolitan Service District General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A."

(c) Aggregate Principal Amount Authorized. The Bonds are hereby authorized to be issued in an aggregate principal amount not to exceed the sum of \$67,000,000, *provided that*:

(i) In accordance with the requirements of ORS 288.645 and 288.160(1)(b), the actual aggregate principal amount of the Bonds issued shall not be in excess of the minimum amount necessary to:

(A) make the Escrow Deposit in an amount sufficient to cause the Bonds to be deemed to replace the Refunded Bonds within the meaning of ORS 288.160(2); and

(B) to pay any amounts charged to Metro as administrative costs, expenses or fees in connection with the authorization, issuance and sale of the Bonds which are permitted to be paid from the proceeds of the Bonds; and

(ii) The actual aggregate principal amount of the Bonds issued shall not be such as to cause to be exceeded the limitations on the amount of general obligation bonds permitted to be issued by Metro as set forth in ORS 268.520, subject however to the applicable provisions of law regarding the manner in which the amount of outstanding general obligation bonds is to be calculated for purposes of such limitations.

(d) Maturity Dates, Interest Rates and Redemption Provisions. The Bonds will mature on January 1 and July 1 of each of the years determined by Metro's Executive Officer pursuant to Section 3 hereof, provided that the first such maturity date shall be January 1, 1993 and the final maturity date shall be January 1, 2013. The principal amount of the Bonds to be issued as term bonds and as serial bonds and the principal amount of such term bonds and serial bonds to mature in each year shall be established by Metro's Executive Officer, in accordance with and subject to the limitations set forth in Section 3 of this Resolution.

The Bonds shall bear interest at such rate or rates as shall be established by Metro's Executive Officer, in accordance with and subject to the limitations set forth in Section 3 of this Resolution, with all accrued interest to be due and payable semiannually on each Interest Payment Date, commencing with the first Interest Payment Date following the issuance and delivery of the Bonds.

The Bonds, if any, which are issued as term bonds (as determined by the Executive Officer pursuant to Section 3 hereof) shall be subject to mandatory redemption on January 1 and July 1 of such years and in such principal amounts as shall be determined by the Executive Officer pursuant to Section 3 hereof, any such redemption to be without premium at a price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued and unpaid interest thereon to the date fixed for redemption.

The Bonds maturing on or after July 1, 2000 shall be subject to redemption prior to maturity at the option of Metro, in whole on any date on or after January 1, 2000 and in part on any Interest Payment Date on or after January 1, 2000, any such redemption to be without premium at a price equal to 100% of the principal amount to be redeemed, plus accrued and unpaid interest thereon to the date fixed for redemption, plus a premium (expressed as a percentage of the principal amount to be redeemed) as set forth in the following table:

Redemption Date:	Premium:
January 1, 2000 through December 31, 2000	2%
January 1, 2001 through December 31, 2001	1%
January 1, 2002 and thereafter	0%

(e) Payment of Principal and Interest. Principal of each Bond shall be paid only on or after the stated maturity date thereof or date fixed for earlier redemption thereof, and then only upon presentation and surrender of such Bond to the Paying Agent at its principal corporate trust office. Interest on each Bond shall be paid on each Interest Payment Date by check or draft drawn upon and mailed by the Paying Agent to the registered owner of such Bond at the address thereof, all as shown on the registration books maintained by the Registrar as of the 15th day of the month next preceding the Interest Payment Date.

(e) Notice of Redemption. Notice of any mandatory or optional redemption of any Bonds shall be given in writing by the Paying Agent and Registrar, in the name of Metro, by first class mail, postage prepaid, to the registered owner of each Bond called for redemption at the registered address thereof, all as shown on the registration books maintained by the Registrar as of the 5th business day next preceding the date of mailing of such notice, any such notice to be mailed not less than 30 nor more than 45 days prior to the date fixed for the redemption of the Bonds to which such notice pertains; *provided that*, so long as the Bonds remain subject to the Book-Entry System, notice of redemption shall be given at the time, to the entity and in the manner required in the letter of representation executed among Metro, the Paying Agent and DTC in connection with the issuance and sale of the Bonds, and no other notice of redemption shall be required to be given.

Each notice of redemption shall:

- (i) identify by number the Bonds (or principal portions thereof) called for redemption;
- (ii) state the redemption price of the Bonds called for redemption, which redemption price may be stated as a percentage of the principal amount thereof called for redemption plus accrued and unpaid interest thereon;
- (iii) state the date fixed for redemption;
- (iv) provide the address of the place at which the Bonds called for redemption must be presented and surrendered to the Paying Agent on or after the date fixed for redemption in order to receive payment of the redemption price thereof;
- (iv) state that from and after the date fixed for redemption, interest on the Bonds (or principal portions thereof) called for redemption shall cease to accrue and the owners of such Bonds or portions thereof shall thereafter only be entitled to receive the redemption price thereof upon the presentation and surrender of such Bonds to the Paying Agent;
- (v) in the case of an optional redemption, state that if, for any reason, Metro, not less than five business days prior to the redemption date specified in such notice, does not: (A) cause to be deposited with the Paying Agent funds sufficient to pay the redemption price of the Bonds or portions thereof to which such notice relates, or (B) provide the Paying Agent with reasonable assurance that such funds will be deposited with the Paying Agent not less than one business day prior to the date fixed for redemption, then and in any such event such call for redemption shall be null, void and of no force or effect and the Bonds or portions thereof so called for redemption shall continue to remain outstanding as if such notice and called had never been given or made; and
- (v) set forth such other matters or information as may be required by law or, in the judgment of Metro, be necessary or appropriate.

The Paying Agent shall give such notice of redemption as soon as practicable following the receipt of written direction from Metro to do so; *provided that* the Paying Agent shall not be required to give any such notice of redemption less than 7 business days after written notice thereof is mailed, postage prepaid, or transmitted in written form by telecopy or other electronic means of communication by Metro to the Paying Agent. The Paying Agent shall not have the right to demand, as a condition precedent to the giving of any such notice of redemption that moneys be deposited with the Paying Agent sufficient to pay the redemption price of any Bonds or portions thereof called for redemption, nor shall Metro be required to make any such deposit prior to the giving of any notice of redemption by the Paying Agent to the registered owners of the Bonds.

In the case of an optional redemption, if, for any reason, Metro, not less than five business days prior to the redemption date specified in such notice, does not: (A) cause to be deposited with the Paying Agent funds sufficient to pay the redemption price of the Bonds or portions thereof to which such notice relates, or (B) provide the Paying Agent with reasonable assurance that such funds will be deposited with the Paying Agent not less than one business day prior to the date fixed for redemption, then and in any such event such call for redemption shall be canceled and be null, void and of no force or effect and the Bonds or portions thereof so called for redemption shall continue to remain outstanding as if such notice and called had never been given or made. In any such event, the Paying Agent shall, as soon as practical, cause to be mailed, postage prepaid, to each registered owner of the Bonds or portions thereof which were so called for redemption a written notice of such cancellation.

(f) Partial Redemptions. In the case of a partial redemption and with respect to any Bonds evidenced by a single certificate in a denomination greater than \$5,000, principal portions of such Bonds may be called for redemption in amounts equal to \$5,000 or any integral multiple thereof. In case less than all of the principal portion of a Bond is so called for redemption, then upon presentation and surrender of such Bond to the Paying Agent for payment of the redemption price thereof on or after the date fixed for redemption, Metro shall execute and the Registrar shall authenticate and deliver to the registered owner thereof a new Bond of the same maturity and interest rate in a denomination equal to the unredeemed principal portion of the Bond so surrendered.

If less than all of the outstanding Bonds are to be called for redemption at the option of Metro, Metro shall have the right to specify the particular maturities to be redeemed and the principal amounts of each such maturity. If less than all of the Bonds of a particular maturity are called for redemption, the Registrar shall select, by lot or in such other manner as the Registrar deems fair, the particular Bonds or principal portions thereof to be so redeemed.

(g) Effect of Redemption. If on the date fixed for redemption of any Bonds or portions thereof Metro has deposited or caused to be deposited and set aside with the Paying Agent funds sufficient to pay the redemption price of such Bonds, then and in such event such Bonds or portions thereof shall cease to accrue interest from and after the date fixed for such redemption and shall no longer be deemed to be outstanding or entitled to the security of or any benefits provided by this Resolution or the Act, and Metro shall have no further liability for the payment thereof, and the owners thereof shall only be entitled to payment of the purchase price thereof (without right to any interest thereon from and after the date fixed for redemption) from the moneys held by the Paying Agent for such purpose upon presentation and surrender of such Bonds at the principal corporate trust office of the Paying Agent.

(h) Registered Bonds; Denominations; Form; Execution. The Bonds shall be issued only in fully registered form without coupons in denominations of Five Thousand Dollars (\$5,000) or integral multiples thereof not in excess of the principal amount maturing in any one year. The Bonds shall be issued in substantially the form attached to this Resolution as the Bond Form Appendix, but with such variations, changes, and additions as may be necessary or appropriate and not contrary to, or in violation of, the terms of this Resolution or applicable law.

The Bonds shall be signed on behalf of Metro by means of the manual or facsimile signatures of Metro's Executive Officer and the Presiding Officer of the Metro Council. The manual or facsimile signatures of such officer that appear on the Bonds shall continue to be valid for all purposes notwithstanding the fact that at the time of authentication of a particular Bond either or both officers whose signature so appears on such Bond is no longer holder the office of Executive Officer or Presiding Officer (as the case may be). Metro has not adopted a seal and therefore no seal shall be impressed or imprinted on the Bonds, but the Bonds shall nevertheless be valid and binding for all purposes when signed by the Executive Officer and Presiding Officer and authenticated by the Registrar as provided herein.

(i) Exchange and Transfer. Bonds may be exchanged for an equal principal amount of Bonds of the same maturity and interest rate but which are in different authorized denominations, and Bonds may be transferred to other owners, if the bondowner submits the following to the Registrar:

(i) 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

(ii) the Bonds to be exchanged or transferred.

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 Interest Payment Date; however, such Bonds shall be exchanged or transferred promptly following that Interest Payment Date.

For purposes of this section, Bonds shall be considered submitted to the Registrar on the date the Registrar actually receives the materials described above in this subsection 2(i).

Metro may alter these provisions regarding registration and transfer to conform to market standards by mailing notification of the altered provisions to all bondowners. 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.

Notwithstanding the foregoing provisions, while the Bonds are subject to a Book-Entry System the provisions set forth in Section 2(j) below shall govern the transfer and exchange of beneficial interests in the Bonds.

(j) Provisions for Book-Entry System. The Bonds will initially be subject to a Book-Entry System of ownership and transfer, which Book-Entry System shall continue with respect to the Bonds until such time as the same is discontinued as provided in (iii) below. The general provisions for effecting such Book-Entry System are as follows:

(i) Metro hereby designates The Depository Trust Company, New York, New York, as the initial Securities Depository hereunder.

(ii) Notwithstanding the provisions regarding exchange and transfer of Bonds set forth in this Resolution, the Bonds shall initially be evidenced by one certificate for each maturity (including one certificate for each principal amount due pursuant to a Mandatory Redemption Schedule), in an amount equal to the aggregate principal amount thereof. The Bonds so initially delivered shall be registered in the name of "Cede & Co." as nominee for The Depository Trust Company. The Bonds may not thereafter be transferred or exchanged on the registration books of Metro held by the Registrar except:

(A) to any successor Securities Depository designated pursuant to (iii) below;

(B) to any successor nominee designated by a Securities Depository; or

(C) if Metro shall, by resolution, elect to discontinue the Book-Entry System pursuant to (iii) below, Metro will cause the Registrar to authenticate and deliver replacement Bonds in fully registered form in Authorized Denominations in the names of the beneficial Owners or their nominees; thereafter the provisions of this Resolution regarding registration, transfer and exchange of Bonds shall apply.

(iii) Upon the resignation of any institution acting as Securities Depository hereunder, or if Metro determines that continuation of any institution in the role of Securities Depository is not in the best

interests of the Beneficial Owners, Metro will attempt to identify another institution qualified to act as Securities Depository hereunder or will discontinue the Book-Entry System by resolution. If Metro is unable to identify such successor Securities Depository prior to the effective date of the resignation, Metro shall discontinue the Book-Entry System, as provided in (ii)(C) above.

(iv) So long as the Book-Entry System is used for the Bonds, the Registrar will give any notice of redemption or any other notices required to be given to owners of Bonds only to the Securities Depository or its nominee registered as the owner thereof. Any failure of the Securities Depository to advise any of its Participants, or of any Participant to notify the Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of the Bonds called for redemption or of any other action premised on such notice. Neither Metro nor the Registrar is responsible or liable for the failure of the Securities Depository or any Participant thereof to make any payment or give any notice to a Beneficial Owner in respect of the Bonds or any error or delay relating thereto.

Section 3. Sale of Bonds; Approval of Purchase Agreement; Approval of Preliminary Official Statement; Authorization of and Direction to Executive Officer.

(a) **Sale of Bonds.** The Bonds shall be sold in a negotiated sale to PaineWebber Incorporated pursuant to the Purchase Agreement, *provided that* the Bonds may not be sold for an amount that is less than 98.75% of the aggregate principal amount of the Bonds to be issued plus interest accruing thereon from the date of the Bonds to the date of issuance and delivery thereof.

(b) **Approval of Purchase Agreement.** The form of Purchase Agreement presented to the Council and which has been placed on file with the Clerk of the Council is hereby approved in substantially the form submitted.

(c) **Ratification of Preliminary Official Statement Use.** The distribution by the Underwriter of the Preliminary Official Statement describing the Bonds is hereby ratified.

(d) **Authorization of and Direction to Executive Officer.** Metro's Executive Officer is hereby authorized, empowered and directed, for and on behalf of Metro, to:

(i) **Official Statement:** cause to be prepared, in accordance with the requirements of ORS 287.018, a final official statement in substantially final form describing the Bonds and setting forth such information concerning Metro and the Bonds as may be necessary or appropriate in order to disclose all material information which a prospective investor would need in order to make an informed decision with respect to an investment in the Bonds;

(ii) **Execution and Delivery of Purchase Agreement and Other Documents:** execute and deliver the Purchase Agreement and any other agreement, instrument, certificate or document incidental to the issuance, sale and delivery of the Bonds in accordance with the requirements of ORS 287.014 - ORS 287.026 and the provisions of this Resolution;

(iii) **Final Official Statement:** execute and deliver on behalf of Metro a final official statement describing the Bonds and setting forth such information concerning Metro and the Bonds as may be necessary or appropriate in order to disclose all material information which a prospective investor would need in order to make an informed decision with respect to an investment in the Bonds;

(iv) **Acceptance of Modifications and Amendments:** in her sole discretion, accept and approve any modifications or amendments to any of the instruments or documents necessary or incidental to the issuance and sale of the Bonds including the Purchase Agreement and the Escrow Agreement;

(v) **Establish Principal:** subject to the limitations set forth in Section 2(c) of this Resolution, establish the actual principal amount of the Bonds to be issued, which amount shall be sufficient to make the Escrow Deposit and pay the costs of issuance incurred in connection with the issuance and sale of the Bonds; and

(vi) **Establish Principal Maturities and Interest Rates:** establish:

(A) the principal amount of the Bonds to mature in each year, 1993 through 2013 (inclusive) and the principal amounts of the Bonds to be issued as serial bonds and as term bonds;

(B) with respect to the Bonds to be issued as term bonds, the principal amount of the term bonds of each maturity to be subject to mandatory sinking fund redemption in each year; and

(C) the rate of interest *per annum* to be applicable to the Bonds of each maturity;

provided that the aggregate amount of principal and interest due on the Bonds in any one year shall, insofar as is practical, be as substantially equal; *and provided further that*, in no event shall the true interest cost of the Bonds exceed 7.50%.

The authority of the Executive Officer to determine the terms of the Bonds as provided in subsections (v) and (vi) above shall be exercised by setting forth such terms as so determined and established in a Certificate of Metro's Executive Officer executed in connection with the sale the Bonds and, to the extent so required under applicable law, shall constitute the completion of the determination of such matters by Metro as a public body.

(e) **Direction to Redeem Refunded Bonds; Disposition of Unexpended Proceeds.** In accordance with the requirements of ORS 288.635, the Council hereby irrevocably provides that on December 1, 1997 all then outstanding Refunded Bonds shall be redeemed and the refunding plan prepared by the Executive Officer shall so provide.

The Council does further direct that any unexpended sale proceeds (including unexpended investment earnings thereon) shall be used and applied to pay any rebate owing to the United States of America in connection with the Refunded Bonds, as and when such rebate shall be due and payable, and to the extent not needed for such purpose shall be used and applied for the purpose of financing additional improvements to the Oregon Convention Center.

Section 4. Application of Bond Proceeds; Escrow Agent and Escrow Agreement.

(a) **Application of Bond Proceeds.** Proceeds of the Bonds shall be used and applied as follows:

(i) a portion of the proceeds derived from the issuance and sale of the Bonds shall be used to make the Escrow Deposit with the Escrow Agent pursuant to the Escrow Agreement;

(ii) an amount equal to the accrued interest paid by the original purchaser(s) of the Bonds shall be deposited into the Convention Center Debt Service Fund heretofore established by Metro and used to pay the interest first coming due on the Bonds; and

(iii) the balance of the proceeds derived from the issuance and sale of the Bonds shall be used and applied to pay the costs of issuing the Bonds.

(b) Escrow Agent and Escrow Agreement. First Interstate Bank of Oregon, N.A., Portland, Oregon, is hereby appointed to act as Escrow Agent with respect to the defeasance of the Refunded Bonds by means of the Escrow Deposit, and shall signify its acceptance of the duties of Escrow Agent by executing and delivering the Escrow Agreement described in this subsection.

The Executive Office and Director of Finance and Management Information are hereby directed to cause to be prepared an Escrow Agreement pursuant to which the Escrow Agent shall hold the Escrow Deposit and apply the same for the purpose of paying and redeeming the outstanding Refunding Bonds in accordance with Metro's refunding plan. Such Escrow Agreement shall contain such terms and provisions as are customary in connection with agreements entered into for similar purposes and such other provisions as, in the judgment of the Executive Office and Director of Finance and Management Information, are necessary or appropriate and not inconsistent with, or in violation of, this Resolution and applicable law. The Executive Officer or the Director of Finance and Management Information, or either of them acting individually, are each hereby authorized, empowered and directed, for and on behalf of Metro, to execute and deliver such Escrow Agreement in connection with the issuance and delivery of the Bonds.

Section 5. Security. The Bonds shall constitute general obligations of Metro secured by Metro's full faith and credit and the taxing power of Metro, all as provided in the Act and the Elector Authorization. In accordance with ORS 288.655(2) and 268.500, Metro shall levy annually a direct *ad valorem* tax upon all of the taxable property within Metro in sufficient amount, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and all other moneys reasonably available for the payment of debt service on the Bonds, to pay when due the principal of and interest on the Bonds, and Metro covenants with the holders of the Bonds to levy such a tax annually during each year that any of the Bonds are outstanding. The *ad valorem* taxes to be levied by Metro for the purpose of paying when due the principal of and interest on the Bonds shall be levied and collected outside of, and in addition to, the taxes levied and collected by Metro within its statutory tax base, are not subject to the limitations imposed by Article XI, Section 11b of the Oregon Constitution, and shall be levied in an amount sufficient to pay the Bonds when due without regard to rate or amount.

Section 6. Maintenance of Tax-Exempt Status. Metro hereby covenants and agrees that it will not take any action which would cause the interest on the Bonds to become includable for federal income tax purposes in the gross incomes of the owners thereof, and that Metro will take all reasonable actions within its control necessary in order to ensure that the interest on the Bonds remains excludable for federal income tax purposes from the gross incomes of the owners thereof. In addition, Metro further covenants and agrees that it will not make any use of the proceeds of the Bonds or the Oregon Convention Center to be refinanced with the proceeds of the Bonds which would result in the Bonds being or becoming (a) private activity bonds within the meaning of Section 141(a) of the Internal Revenue Code of 1986, as amended (the "Code") or (b) arbitrage bonds within the meaning of Code Section 148(a). Metro may, in subsequent resolutions of the Council and in the certificates executed and delivered by Metro Manager and the Finance Director of Metro in connection with the issuance and sale of the Bonds, make additional covenants to insure that interest paid on the Bonds will remain excludable for federal income tax purposes from the gross incomes of the owners of the Bonds, in which event such additional covenants shall constitute contracts with the owners of the Bonds.

Section 7. Paying Agent and Registrar; Authentication; Persons Treated as Owners; Registration and Transfer.

(a) Appointment and Duties of Paying Agent and Registrar; Successors and Replacements. First Interstate Bank of Oregon, N.A., Portland, Oregon, is hereby appointed to act as Registrar and Paying Agent with respect to the Bonds. The Paying Agent and Registrar shall perform all duties with respect to the Bonds required of it under this Resolution or customarily provided by persons acting in such capacities, including but not limited to the transmittal of payments on the Bonds the registered owners thereof, the giving of required notices of redemption, the authentication, registration and transfer of Bonds and the maintenance of registration books with respect to the ownership of the Bonds.

Metro may remove any Paying Agent and Registrar by giving written notice thereof to the Paying Agent and Registrar to be so removed, in which event a successor or replacement Paying Agent and Registrar shall be appointed for the Bonds by resolution of Metro Council; *provided that* not less than 45 days prior to the effective date of any such appointment, Metro shall cause to be mailed to the registered owner of each outstanding Bond a written notice specifying the name and address of such successor or replacement and the effective date of such appointment; *and provided further that* no removal of the Paying Agent and Registrar shall be effective until such time as a qualified successor has agreed to act as Paying Agent and Registrar.

Any Paying Agent and Registrar may resign by giving written notice thereof to Metro, in which event a successor or replacement Paying Agent and Registrar shall be appointed for the Bonds by resolution of Metro Council; *provided that* not less than 45 days prior to the effective date of any such appointment, the resigning Paying Agent and Registrar, at its own expense, shall cause to be mailed to the registered owner of each outstanding Bond a written notice specifying the name and address of such successor or replacement and the effective date of such appointment; *and provided further that* no resignation of the Paying Agent and Registrar shall be effective until such time as a qualified successor has agreed to act as Paying Agent and Registrar.

(b) Authentication. No Bond shall be entitled to any right or benefit under this Resolution or any resolutions adopted pursuant to this Resolution unless it shall have been authenticated by an authorized officer of the Registrar. 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 Resolution. The Registrar shall note the date of authentication on each Bond, which date shall be the date on which the bondowner's name is listed on the bond register.

(c) Persons Treated as Owners. The ownership of all Bonds shall be entered in the bond register maintained by the Registrar, and Metro and the Registrar may treat the person listed as owner in the bond register as the owner of the Bond for all purposes.

Section 8. Defeasance. In the event that:

(i) Metro shall cause to be irrevocably deposited with the Paying Agent or any other agent appointed for such purpose, cash or Government Obligations, or both, in an amount sufficient to pay when due the principal of, premium (if any) and interest on the Bonds; and

(ii) Metro shall irrevocably instruct such agent in writing to apply such cash or Government Obligations to the payment when due of the principal of, premium (if any) and interest on the Bonds; and

(iii) if some or all of the Bonds are to be redeemed prior to maturity, Metro shall irrevocably instruct the Paying Agent in writing to call the Bonds for redemption on such date or dates and in such principal amounts as Metro shall specify;

then upon such deposit the Bonds shall be deemed to have been paid in full and no longer be outstanding under this Resolution for any purpose other than the subsequent transfer and exchange of such Bonds as provided herein and the

payment when due of the principal of and interest on such Bonds out of the cash or Government Obligations so deposited, and the Bonds shall thereafter be secured solely and only by the cash or Government Obligations so deposited and the Bonds shall no longer be secured by the full faith and credit of Metro or the taxing powers of Metro.

Section 9. Additional Action. The Council may authorize by subsequent resolution any acts or other matters necessary or appropriate in connection with the issuance, sale, and delivery of the Bonds and the performance by Metro of its covenants and obligations with respect thereto.

Section 10. Additional Authorizations. Metro's Executive Officer, Deputy Executive Officer and Director of Finance and Management Information, and each of them acting individually, are hereby authorized, empowered and directed, for and on behalf of Metro, to do and perform all acts and things necessary or appropriate to issue and sell the Bonds and otherwise implement the provisions of this Resolution, including but not limited to the execution and delivery of such documents, instruments, certificates and agreements as may be necessary or appropriate.

Section 11. Effectiveness of Resolution. This Resolution shall take effect immediately upon its adoption by the Metro Council.

Adopted this 26th day of March, 1992.



*Paulette Allen,
Clerk of Council*

Certification of Resolution

The undersigned do hereby certify that we are the duly elected or appointed, qualified and acting Executive Officer, Presiding Officer of the Council and Clerk of the Council of the Metropolitan Service District, Counties of Multnomah, Clackamas and Washington, State of Oregon; that the foregoing is a true and complete copy of Resolution No. 92-1592 as adopted by the Council of said district at a regular meeting duly called and held in accordance with law on March 26, 1992; and that the following members of the Council voted in favor of said Resolution:

Bauer, Buchanan, Collier, DeJardin, Devlin,
Hansen, McFarland, McLain, Van Bergen,
Washington, Wyers and Gardner

the following members of the Council voted against said Resolution:

None.

and the following member of the Council abstained from voting on said Resolution:

None

In addition, the Executive Officer hereby certifies that the foregoing resolution has not been vetoed thereby.

In witness whereof, the undersigned have hereunto set their hands as of the dates set forth below.



Jim Gardner, Presiding Officer



Paulette Allen, Clerk of the Council

**Bond Form
Appendix**

**COUNTIES OF
MULTNOMAH, CLACKAMAS AND WASHINGTON
STATE OF OREGON
METROPOLITAN SERVICE DISTRICT**

**GENERAL OBLIGATION REFUNDING BOND
(Oregon Convention Center), 1992 Series A**

ORIGINAL ISSUE DATE	INTEREST RATE	MATURITY DATE	CUSIP
March 15, 1992			

REGISTERED OWNER:

PRINCIPAL AMOUNT:

THE METROPOLITAN SERVICE DISTRICT OF THE COUNTIES OF MULTNOMAH, CLACKAMAS AND WASHINGTON, STATE OF OREGON, a municipality, political subdivision and political body corporate and politic duly created and existing under the laws of the State of Oregon ("Metro"), for value received, hereby promises to pay to the Registered Owner specified above on the Maturity Date specified above the Principal Amount specified above, and to pay interest on said Principal Amount at the Interest Rate per annum specified above from the later of the Original Issue Date specified above or the last Interest Payment Date (as herein defined) through which interest has been paid, with all accrued interest to be due and payable semiannually on January 1 and July 1 of each year, commencing July 1, 1992 (each an "Interest Payment Date"). Interest on this Bond shall be paid on each Interest Payment Date by check or draft drawn upon and mailed by Metro's paying agent and registrar (the "Paying Agent" or "Registrar") to the Registered Owner of this Bond at the address thereof, all as shown on the registration books maintained by the Paying Agent as of the 15th day of the month next preceding the Interest Payment Date (the "Record Date"). The Principal Amount of this Bond together with any interest due hereon at maturity shall be paid to the Registered Owner only upon presentation and surrender of this Bond at the principal corporate trust of the Paying Agent on or after the applicable Maturity Date. The principal of and interest on this Bond shall be payable in lawful money of the United States of America which, at the respective date of payment thereof, is legal tender for the payment of public and private debts. Interest on this Bond shall be calculated on the basis of a 360-day year of twelve 30-day months.

ADDITIONAL PROVISIONS OF THIS BOND APPEAR ON THE REVERSE SIDE; THESE PROVISIONS HAVE THE SAME EFFECT AS IF THEY WERE PRINTED ABOVE.

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 and the series of Bonds of which this is one 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 that this Bond and the series of Bonds of which this is one do not exceed any Constitutional or statutory debt limitation applicable to Metro.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Authorizing Legislation (as herein defined) unless and until the certificate of authentication hereon shall have been duly executed by an authorized officer of the Registrar.

IN WITNESS WHEREOF, the Council of the Metropolitan Service District, has caused this Bond to be signed by the facsimile signature of its Executive Officer and attested by the facsimile signature of the Presiding Officer of the Council, all as of the Original Issue Date set forth above.

Rena Cusma, Executive Officer

[SEAL]

ATTEST:

Tanya Collier, Presiding Officer

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Metropolitan Service District General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, issued pursuant to the Authorizing Legislation described herein.

Date of Authentication: _____

First Interstate Bank of Oregon, N.A.

By: _____
Authorized Officer

[Form of Reverse Side of Bond]

This Bond is one of a series of bonds (collectively, the "Bonds") issued by Metro in the aggregate principal amount of \$___,000,000 pursuant to the power conferred on Metro under ORS 268.525, ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, and related provisions of the laws of the State of Oregon (collectively, the "Act"), an approving vote of a majority of the electors of Metro voting at an election duly called and held on November 4, 1986 which authorized the issuance of the Refunded Bonds being refunded and defeased out of the proceeds of the Bonds (the "Elector Authorization") and Resolution No. 92-1592 (the "Resolution") duly adopted by Metro Council at a meeting held on March 26, 1992 (the Act, the Elector Authorization and the Resolution being herein collectively called the "Authorizing Legislation"). All terms used herein and not otherwise defined herein shall have the respective meanings assigned thereto in the Resolution.

The Bonds are being issued for the purpose of refunding, defeasing and redeeming the Refunded Bonds, which Refunded Bonds constitute a part of a series of bonds initially authorized by the electors of Metro pursuant to the Elector Authorization.

The Bonds constitute general obligations of Metro secured by Metro's full faith and credit and the taxing power of Metro, all as provided in the Authorizing Legislation. In accordance with ORS 288.655(2) and 268.500 and the Elector Authorization, Metro shall levy annually a direct *ad valorem* tax on all of the taxable property within Metro in an amount which, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and all other moneys reasonably available for the payment of debt service on the Bonds, will be sufficient to pay when due the principal of and interest on the Bonds, and Metro has covenanted with the owners of the Bonds to levy such a tax annually during each year that any of the Bonds are outstanding. The *ad valorem* taxes to be levied by Metro for the purpose of paying when due the principal of and interest on the Bonds shall be levied and collected outside of, and in addition to, the taxes levied and collected by Metro within its statutory tax base, are not subject to the limitations imposed by Article XI, Section 11b of the Oregon Constitution, and shall be levied in an amount sufficient to pay the Bonds when due without regard to rate or amount.

The Bonds are subject to mandatory and optional redemption prior to maturity, any such redemption to be on such date, in such amounts and at such redemption prices as are set forth in the Resolution.

Notice of any such redemption shall be given to the registered owners of the Bonds to be redeemed in the manner required by the Resolution.

The Bonds are issuable only in the form of fully registered bonds without coupons in the denominations of \$5,000 or any integral multiple thereof not in excess of the principal amount maturing in any one year.

The current Registrar and Paying Agent for the Bonds is First Interstate Bank of Oregon, N.A., Portland, Oregon. In the Authorizing Legislation, Metro has reserved the right to designate a different Paying Agent and Registrar upon not less than 45 days' prior notice mailed to the registered owners of all outstanding Bonds.

This Bond is transferable by the Registered Owner hereof in person or by the Registered Owner's attorney duly authorized in writing only on the registration books maintained by the Registrar upon presentation and surrender of this Bond, duly endorsed for transfer, at the principal corporate trust office of the Registrar. In addition, this Bond may be exchanged for Bonds of the same maturity, interest rate, and aggregate principal amount in any authorized denominations upon presentation and surrender hereof at the principal corporate trust office of the Registrar. As a condition precedent to any such transfer or exchange, the Registered Owner shall be required to pay any applicable governmental tax or charge. The Registrar shall not be required to transfer or exchange any Bonds during the period beginning on the 15th day of the month prior to an Interest Payment Date and ending on such Interest Payment

Date. Metro and the Paying Agent and Registrar may treat the person in whose name this Bond is registered as the absolute owner hereof for all purposes, and neither Metro nor the Paying Agent and Registrar shall be affected by any notice to the contrary.

The rights of the owner of this Bond are in all respects governed by and subject to the terms and conditions set forth in the Authorizing Legislation, to which the owner, by the acceptance of this Bond, consents in all respects.

ASSIGNMENT

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

(Please insert social security or other identifying number of assignee: _____)
the within 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: _____

Signature

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

Signature Guaranteed:

(Bank, Trust Company, or Firm)

Authorized Officer

The following abbreviations, when used in the inscription on the face of the within 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
as custodian under the laws of Oregon for
_____ MIN
(Minor's Name)

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

FINANCE COMMITTEE REPORT

RESOLUTION NO. 92-1592, AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS NOT TO EXCEED \$67,000,000 TO REFUND OUTSTANDING DISTRICT GENERAL OBLIGATION BONDS ISSUED IN 1987 FOR THE OREGON CONVENTION CENTER PROJECT

Date: March 23, 1992

Presented By: Councilor Hansen

COMMITTEE RECOMMENDATION: At it's March 19, 1992 meeting the Committee voted unanimously to recommend Council approval of Resolution No. 92-1592 as amended. All members were present and voting.

COMMITTEE DISCUSSION/ISSUES: Chris Scherer, Finance Supervisor presented the Staff Report. He indicated the purpose of the resolution is to authorize the refunding of the outstanding Convention Center General Obligation Bonds. Because of the current low interest rates the refunding will produce an average annual debt service savings of approximately \$210,000. Mr. Scherer presented several amendments to the Committee which would 1) make certain minor language changes and correct typographical errors; 2) change the date that principal is to be paid from January 1 to January 1 and July 1; and 3) include language which will specify the disposition of the remaining bond proceeds.

In regard to the disposition of existing bond proceeds, Mr. Scherer stated that Federal tax law requires the District to determine how the remaining bond proceeds from the original issue will be spent prior to the refunding. He indicated that there will be approximately \$1.2 million dollars in excess bond proceeds at the time of refunding. He explained the choices for the disposition of the excess proceeds are 1) for construction and improvements at the Convention Center; or 2) for deposit in the refunding escrow account to reduce the borrowing requirement for the refunding bonds. The proposed amendments to the resolution state that the excess proceeds will be used for financing additional improvements to the Oregon Convention Center. He pointed out this recommended choice is consistent with Council policy set during the FY 91-92 Budget process and the Proposed FY 92-93 Budget assumes that the excess proceeds will be combined with other fund balances to fund capital improvements at the Convention Center. Proposed projects include improvements related to the Americans with Disabilities Act and a study and design of additional parking facilities.

The Committee agreed with the proposed amendments.

STAFF REPORT ON RESOLUTION AMENDMENTS

CONSIDERATION OF A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS (OREGON CONVENTION CENTER), 1992 SERIES A, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$67,000,000 FOR THE PURPOSE OF ADVANCE REFUNDING AND REPLACING THE METROPOLITAN SERVICE DISTRICT'S OUTSTANDING GENERAL OBLIGATION BONDS ISSUED IN 1987 TO FINANCE THE ACQUISITION AND CONSTRUCTION OF A REGIONAL CONVENTION AND TRADE SHOW CENTER, AND PROVIDING FOR RELATED MATTERS.

Date: March 19, 1992

Presented by: Jennifer Sims
Christopher Scherer

BACKGROUND AND PROPOSED ACTION

Since submission of the Resolution No. 92-1592, it has become necessary to submit an amended version. The amended resolution contains (1) language specifying the disposition of the remaining bond proceeds (Excess Proceeds) from the original issuance of 1987 Convention Center Bonds, (2) a change in the date that principal is to be paid from January 1 to January 1 and July 1, and (3) certain other minor language changes and the correction of typographical errors.

DISPOSITION OF EXISTING BOND PROCEEDS

Federal tax law requires Metro to make a determination on the disposition of the remaining bond proceeds from the original issuance of 1987 Convention Center Bonds prior to the refunding. Approximately \$1.2 million dollars in Convention Center bond funds (Excess Proceeds) will exist at the time of the refunding. Other balances in the Convention Center Capital Management Fund include amounts for Metro's anticipated arbitrage rebate and LID bond funds. The choices for disposition of the Excess Proceeds (\$1.2 million) are as follows: (1) Metro may use the Excess Proceeds for construction and improvements to the Convention Center, or (2) Metro may deposit the Excess Proceeds to the refunding escrow thus reducing the borrowing requirement for the refunding bonds.

Consistent with Council policy set during the FY 1991-92 budget process, the proposed FY 1992-93 budget assumes that the Excess Proceeds would be combined with other fund balances and used to fund capital improvements at the convention center. Proposed improvements include projects related to Americans with Disabilities Act requirements, a study and design of parking facilities at the convention center made necessary by the planned expansion, and other capital projects.

Staff Report
Resolution No. 92-1592
March 19, 1992
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If Metro deposits the Excess Proceeds in the refunding, it is estimated that the savings in annual debt service would total approximately \$107,000. Tax savings per \$1,000 in assessed property value would be \$0.0023 or \$0.23 per \$100,000 in property value.

The amended Resolution provides that the existing bond proceeds would be used for improvements to the convention center.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of the amended Resolution No. 92-1592.

STAFF REPORT

CONSIDERATION OF A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS (OREGON CONVENTION CENTER), 1992 SERIES A, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$67,000,000 FOR THE PURPOSE OF ADVANCE REFUNDING AND REPLACING THE METROPOLITAN SERVICE DISTRICT'S OUTSTANDING GENERAL OBLIGATION BONDS ISSUED IN 1987 TO FINANCE THE ACQUISITION AND CONSTRUCTION OF A REGIONAL CONVENTION AND TRADE SHOW CENTER, AND PROVIDING FOR RELATED MATTERS.

Date: March 10, 1992

Presented by: Jennifer Sims
Christopher Scherer

BACKGROUND AND PROPOSED ACTION

Resolution No. 92-1572 authorized the Finance and Management Information Department to proceed with plans to advance refund the 1987 General Obligation Convention Center Bonds. The purpose of the advance refunding is to realize savings in total indebtedness and annual debt service that can be passed on to the tax payers in the form of a reduced annual debt levy. Resolution No. 92-1592 authorizes the issuance of the advance refunding bonds.

Current estimates indicate that the advance refunding will result in present value savings of approximately \$2.7 million (4.41% of refunded bonds) and average annual debt service savings of approximately \$210,000. The financing schedule is as follows:

- March 19 Metro Council Finance Committee recommends Council adoption of Resolution No. 92-1592
- March 20 State Treasurer approves preliminary advance refunding plan
- March 20 Preliminary Official Statement distributed to underwriter
- March 23 Underwriter distributes pre-pricing book
- March 24 Ratings received from Moody's and Standard & Poor's
- March 25 Pricing of advance refunding; final refunding sizing
- March 26 Metro Council adopts Resolution No. 92-1592
- March 27 Bond Purchase Agreement signed

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March 10, 1992
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March 31 Final Official Statement to underwriter

April 10 Closing

BUDGET IMPACT

The debt service payment due and budgeted for on June 1, 1992 will be shifted to July 1, 1992. Tax levy collections during FY 1991-92 will be used for the July 1, 1992 payment. Actual changes in FY 1992-93 debt service payments resulting from the advance refunding will be reflected in the FY 1992-93 Approved Budget.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 92-1592.

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March 10, 1992
Page 2

March 31 Final Official Statement to underwriter

April 10 Closing

BUDGET IMPACT

The debt service payment due and budgeted for on June 1, 1992 will be shifted to July 1, 1992. Tax levy collections during FY 1991-92 will be used for the July 1, 1992 payment. Actual changes in FY 1992-93 debt service payments resulting from the advance refunding will be reflected in the FY 1992-93 Approved Budget.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 92-1592.

METROPOLITAN SERVICE DISTRICT

**RESOLUTION NO. 92-1592
OF THE COUNCIL**

A Resolution authorizing the issuance of General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, in the principal amount of not to exceed \$67,000,000 for the purpose of advance refunding and replacing the Metropolitan Service District's outstanding general obligation bonds issued in 1987 to finance the acquisition and construction of a regional convention and trade show center, and providing for related matters.

**Adopted by the Council of the
Metropolitan Service District
on March 26, 1992
Effective on March 26, 1992**

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RESOLUTION NO. 92-1592

A Resolution authorizing the issuance of General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, in the principal amount of not to exceed \$67,000,000 for the purpose of advance refunding and replacing the Metropolitan Service District's outstanding general obligation bonds issued in 1987 to finance the acquisition and construction of a regional convention and trade show center, and providing for related matters.

Section A. Findings. As the preamble to this Resolution, the Council of the Metropolitan Service District, Counties of Multnomah, Clackamas and Washington, State of Oregon ("Metro") hereby recites the matters set forth below in this Section A. To the extent any of the following recitals relates to a finding or determination which must be made by the Council in connection with the subject matter of this Resolution or any aspect thereof, the Council declares that by setting forth such recital such finding or determination is thereby made by the Council. This Section A and the recitals, findings and determinations set forth herein constitute a part of this Resolution.

(1) Political Subdivision. Metro is a municipality and political subdivision organized and existing under and pursuant to the laws of the State of Oregon, particularly Chapter 268 of Oregon Revised Statutes.

(2) The 1987 Bonds. Under and pursuant to ORS 268.520, Metro was and is authorized to issue its general obligation bonds upon the approval of a majority of the electors of Metro voting on the question, subject to the limitations imposed by law. At the general election duly called and held on November 4, 1986, a majority of the electors of Metro voting on the question authorized Metro to issue its general obligation bonds in an aggregate principal amount not to exceed \$65,000,000 (the "Elector Authorization") for the purpose of financing the acquisition and construction of a regional convention and trade show center (the "Convention Center"). Pursuant to the Elector Authorization and Metro Resolution No. 87-767 enacted on June 11, 1987, Metro issued its General Obligation Convention Center Bonds, Series 1987 in an original aggregate principal amount of \$65,000,000 (the "1987 Bonds"), said Convention Center having been heretofore acquired and constructed by Metro with the exception of certain additions and improvements thereto which will be acquired and constructed in due course.

(3) Capital Construction or Improvements. The Convention Center constitutes a "capital construction or improvement" within the meaning of ORS 288.160(1) and 310.140.

(4) Outstanding 1987 Bonds. There remain outstanding 1987 Bonds in the aggregate principal amount of \$60,680,000 maturing or being subject to mandatory sinking fund redemption on December 1 of each year, 1992 through 2012 (inclusive), bearing interest at *per annum* rates ranging from 5.75% to 8.2% and subject to redemption at the option of Metro on December 1, 1997 at a redemption price equal to the principal amount of the 1987 Bonds to be redeemed plus accrued and unpaid interest thereon to the date of redemption.

(5) Payment From Property Taxes. In accordance with the Elector Authorization and as required under State law, Metro levies and collects each year an *ad valorem* tax on all taxable property subject to taxation by Metro in an amount sufficient to pay all amounts coming due on the 1987 Bonds in the year in which such tax is levied, and is required to continue levying and collecting such tax until such time as all amounts owing under the 1987 Bonds have been paid in full. Such tax is levied outside of, and in addition to, the *ad valorem* taxes levied by Metro for other voter authorized purposes, is not subject to the limitations imposed Article XI, Section 11b of the Oregon Constitution and is levied in an amount sufficient to pay the 1987 Bonds when due without regard to rate or amount.

(6) Current Market Interest Rates. The current rates of interest available in the municipal bond markets for tax-exempt bonds having maturities and credit quality substantially the same as the maturities and credit quality of the outstanding 1987 Bonds are significantly lower than the rates of interest borne by the outstanding 1987 Bonds.

(7) Savings to Taxpayers by Issuing Refunding Bonds. In light of the rates of interest currently available, the issuance and sale by Metro of advance refunding bonds for the purpose of refunding, replacing, defeasing and (subject to the limitations on redemption applicable to the 1987 Bonds) redeeming at the earliest practicable date the outstanding 1987 Bonds is in the best interests of Metro and the persons and entities owning property subject to *ad valorem* taxation by Metro. The issuance and sale of such advance refunding bonds will enable Metro to realize aggregate debt service payments on such advance refunding bonds which are significantly lower than the aggregate debt service payments now required to be made with respect to the 1987 Bonds. As a result of such lower aggregate debt service payments, Metro will be able to levy and collect *ad valorem* property taxes to pay such advance refunding bonds in an amount that is significantly less than the amount of *ad valorem* property taxes that will be required to be levied and collected to pay the debt service on the outstanding 1987 Bonds to be so refunded, thereby helping to relieve and diminish the *ad valorem* tax burden on Metro's taxpayers.

(9) Authority to Issue Advance Refunding Bonds. Pursuant and subject to the requirements of ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, and ORS 268.525, Metro is authorized and empowered, without a vote of the electors, to issue and sell advance refunding bonds for the purpose of refunding, replacing, defeasing and redeeming the outstanding 1987 Bonds as described above and as hereinafter set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT AS FOLLOWS:

Section 1. Definitions. As used in this Resolution, the following terms shall have the respective meanings set forth in this Section 1.

"Act" means ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, ORS 268.525 and related provisions of the laws of the State of Oregon affecting, governing or authorizing the issuance of advance refunding bonds for the purpose of refunding outstanding general obligation bonds.

"Authorizing Legislation" means, collectively, the Elector Authorization, the Act and this Resolution.

"Beneficial Owners" shall mean, whenever used with respect to a Bond, the person or entity in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant pursuant to the arrangements for book-entry determination of ownership applicable to the Securities Depository.

"Book-Entry System" shall mean that system whereby the clearance and settlement of securities transactions is made through electronic book-entry changes, thereby eliminating the need of physical movement of securities.

"Bonds" means Metro's General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, authorized to be issued pursuant to Section 2 of this Resolution.

"Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

"Council" means the Council of Metro acting as the duly constituted governing body of Metro in which Metro's legislative powers are vested under law.

"DTC" shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"Elector Authorization" means the approving vote of a majority of the electors of Metro voting on the question at the general election duly called and held on November 4, 1986, wherein said electors authorized Metro to issue and sell the 1987 Bonds for the purposes described in Section A of this Resolution.

"Escrow Agreement" means the agreement to be entered into by and between Metro and the Escrow Agent, which agreement is authorized by this Resolution to be prepared, executed and delivered in connection with the issuance and sale of the Bonds and the refunding and defeasance of the Refunded Bonds.

"Escrow Agent" means First Interstate Bank of Oregon, N.A., a national banking association with its principal corporate trust offices located in Portland, Oregon, acting in its capacity as escrow agent under and pursuant to the Escrow Agreement.

"Escrow Deposit" means the cash and Government Obligations required to be deposited with the Escrow Agent under the Escrow Agreement for the purpose of refunding, replacing, defeasing and redeeming the Refunded Bonds in accordance with the refunding plan of Metro, which deposit shall:

(i) be made from a portion of the proceeds derived from the issuance and sale of the Bonds (by using such proceeds to purchase a sufficient amount of Government Obligations and, to the extent the Government Obligations so purchased are insufficient for the purposes of such deposit, by depositing a portion of such sale proceeds in cash) and from any other lawfully available funds of Metro; and

(ii) be in an amount which, together with the investment earnings derived from such deposit and any cash constituting part of such deposited, will be sufficient to pay all installments of principal, interest and redemption premiums (if any) on the Refunded Bonds when they fall due (whether by stated maturity date or call for redemption) in accordance with the refunding plan of Metro.

"Government Obligations" shall have the meaning assigned to such phrase in ORS 288.605(5).

"Interest Payment Date" means each January 1 and July 1 of each year, commencing July 1, 1992.

"1987 Bonds" means Metro's General Obligation Convention Center Bonds, Series 1987 originally issued in the aggregate principal amount of \$65,000,000 pursuant to the Elector Authorization and applicable law.

"Participant" shall mean a broker-dealer, bank or other financial institution for which DTC holds Bonds as Securities Depository.

"Paying Agent" means the paying agent for the Bonds appointed pursuant to Section 7 of this Resolution, the initial paying agent being First Interstate Bank of Oregon, N.A.

"Purchase Agreement" means the agreement between Metro and PaineWebber Incorporated pursuant to which PaineWebber Incorporated agrees to purchase the Bonds from Metro and Metro agrees to sell to the Bonds to PaineWebber Incorporated.

"Refunded Bonds" means the outstanding 1987 Bonds maturing on December 1 of each year, 1992 through 2012.

"Registrar" means the registrar for the Bonds appointed pursuant to Section 7 of this Resolution, the initial registrar being First Interstate Bank of Oregon, N.A.

"Securities Depository" shall mean, initially, The Depository Trust Company, New York, New York, and its successors and replacement securities depository appointed hereunder.

"Underwriter" means PaineWebber Incorporated as the underwriter for the Bonds pursuant to the Purchase Agreement.

Section 2. The Bonds.

(a) Authorization. Pursuant to and subject to the requirements of the Act, Metro shall issue the Bonds for the purpose of refunding, replacing, defeasing and redeeming the outstanding Refunded Bonds, all as provided in and subject to the limitations hereinafter set forth in this Resolution.

(b) Date of Bonds; Designation. The Bonds shall be dated March 15, 1992. The Bonds shall be designated "Metropolitan Service District General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A."

(c) Aggregate Principal Amount Authorized. The Bonds are hereby authorized to be issued in an aggregate principal amount not to exceed the sum of \$67,000,000, *provided that:*

(i) In accordance with the requirements of ORS 288.645 and 288.160(1)(b), the actual aggregate principal amount of the Bonds issued shall not be in excess of the minimum amount necessary to:

(A) make the Escrow Deposit in an amount sufficient to cause the Bonds to be deemed to replace the Refunded Bonds within the meaning of ORS 288.160(2); and

(B) to pay any amounts charged to Metro as administrative costs, expenses or fees in connection with the authorization, issuance and sale of the Bonds which are permitted to be paid from the proceeds of the Bonds; and

(ii) The actual aggregate principal amount of the Bonds issued shall not be such as to cause to be exceeded the limitations on the amount of general obligation bonds permitted to be issued by Metro as set forth in ORS 268.520, subject however to the applicable provisions of law regarding the manner in which the amount of outstanding general obligation bonds is to be calculated for purposes of such limitations.

(d) Maturity Dates, Interest Rates and Redemption Provisions. The Bonds will mature on January 1 and July 1 of each of the years determined by Metro's Executive Officer pursuant to Section 3 hereof, provided that the first such maturity date shall be January 1, 1993 and the final maturity date shall be January 1, 2013. The principal amount of the Bonds to be issued as term bonds and as serial bonds and the principal amount of such term bonds and serial bonds to mature in each year shall be established by Metro's Executive Officer, in accordance with and subject to the limitations set forth in Section 3 of this Resolution.

The Bonds shall bear interest at such rate or rates as shall be established by Metro's Executive Officer, in accordance with and subject to the limitations set forth in Section 3 of this Resolution, with all accrued interest to be due and payable semiannually on each Interest Payment Date, commencing with the first Interest Payment Date following the issuance and delivery of the Bonds.

The Bonds, if any, which are issued as term bonds (as determined by the Executive Officer pursuant to Section 3 hereof) shall be subject to mandatory redemption on January 1 and July 1 of such years and in such principal amounts as shall be determined by the Executive Officer pursuant to Section 3 hereof, any such redemption to be without premium at a price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued and unpaid interest thereon to the date fixed for redemption.

The Bonds maturing on or after July 1, 2000 shall be subject to redemption prior to maturity at the option of Metro, in whole on any date on or after January 1, 2000 and in part on any Interest Payment Date on or after January 1, 2000, any such redemption to be without premium at a price equal to 100% of the principal amount to be redeemed, plus accrued and unpaid interest thereon to the date fixed for redemption, plus a premium (expressed as a percentage of the principal amount to be redeemed) as set forth in the following table:

Redemption Date:	Premium:
January 1, 2000 through December 31, 2000	2%
January 1, 2001 through December 31, 2001	1%
January 1, 2002 and thereafter	0%

(e) Payment of Principal and Interest. Principal of each Bond shall be paid only on or after the stated maturity date thereof or date fixed for earlier redemption thereof, and then only upon presentation and surrender of such Bond to the Paying Agent at its principal corporate trust office. Interest on each Bond shall be paid on each Interest Payment Date by check or draft drawn upon and mailed by the Paying Agent to the registered owner of such Bond at the address thereof, all as shown on the registration books maintained by the Registrar as of the 15th day of the month next preceding the Interest Payment Date.

(e) Notice of Redemption. Notice of any mandatory or optional redemption of any Bonds shall be given in writing by the Paying Agent and Registrar, in the name of Metro, by first class mail, postage prepaid, to the registered owner of each Bond called for redemption at the registered address thereof, all as shown on the registration books maintained by the Registrar as of the 5th business day next preceding the date of mailing of such notice, any such notice to be mailed not less than 30 nor more than 45 days prior to the date fixed for the redemption of the Bonds to which such notice pertains; *provided that*, so long as the Bonds remain subject to the Book-Entry System, notice of redemption shall be given at the time, to the entity and in the manner required in the letter of representation executed among Metro, the Paying Agent and DTC in connection with the issuance and sale of the Bonds, and no other notice of redemption shall be required to be given.

Each notice of redemption shall:

- (i) identify by number the Bonds (or principal portions thereof) called for redemption;
- (ii) state the redemption price of the Bonds called for redemption, which redemption price may be stated as a percentage of the principal amount thereof called for redemption plus accrued and unpaid interest thereon;
- (iii) state the date fixed for redemption;
- (iv) provide the address of the place at which the Bonds called for redemption must be presented and surrendered to the Paying Agent on or after the date fixed for redemption in order to receive payment of the redemption price thereof;
- (iv) state that from and after the date fixed for redemption, interest on the Bonds (or principal portions thereof) called for redemption shall cease to accrue and the owners of such Bonds or portions thereof shall thereafter only be entitled to receive the redemption price thereof upon the presentation and surrender of such Bonds to the Paying Agent;
- (v) in the case of an optional redemption, state that if, for any reason, Metro, not less than five business days prior to the redemption date specified in such notice, does not: (A) cause to be deposited with the Paying Agent funds sufficient to pay the redemption price of the Bonds or portions thereof to which such notice relates, or (B) provide the Paying Agent with reasonable assurance that such funds will be deposited with the Paying Agent not less than one business day prior to the date fixed for redemption, then and in any such event such call for redemption shall be null, void and of no force or effect and the Bonds or portions thereof so called for redemption shall continue to remain outstanding as if such notice and called had never been given or made; and
- (v) set forth such other matters or information as may be required by law or, in the judgment of Metro, be necessary or appropriate.

The Paying Agent shall give such notice of redemption as soon as practicable following the receipt of written direction from Metro to do so; *provided that* the Paying Agent shall not be required to give any such notice of redemption less than 7 business days after written notice thereof is mailed, postage prepaid, or transmitted in written form by telecopy or other electronic means of communication by Metro to the Paying Agent. The Paying Agent shall not have the right to demand, as a condition precedent to the giving of any such notice of redemption that moneys be deposited with the Paying Agent sufficient to pay the redemption price of any Bonds or portions thereof called for redemption, nor shall Metro be required to make any such deposit prior to the giving of any notice of redemption by the Paying Agent to the registered owners of the Bonds.

In the case of an optional redemption, if, for any reason, Metro, not less than five business days prior to the redemption date specified in such notice, does not: (A) cause to be deposited with the Paying Agent funds sufficient to pay the redemption price of the Bonds or portions thereof to which such notice relates, or (B) provide the Paying Agent with reasonable assurance that such funds will be deposited with the Paying Agent not less than one business day prior to the date fixed for redemption, then and in any such event such call for redemption shall be canceled and be null, void and of no force or effect and the Bonds or portions thereof so called for redemption shall continue to remain outstanding as if such notice and called had never been given or made. In any such event, the Paying Agent shall, as soon as practical, cause to be mailed, postage prepaid, to each registered owner of the Bonds or portions thereof which were so called for redemption a written notice of such cancellation.

(f) Partial Redemptions. In the case of a partial redemption and with respect to any Bonds evidenced by a single certificate in a denomination greater than \$5,000, principal portions of such Bonds may be called for redemption in amounts equal to \$5,000 or any integral multiple thereof. In case less than all of the principal portion of a Bond is so called for redemption, then upon presentation and surrender of such Bond to the Paying Agent for payment of the redemption price thereof on or after the date fixed for redemption, Metro shall execute and the Registrar shall authenticate and deliver to the registered owner thereof a new Bond of the same maturity and interest rate in a denomination equal to the unredeemed principal portion of the Bond so surrendered.

If less than all of the outstanding Bonds are to be called for redemption at the option of Metro, Metro shall have the right to specify the particular maturities to be redeemed and the principal amounts of each such maturity. If less than all of the Bonds of a particular maturity are called for redemption, the Registrar shall select, by lot or in such other manner as the Registrar deems fair, the particular Bonds or principal portions thereof to be so redeemed.

(g) Effect of Redemption. If on the date fixed for redemption of any Bonds or portions thereof Metro has deposited or caused to be deposited and set aside with the Paying Agent funds sufficient to pay the redemption price of such Bonds, then and in such event such Bonds or portions thereof shall cease to accrue interest from and after the date fixed for such redemption and shall no longer be deemed to be outstanding or entitled to the security of or any benefits provided by this Resolution or the Act, and Metro shall have no further liability for the payment thereof, and the owners thereof shall only be entitled to payment of the purchase price thereof (without right to any interest thereon from and after the date fixed for redemption) from the moneys held by the Paying Agent for such purpose upon presentation and surrender of such Bonds at the principal corporate trust office of the Paying Agent.

(h) Registered Bonds; Denominations; Form; Execution. The Bonds shall be issued only in fully registered form without coupons in denominations of Five Thousand Dollars (\$5,000) or integral multiples thereof not in excess of the principal amount maturing in any one year. The Bonds shall be issued in substantially the form attached to this Resolution as the Bond Form Appendix, but with such variations, changes, and additions as may be necessary or appropriate and not contrary to, or in violation of, the terms of this Resolution or applicable law.

The Bonds shall be signed on behalf of Metro by means of the manual or facsimile signatures of Metro's Executive Officer and the Presiding Officer of the Metro Council. The manual or facsimile signatures of such officer that appear on the Bonds shall continue to be valid for all purposes notwithstanding the fact that at the time of authentication of a particular Bond either or both officers whose signature so appears on such Bond is no longer holder the office of Executive Officer or Presiding Officer (as the case may be). Metro has not adopted a seal and therefore no seal shall be impressed or imprinted on the Bonds, but the Bonds shall nevertheless be valid and binding for all purposes when signed by the Executive Officer and Presiding Officer and authenticated by the Registrar as provided herein.

(i) Exchange and Transfer. Bonds may be exchanged for an equal principal amount of Bonds of the same maturity and interest rate but which are in different authorized denominations, and Bonds may be transferred to other owners, if the bondowner submits the following to the Registrar:

(i) 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

(ii) the Bonds to be exchanged or transferred.

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 Interest Payment Date; however, such Bonds shall be exchanged or transferred promptly following that Interest Payment Date.

For purposes of this section, Bonds shall be considered submitted to the Registrar on the date the Registrar actually receives the materials described above in this subsection 2(i).

Metro may alter these provisions regarding registration and transfer to conform to market standards by mailing notification of the altered provisions to all bondowners. 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.

Notwithstanding the foregoing provisions, while the Bonds are subject to a Book-Entry System the provisions set forth in Section 2(j) below shall govern the transfer and exchange of beneficial interests in the Bonds.

(j) Provisions for Book-Entry System. The Bonds will initially be subject to a Book-Entry System of ownership and transfer, which Book-Entry System shall continue with respect to the Bonds until such time as the same is discontinued as provided in (iii) below. The general provisions for effecting such Book-Entry System are as follows:

(i) Metro hereby designates The Depository Trust Company, New York, New York, as the initial Securities Depository hereunder.

(ii) Notwithstanding the provisions regarding exchange and transfer of Bonds set forth in this Resolution, the Bonds shall initially be evidenced by one certificate for each maturity (including one certificate for each principal amount due pursuant to a Mandatory Redemption Schedule), in an amount equal to the aggregate principal amount thereof. The Bonds so initially delivered shall be registered in the name of "Cede & Co." as nominee for The Depository Trust Company. The Bonds may not thereafter be transferred or exchanged on the registration books of Metro held by the Registrar except:

(A) to any successor Securities Depository designated pursuant to (iii) below;

(B) to any successor nominee designated by a Securities Depository; or

(C) if Metro shall, by resolution, elect to discontinue the Book-Entry System pursuant to (iii) below, Metro will cause the Registrar to authenticate and deliver replacement Bonds in fully registered form in Authorized Denominations in the names of the beneficial Owners or their nominees; thereafter the provisions of this Resolution regarding registration, transfer and exchange of Bonds shall apply.

(iii) Upon the resignation of any institution acting as Securities Depository hereunder, or if Metro determines that continuation of any institution in the role of Securities Depository is not in the best

interests of the Beneficial Owners, Metro will attempt to identify another institution qualified to act as Securities Depository hereunder or will discontinue the Book-Entry System by resolution. If Metro is unable to identify such successor Securities Depository prior to the effective date of the resignation, Metro shall discontinue the Book-Entry System, as provided in (ii)(C) above.

(iv) So long as the Book-Entry System is used for the Bonds, the Registrar will give any notice of redemption or any other notices required to be given to owners of Bonds only to the Securities Depository or its nominee registered as the owner thereof. Any failure of the Securities Depository to advise any of its Participants, or of any Participant to notify the Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of the Bonds called for redemption or of any other action premised on such notice. Neither Metro nor the Registrar is responsible or liable for the failure of the Securities Depository or any Participant thereof to make any payment or give any notice to a Beneficial Owner in respect of the Bonds or any error or delay relating thereto.

Section 3. Sale of Bonds; Approval of Purchase Agreement; Approval of Preliminary Official Statement; Authorization of and Direction to Executive Officer.

(a) **Sale of Bonds.** The Bonds shall be sold in a negotiated sale to PaineWebber Incorporated pursuant to the Purchase Agreement, *provided that* the Bonds may not be sold for an amount that is less than 98.75% of the aggregate principal amount of the Bonds to be issued plus interest accruing thereon from the date of the Bonds to the date of issuance and delivery thereof.

(b) **Approval of Purchase Agreement.** The form of Purchase Agreement presented to the Council and which has been placed on file with the Clerk of the Council is hereby approved in substantially the form submitted.

(c) **Ratification of Preliminary Official Statement Use.** The distribution by the Underwriter of the Preliminary Official Statement describing the Bonds is hereby ratified.

(d) **Authorization of and Direction to Executive Officer.** Metro's Executive Officer is hereby authorized, empowered and directed, for and on behalf of Metro, to:

(i) **Official Statement:** cause to be prepared, in accordance with the requirements of ORS 287.018, a final official statement in substantially final form describing the Bonds and setting forth such information concerning Metro and the Bonds as may be necessary or appropriate in order to disclose all material information which a prospective investor would need in order to make an informed decision with respect to an investment in the Bonds;

(ii) **Execution and Delivery of Purchase Agreement and Other Documents:** execute and deliver the Purchase Agreement and any other agreement, instrument, certificate or document incidental to the issuance, sale and delivery of the Bonds in accordance with the requirements of ORS 287.014 - ORS 287.026 and the provisions of this Resolution;

(iii) **Final Official Statement:** execute and deliver on behalf of Metro a final official statement describing the Bonds and setting forth such information concerning Metro and the Bonds as may be necessary or appropriate in order to disclose all material information which a prospective investor would need in order to make an informed decision with respect to an investment in the Bonds;

(iv) Acceptance of Modifications and Amendments: in her sole discretion, accept and approve any modifications or amendments to any of the instruments or documents necessary or incidental to the issuance and sale of the Bonds including the Purchase Agreement and the Escrow Agreement;

(v) Establish Principal: subject to the limitations set forth in Section 2(c) of this Resolution, establish the actual principal amount of the Bonds to be issued, which amount shall be sufficient to make the Escrow Deposit and pay the costs of issuance incurred in connection with the issuance and sale of the Bonds; and

(vi) Establish Principal Maturities and Interest Rates: establish:

(A) the principal amount of the Bonds to mature in each year, 1993 through 2013 (inclusive) and the principal amounts of the Bonds to be issued as serial bonds and as term bonds;

(B) with respect to the Bonds to be issued as term bonds, the principal amount of the term bonds of each maturity to be subject to mandatory sinking fund redemption in each year; and

(C) the rate of interest *per annum* to be applicable to the Bonds of each maturity;

provided that the aggregate amount of principal and interest due on the Bonds in any one year shall, insofar as is practical, be as substantially equal; *and provided further that*, in no event shall the true interest cost of the Bonds exceed 7.50%.

The authority of the Executive Officer to determine the terms of the Bonds as provided in subsections (v) and (vi) above shall be exercised by setting forth such terms as so determined and established in a Certificate of Metro's Executive Officer executed in connection with the sale the Bonds and, to the extent so required under applicable law, shall constitute the completion of the determination of such matters by Metro as a public body.

(e) Direction to Redeem Refunded Bonds; Disposition of Unexpended Proceeds. In accordance with the requirements of ORS 288.635, the Council hereby irrevocably provides that on December 1, 1997 all then outstanding Refunded Bonds shall be redeemed and the refunding plan prepared by the Executive Officer shall so provide.

The Council does further direct that any unexpended sale proceeds (including unexpended investment earnings thereon) shall be used and applied to pay any rebate owing to the United States of America in connection with the Refunded Bonds, as and when such rebate shall be due and payable, and to the extent not needed for such purpose shall be used and applied for the purpose of financing additional improvements to the Oregon Convention Center.

Section 4. Application of Bond Proceeds; Escrow Agent and Escrow Agreement.

(a) Application of Bond Proceeds. Proceeds of the Bonds shall be used and applied as follows:

(i) a portion of the proceeds derived from the issuance and sale of the Bonds shall be used to make the Escrow Deposit with the Escrow Agent pursuant to the Escrow Agreement;

(ii) an amount equal to the accrued interest paid by the original purchaser(s) of the Bonds shall be deposited into the Convention Center Debt Service Fund heretofore established by Metro and used to pay the interest first coming due on the Bonds; and

(iii) the balance of the proceeds derived from the issuance and sale of the Bonds shall be used and applied to pay the costs of issuing the Bonds.

(b) Escrow Agent and Escrow Agreement. First Interstate Bank of Oregon, N.A., Portland, Oregon, is hereby appointed to act as Escrow Agent with respect to the defeasance of the Refunded Bonds by means of the Escrow Deposit, and shall signify its acceptance of the duties of Escrow Agent by executing and delivering the Escrow Agreement described in this subsection.

The Executive Office and Director of Finance and Management Information are hereby directed to cause to be prepared an Escrow Agreement pursuant to which the Escrow Agent shall hold the Escrow Deposit and apply the same for the purpose of paying and redeeming the outstanding Refunding Bonds in accordance with Metro's refunding plan. Such Escrow Agreement shall contain such terms and provisions as are customary in connection with agreements entered into for similar purposes and such other provisions as, in the judgment of the Executive Office and Director of Finance and Management Information, are necessary or appropriate and not inconsistent with, or in violation of, this Resolution and applicable law. The Executive Officer or the Director of Finance and Management Information, or either of them acting individually, are each hereby authorized, empowered and directed, for and on behalf of Metro, to execute and deliver such Escrow Agreement in connection with the issuance and delivery of the Bonds.

Section 5. Security. The Bonds shall constitute general obligations of Metro secured by Metro's full faith and credit and the taxing power of Metro, all as provided in the Act and the Elector Authorization. In accordance with ORS 288.655(2) and 268.500, Metro shall levy annually a direct *ad valorem* tax upon all of the taxable property within Metro in sufficient amount, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and all other moneys reasonably available for the payment of debt service on the Bonds, to pay when due the principal of and interest on the Bonds; and Metro covenants with the holders of the Bonds to levy such a tax annually during each year that any of the Bonds are outstanding. The *ad valorem* taxes to be levied by Metro for the purpose of paying when due the principal of and interest on the Bonds shall be levied and collected outside of, and in addition to, the taxes levied and collected by Metro within its statutory tax base, are not subject to the limitations imposed by Article XI, Section 11b of the Oregon Constitution, and shall be levied in an amount sufficient to pay the Bonds when due without regard to rate or amount.

Section 6. Maintenance of Tax-Exempt Status. Metro hereby covenants and agrees that it will not take any action which would cause the interest on the Bonds to become includable for federal income tax purposes in the gross incomes of the owners thereof, and that Metro will take all reasonable actions within its control necessary in order to ensure that the interest on the Bonds remains excludable for federal income tax purposes from the gross incomes of the owners thereof. In addition, Metro further covenants and agrees that it will not make any use of the proceeds of the Bonds or the Oregon Convention Center to be refinanced with the proceeds of the Bonds which would result in the Bonds being or becoming (a) private activity bonds within the meaning of Section 141(a) of the Internal Revenue Code of 1986, as amended (the "Code") or (b) arbitrage bonds within the meaning of Code Section 148(a). Metro may, in subsequent resolutions of the Council and in the certificates executed and delivered by Metro Manager and the Finance Director of Metro in connection with the issuance and sale of the Bonds, make additional covenants to insure that interest paid on the Bonds will remain excludable for federal income tax purposes from the gross incomes of the owners of the Bonds, in which event such additional covenants shall constitute contracts with the owners of the Bonds.

Section 7. Paying Agent and Registrar; Authentication; Persons Treated as Owners; Registration and Transfer.

(a) Appointment and Duties of Paying Agent and Registrar; Successors and Replacements. First Interstate Bank of Oregon, N.A., Portland, Oregon, is hereby appointed to act as Registrar and Paying Agent with respect to the Bonds. The Paying Agent and Registrar shall perform all duties with respect to the Bonds required of it under this Resolution or customarily provided by persons acting in such capacities, including but not limited to the transmittal of payments on the Bonds the registered owners thereof, the giving of required notices of redemption, the authentication, registration and transfer of Bonds and the maintenance of registration books with respect to the ownership of the Bonds.

Metro may remove any Paying Agent and Registrar by giving written notice thereof to the Paying Agent and Registrar to be so removed, in which event a successor or replacement Paying Agent and Registrar shall be appointed for the Bonds by resolution of Metro Council; *provided that* not less than 45 days prior to the effective date of any such appointment, Metro shall cause to be mailed to the registered owner of each outstanding Bond a written notice specifying the name and address of such successor or replacement and the effective date of such appointment; *and provided further that* no removal of the Paying Agent and Registrar shall be effective until such time as a qualified successor has agreed to act as Paying Agent and Registrar.

Any Paying Agent and Registrar may resign by giving written notice thereof to Metro, in which event a successor or replacement Paying Agent and Registrar shall be appointed for the Bonds by resolution of Metro Council; *provided that* not less than 45 days prior to the effective date of any such appointment, the resigning Paying Agent and Registrar, at its own expense, shall cause to be mailed to the registered owner of each outstanding Bond a written notice specifying the name and address of such successor or replacement and the effective date of such appointment; *and provided further that* no resignation of the Paying Agent and Registrar shall be effective until such time as a qualified successor has agreed to act as Paying Agent and Registrar.

(b) Authentication. No Bond shall be entitled to any right or benefit under this Resolution or any resolutions adopted pursuant to this Resolution unless it shall have been authenticated by an authorized officer of the Registrar. 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 Resolution. The Registrar shall note the date of authentication on each Bond, which date shall be the date on which the bondowner's name is listed on the bond register.

(c) Persons Treated as Owners. The ownership of all Bonds shall be entered in the bond register maintained by the Registrar, and Metro and the Registrar may treat the person listed as owner in the bond register as the owner of the Bond for all purposes.

Section 8. Defeasance. In the event that:

(i) Metro shall cause to be irrevocably deposited with the Paying Agent or any other agent appointed for such purpose, cash or Government Obligations, or both, in an amount sufficient to pay when due the principal of, premium (if any) and interest on the Bonds; and

(ii) Metro shall irrevocably instruct such agent in writing to apply such cash or Government Obligations to the payment when due of the principal of, premium (if any) and interest on the Bonds; and

(iii) if some or all of the Bonds are to be redeemed prior to maturity, Metro shall irrevocably instruct the Paying Agent in writing to call the Bonds for redemption on such date or dates and in such principal amounts as Metro shall specify;

then upon such deposit the Bonds shall be deemed to have been paid in full and no longer be outstanding under this Resolution for any purpose other than the subsequent transfer and exchange of such Bonds as provided herein and the

payment when due of the principal of and interest on such Bonds out of the cash or Government Obligations so deposited, and the Bonds shall thereafter be secured solely and only by the cash or Government Obligations so deposited and the Bonds shall no longer be secured by the full faith and credit of Metro or the taxing powers of Metro.

Section 9. Additional Action. The Council may authorize by subsequent resolution any acts or other matters necessary or appropriate in connection with the issuance, sale, and delivery of the Bonds and the performance by Metro of its covenants and obligations with respect thereto.

Section 10. Additional Authorizations. Metro's Executive Officer, Deputy Executive Officer and Director of Finance and Management Information, and each of them acting individually, are hereby authorized, empowered and directed, for and on behalf of Metro, to do and perform all acts and things necessary or appropriate to issue and sell the Bonds and otherwise implement the provisions of this Resolution, including but not limited to the execution and delivery of such documents, instruments, certificates and agreements as may be necessary or appropriate.

Section 11. Effectiveness of Resolution. This Resolution shall take effect immediately upon its adoption by the Metro Council.

Adopted this 26th day of March, 1992.

*Paulette Allen,
Clerk of Council*

Certification of Resolution

The undersigned do hereby certify that we are the duly elected or appointed, qualified and acting Executive Officer, Presiding Officer of the Council and Clerk of the Council of the Metropolitan Service District, Counties of Multnomah, Clackamas and Washington, State of Oregon; that the foregoing is a true and complete copy of Resolution No. 92-1592 as adopted by the Council of said district at a regular meeting duly called and held in accordance with law on March 26, 1992; and that the following members of the Council voted in favor of said Resolution:

the following members of the Council voted against said Resolution:

and the following member of the Council abstained from voting on said Resolution:

In addition, the Executive Officer hereby certifies that the foregoing resolution has not been vetoed thereby.

In witness whereof, the undersigned have hereunto set their hands as of the dates set forth below.

Tanya Collier, Presiding Officer

Paulette Allen, Clerk of the Council

The undersigned Executive Officer hereby certifies that the foregoing Ordinance has not been vetoed.

Rena Cusma, Executive Officer

Date: _____, 1992

**Bond Form
Appendix**

**COUNTIES OF
MULTNOMAH, CLACKAMAS AND WASHINGTON
STATE OF OREGON
METROPOLITAN SERVICE DISTRICT**

**GENERAL OBLIGATION REFUNDING BOND
(Oregon Convention Center), 1992 Series A**

ORIGINAL ISSUE DATE	INTEREST RATE	MATURITY DATE	CUSIP
March 15, 1992			

REGISTERED OWNER:

PRINCIPAL AMOUNT:

THE METROPOLITAN SERVICE DISTRICT OF THE COUNTIES OF MULTNOMAH, CLACKAMAS AND WASHINGTON, STATE OF OREGON, a municipality, political subdivision and political body corporate and politic duly created and existing under the laws of the State of Oregon ("Metro"), for value received, hereby promises to pay to the Registered Owner specified above on the Maturity Date specified above the Principal Amount specified above, and to pay interest on said Principal Amount at the Interest Rate per annum specified above from the later of the Original Issue Date specified above or the last Interest Payment Date (as herein defined) through which interest has been paid, with all accrued interest to be due and payable semiannually on January 1 and July 1 of each year, commencing July 1, 1992 (each an "Interest Payment Date"). Interest on this Bond shall be paid on each Interest Payment Date by check or draft drawn upon and mailed by Metro's paying agent and registrar (the "Paying Agent" or "Registrar") to the Registered Owner of this Bond at the address thereof, all as shown on the registration books maintained by the Paying Agent as of the 15th day of the month next preceding the Interest Payment Date (the "Record Date"). The Principal Amount of this Bond together with any interest due hereon at maturity shall be paid to the Registered Owner only upon presentation and surrender of this Bond at the principal corporate trust of the Paying Agent on or after the applicable Maturity Date. The principal of and interest on this Bond shall be payable in lawful money of the United States of America which, at the respective date of payment thereof, is legal tender for the payment of public and private debts. Interest on this Bond shall be calculated on the basis of a 360-day year of twelve 30-day months.

ADDITIONAL PROVISIONS OF THIS BOND APPEAR ON THE REVERSE SIDE; THESE PROVISIONS HAVE THE SAME EFFECT AS IF THEY WERE PRINTED ABOVE.

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 and the series of Bonds of which this is one 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 that this Bond and the series of Bonds of which this is one do not exceed any Constitutional or statutory debt limitation applicable to Metro.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Authorizing Legislation (as herein defined) unless and until the certificate of authentication hereon shall have been duly executed by an authorized officer of the Registrar.

IN WITNESS WHEREOF, the Council of the Metropolitan Service District, has caused this Bond to be signed by the facsimile signature of its Executive Officer and attested by the facsimile signature of the Presiding Officer of the Council, all as of the Original Issue Date set forth above.

Rena Cusma, Executive Officer

[SEAL]

ATTEST:

Tanya Collier, Presiding Officer

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Metropolitan Service District General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, issued pursuant to the Authorizing Legislation described herein.

Date of Authentication: _____

First Interstate Bank of Oregon, N.A.

By: _____
Authorized Officer

[Form of Reverse Side of Bond]

This Bond is one of a series of bonds (collectively, the "Bonds") issued by Metro in the aggregate principal amount of \$___,000,000 pursuant to the power conferred on Metro under ORS 268.525, ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, and related provisions of the laws of the State of Oregon (collectively, the "Act"), an approving vote of a majority of the electors of Metro voting at an election duly called and held on November 4, 1986 which authorized the issuance of the Refunded Bonds being refunded and defeased out of the proceeds of the Bonds (the "Elector Authorization") and Resolution No. 92-1592 (the "Resolution") duly adopted by Metro Council at a meeting held on March 26, 1992 (the Act, the Elector Authorization and the Resolution being herein collectively called the "Authorizing Legislation"). All terms used herein and not otherwise defined herein shall have the respective meanings assigned thereto in the Resolution.

The Bonds are being issued for the purpose of refunding, defeasing and redeeming the Refunded Bonds, which Refunded Bonds constitute a part of a series of bonds initially authorized by the electors of Metro pursuant to the Elector Authorization.

The Bonds constitute general obligations of Metro secured by Metro's full faith and credit and the taxing power of Metro, all as provided in the Authorizing Legislation. In accordance with ORS 288.655(2) and 268.500 and the Elector Authorization, Metro shall levy annually a direct *ad valorem* tax on all of the taxable property within Metro in an amount which, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and all other moneys reasonably available for the payment of debt service on the Bonds, will be sufficient to pay when due the principal of and interest on the Bonds, and Metro has covenanted with the owners of the Bonds to levy such a tax annually during each year that any of the Bonds are outstanding. The *ad valorem* taxes to be levied by Metro for the purpose of paying when due the principal of and interest on the Bonds shall be levied and collected outside of, and in addition to, the taxes levied and collected by Metro within its statutory tax base, are not subject to the limitations imposed by Article XI, Section 11b of the Oregon Constitution, and shall be levied in an amount sufficient to pay the Bonds when due without regard to rate or amount.

The Bonds are subject to mandatory and optional redemption prior to maturity, any such redemption to be on such date, in such amounts and at such redemption prices as are set forth in the Resolution.

Notice of any such redemption shall be given to the registered owners of the Bonds to be redeemed in the manner required by the Resolution.

The Bonds are issuable only in the form of fully registered bonds without coupons in the denominations of \$5,000 or any integral multiple thereof not in excess of the principal amount maturing in any one year.

The current Registrar and Paying Agent for the Bonds is First Interstate Bank of Oregon, N.A., Portland, Oregon. In the Authorizing Legislation, Metro has reserved the right to designate a different Paying Agent and Registrar upon not less than 45 days' prior notice mailed to the registered owners of all outstanding Bonds.

This Bond is transferable by the Registered Owner hereof in person or by the Registered Owner's attorney duly authorized in writing only on the registration books maintained by the Registrar upon presentation and surrender of this Bond, duly endorsed for transfer, at the principal corporate trust office of the Registrar. In addition, this Bond may be exchanged for Bonds of the same maturity, interest rate, and aggregate principal amount in any authorized denominations upon presentation and surrender hereof at the principal corporate trust office of the Registrar. As a condition precedent to any such transfer or exchange, the Registered Owner shall be required to pay any applicable governmental tax or charge. The Registrar shall not be required to transfer or exchange any Bonds during the period beginning on the 15th day of the month prior to an Interest Payment Date and ending on such Interest Payment

Date. Metro and the Paying Agent and Registrar may treat the person in whose name this Bond is registered as the absolute owner hereof for all purposes, and neither Metro nor the Paying Agent and Registrar shall be affected by any notice to the contrary.

The rights of the owner of this Bond are in all respects governed by and subject to the terms and conditions set forth in the Authorizing Legislation, to which the owner, by the acceptance of this Bond, consents in all respects.

ASSIGNMENT

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

(Please insert social security or other identifying number of assignee: _____)
the within 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: _____

Signature

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

Signature Guaranteed:

(Bank, Trust Company, or Firm)

Authorized Officer

The following abbreviations, when used in the inscription on the face of the within 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
as custodian under the laws of Oregon for
_____ MIN
(Minor's Name)

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

METROPOLITAN SERVICE DISTRICT

**RESOLUTION NO. 92-1592
OF THE COUNCIL**

A Resolution authorizing the issuance of General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, in the principal amount of not to exceed \$67,000,000 for the purpose of advance refunding and replacing the Metropolitan Service District's outstanding general obligation bonds issued in 1987 to finance the acquisition and construction of a regional convention and trade show center, and providing for related matters.

**Adopted by the Council of the
Metropolitan Service District
on March 26, 1992
Effective on March 26, 1992**

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RESOLUTION NO. 92-1592

A Resolution authorizing the issuance of General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, in the principal amount of not to exceed \$67,000,000 for the purpose of advance refunding and replacing the Metropolitan Service District's outstanding general obligation bonds issued in 1987 to finance the acquisition and construction of a regional convention and trade show center, and providing for related matters.

Section A. Findings. As the preamble to this Resolution, the Council of the Metropolitan Service District, Counties of Multnomah, Clackamas and Washington, State of Oregon ("Metro") hereby recites the matters set forth below in this Section A. To the extent any of the following recitals relates to a finding or determination which must be made by the Council in connection with the subject matter of this Resolution or any aspect thereof, the Council declares that by setting forth such recital such finding or determination is thereby made by the Council. This Section A and the recitals, findings and determinations set forth herein constitute a part of this Resolution.

(1) Political Subdivision. Metro is a municipality and political subdivision organized and existing under and pursuant to the laws of the State of Oregon, particularly Chapter 268 of Oregon Revised Statutes.

(2) The 1987 Bonds. Under and pursuant to ORS 268.520, Metro was and is authorized to issue its general obligation bonds upon the approval of a majority of the electors of Metro voting on the question, subject to the limitations imposed by law. At the general election duly called and held on November 4, 1986, a majority of the electors of Metro voting on the question authorized Metro to issue its general obligation bonds in an aggregate principal amount not to exceed \$65,000,000 (the "Elector Authorization") for the purpose of financing the acquisition and construction of a regional convention and trade show center (the "Convention Center"). Pursuant to the Elector Authorization and Metro Resolution No. 87-767 enacted on June 11, 1987, Metro issued its General Obligation Convention Center Bonds, Series 1987 in an original aggregate principal amount of \$65,000,000 (the "1987 Bonds"), said Convention Center having been heretofore acquired and constructed by Metro with the exception of certain additions and improvements thereto which will be acquired and constructed in due course.

(3) Capital Construction or Improvements. The Convention Center constitutes a "capital construction or improvement" within the meaning of ORS 288.160(1) and 310.140.

(4) Outstanding 1987 Bonds. There remain outstanding 1987 Bonds in the aggregate principal amount of \$60,680,000 maturing or being subject to mandatory sinking fund redemption on December 1 of each year, 1992 through 2012 (inclusive), bearing interest at *per annum* rates ranging from 5.75% to 8.2% and subject to redemption at the option of Metro on December 1, 1997 at a redemption price equal to the principal amount of the 1987 Bonds to be redeemed plus accrued and unpaid interest thereon to the date of redemption.

(5) Payment From Property Taxes. In accordance with the Elector Authorization and as required under State law, Metro levies and collects each year an *ad valorem* tax on all taxable property subject to taxation by Metro in an amount sufficient to pay all amounts coming due on the 1987 Bonds in the year in which such tax is levied, and is required to continue levying and collecting such tax until such time as all amounts owing under the 1987 Bonds have been paid in full. Such tax is levied outside of, and in addition to, the *ad valorem* taxes levied by Metro for other voter authorized purposes, is not subject to the limitations imposed Article XI, Section 11b of the Oregon Constitution and is levied in an amount sufficient to pay the 1987 Bonds when due without regard to rate or amount.

(6) Current Market Interest Rates. The current rates of interest available in the municipal bond markets for tax-exempt bonds having maturities and credit quality substantially the same as the maturities and credit quality of the outstanding 1987 Bonds are significantly lower than the rates of interest borne by the outstanding 1987 Bonds.

(7) Savings to Taxpayers by Issuing Refunding Bonds. In light of the rates of interest currently available, the issuance and sale by Metro of advance refunding bonds for the purpose of refunding, replacing, defeasing and (subject to the limitations on redemption applicable to the 1987 Bonds) redeeming at the earliest practicable date the outstanding 1987 Bonds is in the best interests of Metro and the persons and entities owning property subject to *ad valorem* taxation by Metro. The issuance and sale of such advance refunding bonds will enable Metro to realize aggregate debt service payments on such advance refunding bonds which are significantly lower than the aggregate debt service payments now required to be made with respect to the 1987 Bonds. As a result of such lower aggregate debt service payments, Metro will be able to levy and collect *ad valorem* property taxes to pay such advance refunding bonds in an amount that is significantly less than the amount of *ad valorem* property taxes that will be required to be levied and collected to pay the debt service on the outstanding 1987 Bonds to be so refunded, thereby helping to relieve and diminish the *ad valorem* tax burden on Metro's taxpayers.

(9) Authority to Issue Advance Refunding Bonds. Pursuant and subject to the requirements of ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, and ORS 268.525, Metro is authorized and empowered, without a vote of the electors, to issue and sell advance refunding bonds for the purpose of refunding, replacing, defeasing and redeeming the outstanding 1987 Bonds as described above and as hereinafter set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT AS FOLLOWS:

Section 1. Definitions. As used in this Resolution, the following terms shall have the respective meanings set forth in this Section 1.

"Act" means ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, ORS 268.525 and related provisions of the laws of the State of Oregon affecting, governing or authorizing the issuance of advance refunding bonds for the purpose of refunding outstanding general obligation bonds.

"Authorizing Legislation" means, collectively, the Elector Authorization, the Act and this Resolution.

"Beneficial Owners" shall mean, whenever used with respect to a Bond, the person or entity in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant pursuant to the arrangements for book-entry determination of ownership applicable to the Securities Depository.

"Book-Entry System" shall mean that system whereby the clearance and settlement of securities transactions is made through electronic book-entry changes, thereby eliminating the need of physical movement of securities.

"Bonds" means Metro's General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, authorized to be issued pursuant to Section 2 of this Resolution.

"Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

"Council" means the Council of Metro acting as the duly constituted governing body of Metro in which Metro's legislative powers are vested under law.

"DTC" shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"Elector Authorization" means the approving vote of a majority of the electors of Metro voting on the question at the general election duly called and held on November 4, 1986, wherein said electors authorized Metro to issue and sell the 1987 Bonds for the purposes described in Section A of this Resolution.

"Escrow Agreement" means the agreement to be entered into by and between Metro and the Escrow Agent, which agreement is authorized by this Resolution to be prepared, executed and delivered in connection with the issuance and sale of the Bonds and the refunding and defeasance of the Refunded Bonds.

"Escrow Agent" means First Interstate Bank of Oregon, N.A., a national banking association with its principal corporate trust offices located in Portland, Oregon, acting in its capacity as escrow agent under and pursuant to the Escrow Agreement.

"Escrow Deposit" means the cash and Government Obligations required to be deposited with the Escrow Agent under the Escrow Agreement for the purpose of refunding, replacing, defeasing and redeeming the Refunded Bonds in accordance with the refunding plan of Metro, which deposit shall:

(i) be made from a portion of the proceeds derived from the issuance and sale of the Bonds (by using such proceeds to purchase a sufficient amount of Government Obligations and, to the extent the Government Obligations so purchased are insufficient for the purposes of such deposit, by depositing a portion of such sale proceeds in cash) and from any other lawfully available funds of Metro; and

(ii) be in an amount which, together with the investment earnings derived from such deposit and any cash constituting part of such deposited, will be sufficient to pay all installments of principal, interest and redemption premiums (if any) on the Refunded Bonds when they fall due (whether by stated maturity date or call for redemption) in accordance with the refunding plan of Metro.

"Government Obligations" shall have the meaning assigned to such phrase in ORS 299.605(5).

"Interest Payment Date" means each January 1 and July 1 of each year, commencing July 1, 1992.

"1987 Bonds" means Metro's General Obligation Convention Center Bonds, Series 1987 originally issued in the aggregate principal amount of \$65,000,000 pursuant to the Elector Authorization and applicable law.

"Participant" shall mean a broker-dealer, bank or other financial institution for which DTC holds Bonds as Securities Depository.

"Paying Agent" means the paying agent for the Bonds appointed pursuant to Section 7 of this Resolution, the initial paying agent being First Interstate Bank of Oregon, N.A.

"Purchase Agreement" means the agreement between Metro and PaineWebber Incorporated pursuant to which PaineWebber Incorporated agrees to purchase the Bonds from Metro and Metro agrees to sell to the Bonds to PaineWebber Incorporated.

"Refunded Bonds" means the outstanding 1987 Bonds maturing on December 1 of each year, 1992 through 2012.

"Registrar" means the registrar for the Bonds appointed pursuant to Section 7 of this Resolution, the initial registrar being First Interstate Bank of Oregon, N.A.

"Securities Depository" shall mean, initially, The Depository Trust Company, New York, New York, and its successors and replacement securities depository appointed hereunder.

"Underwriter" means PaineWebber Incorporated as the underwriter for the Bonds pursuant to the Purchase Agreement.

Section 2. The Bonds.

(a) **Authorization.** Pursuant to and subject to the requirements of the Act, Metro shall issue the Bonds for the purpose of refunding, replacing, defeasing and redeeming the outstanding Refunded Bonds, all as provided in and subject to the limitations hereinafter set forth in this Resolution.

(b) **Date of Bonds; Designation.** The Bonds shall be dated March 15, 1992. The Bonds shall be designated "Metropolitan Service District General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A."

(c) **Aggregate Principal Amount Authorized.** The Bonds are hereby authorized to be issued in an aggregate principal amount not to exceed the sum of \$67,000,000, *provided that:*

(i) In accordance with the requirements of ORS 288.645 and 288.160(1)(b), the actual aggregate principal amount of the Bonds issued shall not be in excess of the minimum amount necessary to:

(A) make the Escrow Deposit in an amount sufficient to cause the Bonds to be deemed to replace the Refunded Bonds within the meaning of ORS 288.160(2); and

(B) to pay any amounts charged to Metro as administrative costs, expenses or fees in connection with the authorization, issuance and sale of the Bonds which are permitted to be paid from the proceeds of the Bonds; and

(ii) The actual aggregate principal amount of the Bonds issued shall not be such as to cause to be exceeded the limitations on the amount of general obligation bonds permitted to be issued by Metro as set forth in ORS 268.520, subject however to the applicable provisions of law regarding the manner in which the amount of outstanding general obligation bonds is to be calculated for purposes of such limitations.

(d) Maturity Dates, Interest Rates and Redemption Provisions. The Bonds will mature on January 1 and July 1 of each of the years determined by Metro's Executive Officer pursuant to Section 3 hereof, provided that the first such maturity date shall be January 1, 1993 and the final maturity date shall be January 1, 2013. The principal amount of the Bonds to be issued as term bonds and as serial bonds and the principal amount of such term bonds and serial bonds to mature in each year shall be established by Metro's Executive Officer, in accordance with and subject to the limitations set forth in Section 3 of this Resolution.

The Bonds shall bear interest at such rate or rates as shall be established by Metro's Executive Officer, in accordance with and subject to the limitations set forth in Section 3 of this Resolution, with all accrued interest to be due and payable semiannually on each Interest Payment Date, commencing with the first Interest Payment Date following the issuance and delivery of the Bonds.

The Bonds, if any, which are issued as term bonds (as determined by the Executive Officer pursuant to Section 3 hereof) shall be subject to mandatory redemption on January 1 and July 1 of such years and in such principal amounts as shall be determined by the Executive Officer pursuant to Section 3 hereof, any such redemption to be without premium at a price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued and unpaid interest thereon to the date fixed for redemption.

The Bonds maturing on or after July 1, 2000 shall be subject to redemption prior to maturity at the option of Metro, in whole on any date on or after January 1, 2000 and in part on any Interest Payment Date on or after January 1, 2000, any such redemption to be without premium at a price equal to 100% of the principal amount to be redeemed, plus accrued and unpaid interest thereon to the date fixed for redemption, plus a premium (expressed as a percentage of the principal amount to be redeemed) as set forth in the following table:

Redemption Date:	Premium:
January 1, 2000 through December 31, 2000	2%
January 1, 2001 through December 31, 2001	1%
January 1, 2002 and thereafter	0%

(e) Payment of Principal and Interest. Principal of each Bond shall be paid only on or after the stated maturity date thereof or date fixed for earlier redemption thereof, and then only upon presentation and surrender of such Bond to the Paying Agent at its principal corporate trust office. Interest on each Bond shall be paid on each Interest Payment Date by check or draft drawn upon and mailed by the Paying Agent to the registered owner of such Bond at the address thereof, all as shown on the registration books maintained by the Registrar as of the 15th day of the month next preceding the Interest Payment Date.

(e) Notice of Redemption. Notice of any mandatory or optional redemption of any Bonds shall be given in writing by the Paying Agent and Registrar, in the name of Metro, by first class mail, postage prepaid, to the registered owner of each Bond called for redemption at the registered address thereof, all as shown on the registration books maintained by the Registrar as of the 5th business day next preceding the date of mailing of such notice, any such notice to be mailed not less than 30 nor more than 45 days prior to the date fixed for the redemption of the Bonds to which such notice pertains; *provided that*, so long as the Bonds remain subject to the Book-Entry System, notice of redemption shall be given at the time, to the entity and in the manner required in the letter of representation executed among Metro, the Paying Agent and DTC in connection with the issuance and sale of the Bonds, and no other notice of redemption shall be required to be given.

Each notice of redemption shall:

- (i) identify by number the Bonds (or principal portions thereof) called for redemption;
- (ii) state the redemption price of the Bonds called for redemption, which redemption price may be stated as a percentage of the principal amount thereof called for redemption plus accrued and unpaid interest thereon;
- (iii) state the date fixed for redemption;
- (iv) provide the address of the place at which the Bonds called for redemption must be presented and surrendered to the Paying Agent on or after the date fixed for redemption in order to receive payment of the redemption price thereof;
- (iv) state that from and after the date fixed for redemption, interest on the Bonds (or principal portions thereof) called for redemption shall cease to accrue and the owners of such Bonds or portions thereof shall thereafter only be entitled to receive the redemption price thereof upon the presentation and surrender of such Bonds to the Paying Agent;
- (v) in the case of an optional redemption, state that if, for any reason, Metro, not less than five business days prior to the redemption date specified in such notice, does not: (A) cause to be deposited with the Paying Agent funds sufficient to pay the redemption price of the Bonds or portions thereof to which such notice relates, or (B) provide the Paying Agent with reasonable assurance that such funds will be deposited with the Paying Agent not less than one business day prior to the date fixed for redemption, then and in any such event such call for redemption shall be null, void and of no force or effect and the Bonds or portions thereof so called for redemption shall continue to remain outstanding as if such notice and called had never been given or made; and
- (v) set forth such other matters or information as may be required by law or, in the judgment of Metro, be necessary or appropriate.

The Paying Agent shall give such notice of redemption as soon as practicable following the receipt of written direction from Metro to do so; *provided that* the Paying Agent shall not be required to give any such notice of redemption less than 7 business days after written notice thereof is mailed, postage prepaid, or transmitted in written form by telecopy or other electronic means of communication by Metro to the Paying Agent. The Paying Agent shall not have the right to demand, as a condition precedent to the giving of any such notice of redemption that moneys be deposited with the Paying Agent sufficient to pay the redemption price of any Bonds or portions thereof called for redemption, nor shall Metro be required to make any such deposit prior to the giving of any notice of redemption by the Paying Agent to the registered owners of the Bonds.

In the case of an optional redemption, if, for any reason, Metro, not less than five business days prior to the redemption date specified in such notice, does not: (A) cause to be deposited with the Paying Agent funds sufficient to pay the redemption price of the Bonds or portions thereof to which such notice relates, or (B) provide the Paying Agent with reasonable assurance that such funds will be deposited with the Paying Agent not less than one business day prior to the date fixed for redemption, then and in any such event such call for redemption shall be canceled and be null, void and of no force or effect and the Bonds or portions thereof so called for redemption shall continue to remain outstanding as if such notice and called had never been given or made. In any such event, the Paying Agent shall, as soon as practical, cause to be mailed, postage prepaid, to each registered owner of the Bonds or portions thereof which were so called for redemption a written notice of such cancellation.

(f) Partial Redemptions. In the case of a partial redemption and with respect to any Bonds evidenced by a single certificate in a denomination greater than \$5,000, principal portions of such Bonds may be called for redemption in amounts equal to \$5,000 or any integral multiple thereof. In case less than all of the principal portion of a Bond is so called for redemption, then upon presentation and surrender of such Bond to the Paying Agent for payment of the redemption price thereof on or after the date fixed for redemption, Metro shall execute and the Registrar shall authenticate and deliver to the registered owner thereof a new Bond of the same maturity and interest rate in a denomination equal to the unredeemed principal portion of the Bond so surrendered.

If less than all of the outstanding Bonds are to be called for redemption at the option of Metro, Metro shall have the right to specify the particular maturities to be redeemed and the principal amounts of each such maturity. If less than all of the Bonds of a particular maturity are called for redemption, the Registrar shall select, by lot or in such other manner as the Registrar deems fair, the particular Bonds or principal portions thereof to be so redeemed.

(g) Effect of Redemption. If on the date fixed for redemption of any Bonds or portions thereof Metro has deposited or caused to be deposited and set aside with the Paying Agent funds sufficient to pay the redemption price of such Bonds, then and in such event such Bonds or portions thereof shall cease to accrue interest from and after the date fixed for such redemption and shall no longer be deemed to be outstanding or entitled to the security of or any benefits provided by this Resolution or the Act, and Metro shall have no further liability for the payment thereof, and the owners thereof shall only be entitled to payment of the purchase price thereof (without right to any interest thereon from and after the date fixed for redemption) from the moneys held by the Paying Agent for such purpose upon presentation and surrender of such Bonds at the principal corporate trust office of the Paying Agent.

(h) Registered Bonds; Denominations; Form; Execution. The Bonds shall be issued only in fully registered form without coupons in denominations of Five Thousand Dollars (\$5,000) or integral multiples thereof not in excess of the principal amount maturing in any one year. The Bonds shall be issued in substantially the form attached to this Resolution as the Bond Form Appendix, but with such variations, changes, and additions as may be necessary or appropriate and not contrary to, or in violation of, the terms of this Resolution or applicable law.

The Bonds shall be signed on behalf of Metro by means of the manual or facsimile signatures of Metro's Executive Officer and the Presiding Officer of the Metro Council. The manual or facsimile signatures of such officer that appear on the Bonds shall continue to be valid for all purposes notwithstanding the fact that at the time of authentication of a particular Bond either or both officers whose signature so appears on such Bond is no longer holder the office of Executive Officer or Presiding Officer (as the case may be). Metro has not adopted a seal and therefore no seal shall be impressed or imprinted on the Bonds, but the Bonds shall nevertheless be valid and binding for all purposes when signed by the Executive Officer and Presiding Officer and authenticated by the Registrar as provided herein.

(i) Exchange and Transfer. Bonds may be exchanged for an equal principal amount of Bonds of the same maturity and interest rate but which are in different authorized denominations, and Bonds may be transferred to other owners, if the bondowner submits the following to the Registrar:

(i) 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

(ii) the Bonds to be exchanged or transferred.

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 Interest Payment Date; however, such Bonds shall be exchanged or transferred promptly following that Interest Payment Date.

For purposes of this section, Bonds shall be considered submitted to the Registrar on the date the Registrar actually receives the materials described above in this subsection 2(i).

Metro may alter these provisions regarding registration and transfer to conform to market standards by mailing notification of the altered provisions to all bondowners. 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.

Notwithstanding the foregoing provisions, while the Bonds are subject to a Book-Entry System the provisions set forth in Section 2(j) below shall govern the transfer and exchange of beneficial interests in the Bonds.

(j) Provisions for Book-Entry System. The Bonds will initially be subject to a Book-Entry System of ownership and transfer, which Book-Entry System shall continue with respect to the Bonds until such time as the same is discontinued as provided in (iii) below. The general provisions for effecting such Book-Entry System are as follows:

(i) Metro hereby designates The Depository Trust Company, New York, New York, as the initial Securities Depository hereunder.

(ii) Notwithstanding the provisions regarding exchange and transfer of Bonds set forth in this Resolution, the Bonds shall initially be evidenced by one certificate for each maturity (including one certificate for each principal amount due pursuant to a Mandatory Redemption Schedule), in an amount equal to the aggregate principal amount thereof. The Bonds so initially delivered shall be registered in the name of "Cede & Co." as nominee for The Depository Trust Company. The Bonds may not thereafter be transferred or exchanged on the registration books of Metro held by the Registrar except:

(A) to any successor Securities Depository designated pursuant to (iii) below;

(B) to any successor nominee designated by a Securities Depository; or

(C) if Metro shall, by resolution, elect to discontinue the Book-Entry System pursuant to (iii) below, Metro will cause the Registrar to authenticate and deliver replacement Bonds in fully registered form in Authorized Denominations in the names of the beneficial Owners or their nominees; thereafter the provisions of this Resolution regarding registration, transfer and exchange of Bonds shall apply.

(iii) Upon the resignation of any institution acting as Securities Depository hereunder, or if Metro determines that continuation of any institution in the role of Securities Depository is not in the best

interests of the Beneficial Owners, Metro will attempt to identify another institution qualified to act as Securities Depository hereunder or will discontinue the Book-Entry System by resolution. If Metro is unable to identify such successor Securities Depository prior to the effective date of the resignation, Metro shall discontinue the Book-Entry System, as provided in (ii)(C) above.

(iv) So long as the Book-Entry System is used for the Bonds, the Registrar will give any notice of redemption or any other notices required to be given to owners of Bonds only to the Securities Depository or its nominee registered as the owner thereof. Any failure of the Securities Depository to advise any of its Participants, or of any Participant to notify the Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of the Bonds called for redemption or of any other action premised on such notice. Neither Metro nor the Registrar is responsible or liable for the failure of the Securities Depository or any Participant thereof to make any payment or give any notice to a Beneficial Owner in respect of the Bonds or any error or delay relating thereto.

Section 3. Sale of Bonds; Approval of Purchase Agreement; Approval of Preliminary Official Statement; Authorization of and Direction to Executive Officer.

(a) **Sale of Bonds.** The Bonds shall be sold in a negotiated sale to PaineWebber Incorporated pursuant to the Purchase Agreement, *provided that* the Bonds may not be sold for an amount that is less than 98.75% of the aggregate principal amount of the Bonds to be issued plus interest accruing thereon from the date of the Bonds to the date of issuance and delivery thereof.

(b) **Approval of Purchase Agreement.** The form of Purchase Agreement presented to the Council and which has been placed on file with the Clerk of the Council is hereby approved in substantially the form submitted.

(c) **Ratification of Preliminary Official Statement Use.** The distribution by the Underwriter of the Preliminary Official Statement describing the Bonds is hereby ratified.

(d) **Authorization of and Direction to Executive Officer.** Metro's Executive Officer is hereby authorized, empowered and directed, for and on behalf of Metro, to:

(i) **Official Statement:** cause to be prepared, in accordance with the requirements of ORS 287.018, a final official statement in substantially final form describing the Bonds and setting forth such information concerning Metro and the Bonds as may be necessary or appropriate in order to disclose all material information which a prospective investor would need in order to make an informed decision with respect to an investment in the Bonds;

(ii) **Execution and Delivery of Purchase Agreement and Other Documents:** execute and deliver the Purchase Agreement and any other agreement, instrument, certificate or document incidental to the issuance, sale and delivery of the Bonds in accordance with the requirements of ORS 287.014 - ORS 287.026 and the provisions of this Resolution;

(iii) **Final Official Statement:** execute and deliver on behalf of Metro a final official statement describing the Bonds and setting forth such information concerning Metro and the Bonds as may be necessary or appropriate in order to disclose all material information which a prospective investor would need in order to make an informed decision with respect to an investment in the Bonds;

(iv) Acceptance of Modifications and Amendments: in her sole discretion, accept and approve any modifications or amendments to any of the instruments or documents necessary or incidental to the issuance and sale of the Bonds including the Purchase Agreement and the Escrow Agreement;

(v) Establish Principal: subject to the limitations set forth in Section 2(c) of this Resolution, establish the actual principal amount of the Bonds to be issued, which amount shall be sufficient to make the Escrow Deposit and pay the costs of issuance incurred in connection with the issuance and sale of the Bonds; and

(vi) Establish Principal Maturities and Interest Rates: establish:

(A) the principal amount of the Bonds to mature in each year, 1993 through 2013 (inclusive) and the principal amounts of the Bonds to be issued as serial bonds and as term bonds;

(B) with respect to the Bonds to be issued as term bonds, the principal amount of the term bonds of each maturity to be subject to mandatory sinking fund redemption in each year; and

(C) the rate of interest *per annum* to be applicable to the Bonds of each maturity;

provided that the aggregate amount of principal and interest due on the Bonds in any one year shall, insofar as is practical, be as substantially equal; *and provided further that*, in no event shall the true interest cost of the Bonds exceed 7.50%.

The authority of the Executive Officer to determine the terms of the Bonds as provided in subsections (v) and (vi) above shall be exercised by setting forth such terms as so determined and established in a Certificate of Metro's Executive Officer executed in connection with the sale the Bonds and, to the extent so required under applicable law, shall constitute the completion of the determination of such matters by Metro as a public body.

(e) Direction to Redeem Refunded Bonds; Disposition of Unexpended Proceeds. In accordance with the requirements of ORS 288.635, the Council hereby irrevocably provides that on December 1, 1997 all then outstanding Refunded Bonds shall be redeemed and the refunding plan prepared by the Executive Officer shall so provide.

The Council does further direct that any unexpended sale proceeds (including unexpended investment earnings thereon) shall be used and applied to pay any rebate owing to the United States of America in connection with the Refunded Bonds, as and when such rebate shall be due and payable, and to the extent not needed for such purpose shall be used and applied for the purpose of financing additional improvements to the Oregon Convention Center.

Section 4. Application of Bond Proceeds; Escrow Agent and Escrow Agreement.

(a) Application of Bond Proceeds. Proceeds of the Bonds shall be used and applied as follows:

(i) a portion of the proceeds derived from the issuance and sale of the Bonds shall be used to make the Escrow Deposit with the Escrow Agent pursuant to the Escrow Agreement;

(ii) an amount equal to the accrued interest paid by the original purchaser(s) of the Bonds shall be deposited into the Convention Center Debt Service Fund heretofore established by Metro and used to pay the interest first coming due on the Bonds; and

(iii) the balance of the proceeds derived from the issuance and sale of the Bonds shall be used and applied to pay the costs of issuing the Bonds.

(b) Escrow Agent and Escrow Agreement. First Interstate Bank of Oregon, N.A., Portland, Oregon, is hereby appointed to act as Escrow Agent with respect to the defeasance of the Refunded Bonds by means of the Escrow Deposit, and shall signify its acceptance of the duties of Escrow Agent by executing and delivering the Escrow Agreement described in this subsection.

The Executive Office and Director of Finance and Management Information are hereby directed to cause to be prepared an Escrow Agreement pursuant to which the Escrow Agent shall hold the Escrow Deposit and apply the same for the purpose of paying and redeeming the outstanding Refunding Bonds in accordance with Metro's refunding plan. Such Escrow Agreement shall contain such terms and provisions as are customary in connection with agreements entered into for similar purposes and such other provisions as, in the judgment of the Executive Office and Director of Finance and Management Information, are necessary or appropriate and not inconsistent with, or in violation of, this Resolution and applicable law. The Executive Officer or the Director of Finance and Management Information, or either of them acting individually, are each hereby authorized, empowered and directed, for and on behalf of Metro, to execute and deliver such Escrow Agreement in connection with the issuance and delivery of the Bonds.

Section 5. Security. The Bonds shall constitute general obligations of Metro secured by Metro's full faith and credit and the taxing power of Metro, all as provided in the Act and the Elector Authorization. In accordance with ORS 288.655(2) and 268.500, Metro shall levy annually a direct *ad valorem* tax upon all of the taxable property within Metro in sufficient amount, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and all other moneys reasonably available for the payment of debt service on the Bonds, to pay when due the principal of and interest on the Bonds, and Metro covenants with the holders of the Bonds to levy such a tax annually during each year that any of the Bonds are outstanding. The *ad valorem* taxes to be levied by Metro for the purpose of paying when due the principal of and interest on the Bonds shall be levied and collected outside of, and in addition to, the taxes levied and collected by Metro within its statutory tax base, are not subject to the limitations imposed by Article XI, Section 11b of the Oregon Constitution, and shall be levied in an amount sufficient to pay the Bonds when due without regard to rate or amount.

Section 6. Maintenance of Tax-Exempt Status. Metro hereby covenants and agrees that it will not take any action which would cause the interest on the Bonds to become includable for federal income tax purposes in the gross incomes of the owners thereof, and that Metro will take all reasonable actions within its control necessary in order to ensure that the interest on the Bonds remains excludable for federal income tax purposes from the gross incomes of the owners thereof. In addition, Metro further covenants and agrees that it will not make any use of the proceeds of the Bonds or the Oregon Convention Center to be refinanced with the proceeds of the Bonds which would result in the Bonds being or becoming (a) private activity bonds within the meaning of Section 141(a) of the Internal Revenue Code of 1986, as amended (the "Code") or (b) arbitrage bonds within the meaning of Code Section 148(a). Metro may, in subsequent resolutions of the Council and in the certificates executed and delivered by Metro Manager and the Finance Director of Metro in connection with the issuance and sale of the Bonds, make additional covenants to insure that interest paid on the Bonds will remain excludable for federal income tax purposes from the gross incomes of the owners of the Bonds, in which event such additional covenants shall constitute contracts with the owners of the Bonds.

Section 7. Paying Agent and Registrar; Authentication; Persons Treated as Owners; Registration and Transfer.

(a) Appointment and Duties of Paying Agent and Registrar; Successors and Replacements. First Interstate Bank of Oregon, N.A., Portland, Oregon, is hereby appointed to act as Registrar and Paying Agent with respect to the Bonds. The Paying Agent and Registrar shall perform all duties with respect to the Bonds required of it under this Resolution or customarily provided by persons acting in such capacities, including but not limited to the transmittal of payments on the Bonds the registered owners thereof, the giving of required notices of redemption, the authentication, registration and transfer of Bonds and the maintenance of registration books with respect to the ownership of the Bonds.

Metro may remove any Paying Agent and Registrar by giving written notice thereof to the Paying Agent and Registrar to be so removed, in which event a successor or replacement Paying Agent and Registrar shall be appointed for the Bonds by resolution of Metro Council; *provided that* not less than 45 days prior to the effective date of any such appointment, Metro shall cause to be mailed to the registered owner of each outstanding Bond a written notice specifying the name and address of such successor or replacement and the effective date of such appointment; *and provided further that* no removal of the Paying Agent and Registrar shall be effective until such time as a qualified successor has agreed to act as Paying Agent and Registrar.

Any Paying Agent and Registrar may resign by giving written notice thereof to Metro, in which event a successor or replacement Paying Agent and Registrar shall be appointed for the Bonds by resolution of Metro Council; *provided that* not less than 45 days prior to the effective date of any such appointment, the resigning Paying Agent and Registrar, at its own expense, shall cause to be mailed to the registered owner of each outstanding Bond a written notice specifying the name and address of such successor or replacement and the effective date of such appointment; *and provided further that* no resignation of the Paying Agent and Registrar shall be effective until such time as a qualified successor has agreed to act as Paying Agent and Registrar.

(b) Authentication. No Bond shall be entitled to any right or benefit under this Resolution or any resolutions adopted pursuant to this Resolution unless it shall have been authenticated by an authorized officer of the Registrar. 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 Resolution. The Registrar shall note the date of authentication on each Bond, which date shall be the date on which the bondowner's name is listed on the bond register.

(c) Persons Treated as Owners. The ownership of all Bonds shall be entered in the bond register maintained by the Registrar, and Metro and the Registrar may treat the person listed as owner in the bond register as the owner of the Bond for all purposes.

Section 8. Defeasance. In the event that:

(i) Metro shall cause to be irrevocably deposited with the Paying Agent or any other agent appointed for such purpose, cash or Government Obligations, or both, in an amount sufficient to pay when due the principal of, premium (if any) and interest on the Bonds; and

(ii) Metro shall irrevocably instruct such agent in writing to apply such cash or Government Obligations to the payment when due of the principal of, premium (if any) and interest on the Bonds; and

(iii) if some or all of the Bonds are to be redeemed prior to maturity, Metro shall irrevocably instruct the Paying Agent in writing to call the Bonds for redemption on such date or dates and in such principal amounts as Metro shall specify;

then upon such deposit the Bonds shall be deemed to have been paid in full and no longer be outstanding under this Resolution for any purpose other than the subsequent transfer and exchange of such Bonds as provided herein and the

payment when due of the principal of and interest on such Bonds out of the cash or Government Obligations so deposited, and the Bonds shall thereafter be secured solely and only by the cash or Government Obligations so deposited and the Bonds shall no longer be secured by the full faith and credit of Metro or the taxing powers of Metro.

Section 9. Additional Action. The Council may authorize by subsequent resolution any acts or other matters necessary or appropriate in connection with the issuance, sale, and delivery of the Bonds and the performance by Metro of its covenants and obligations with respect thereto.

Section 10. Additional Authorizations. Metro's Executive Officer, Deputy Executive Officer and Director of Finance and Management Information, and each of them acting individually, are hereby authorized, empowered and directed, for and on behalf of Metro, to do and perform all acts and things necessary or appropriate to issue and sell the Bonds and otherwise implement the provisions of this Resolution, including but not limited to the execution and delivery of such documents, instruments, certificates and agreements as may be necessary or appropriate.

Section 11. Effectiveness of Resolution. This Resolution shall take effect immediately upon its adoption by the Metro Council.

Adopted this 26th day of March, 1992.

*Paulette Allen,
Clerk of Council*

Certification of Resolution

The undersigned do hereby certify that we are the duly elected or appointed, qualified and acting Executive Officer, Presiding Officer of the Council and Clerk of the Council of the Metropolitan Service District, Counties of Multnomah, Clackamas and Washington, State of Oregon; that the foregoing is a true and complete copy of Resolution No. 92-1592 as adopted by the Council of said district at a regular meeting duly called and held in accordance with law on March 26, 1992; and that the following members of the Council voted in favor of said Resolution:

the following members of the Council voted against said Resolution:

and the following member of the Council abstained from voting on said Resolution:

In addition, the Executive Officer hereby certifies that the foregoing resolution has not been vetoed thereby.

In witness whereof, the undersigned have hereunto set their hands as of the dates set forth below.

Tanya Collier, Presiding Officer

Paulette Allen, Clerk of the Council

The undersigned Executive Officer hereby certifies that the foregoing Ordinance has not been vetoed.

Rena Cusma, Executive Officer

Date: _____, 1992

**Bond Form
Appendix**

**COUNTIES OF
MULTNOMAH, CLACKAMAS AND WASHINGTON
STATE OF OREGON
METROPOLITAN SERVICE DISTRICT**

**GENERAL OBLIGATION REFUNDING BOND
(Oregon Convention Center), 1992 Series A**

ORIGINAL ISSUE DATE	INTEREST RATE	MATURITY DATE	CUSIP
March 15, 1992			

REGISTERED OWNER:

PRINCIPAL AMOUNT:

THE METROPOLITAN SERVICE DISTRICT OF THE COUNTIES OF MULTNOMAH, CLACKAMAS AND WASHINGTON, STATE OF OREGON, a municipality, political subdivision and political body corporate and politic duly created and existing under the laws of the State of Oregon ("Metro"), for value received, hereby promises to pay to the Registered Owner specified above on the Maturity Date specified above the Principal Amount specified above, and to pay interest on said Principal Amount at the Interest Rate per annum specified above from the later of the Original Issue Date specified above or the last Interest Payment Date (as herein defined) through which interest has been paid, with all accrued interest to be due and payable semiannually on January 1 and July 1 of each year, commencing July 1, 1992 (each an "Interest Payment Date"). Interest on this Bond shall be paid on each Interest Payment Date by check or draft drawn upon and mailed by Metro's paying agent and registrar (the "Paying Agent" or "Registrar") to the Registered Owner of this Bond at the address thereof, all as shown on the registration books maintained by the Paying Agent as of the 15th day of the month next preceding the Interest Payment Date (the "Record Date"). The Principal Amount of this Bond together with any interest due hereon at maturity shall be paid to the Registered Owner only upon presentation and surrender of this Bond at the principal corporate trust of the Paying Agent on or after the applicable Maturity Date. The principal of and interest on this Bond shall be payable in lawful money of the United States of America which, at the respective date of payment thereof, is legal tender for the payment of public and private debts. Interest on this Bond shall be calculated on the basis of a 360-day year of twelve 30-day months.

ADDITIONAL PROVISIONS OF THIS BOND APPEAR ON THE REVERSE SIDE; THESE PROVISIONS HAVE THE SAME EFFECT AS IF THEY WERE PRINTED ABOVE.

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 and the series of Bonds of which this is one 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 that this Bond and the series of Bonds of which this is one do not exceed any Constitutional or statutory debt limitation applicable to Metro.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Authorizing Legislation (as herein defined) unless and until the certificate of authentication hereon shall have been duly executed by an authorized officer of the Registrar.

IN WITNESS WHEREOF, the Council of the Metropolitan Service District, has caused this Bond to be signed by the facsimile signature of its Executive Officer and attested by the facsimile signature of the Presiding Officer of the Council, all as of the Original Issue Date set forth above.

Rena Cusma, Executive Officer

[SEAL]

ATTEST:

Tanya Collier, Presiding Officer

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Metropolitan Service District General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, issued pursuant to the Authorizing Legislation described herein.

Date of Authentication: _____

First Interstate Bank of Oregon, N.A.

By: _____
Authorized Officer

[Form of Reverse Side of Bond]

This Bond is one of a series of bonds (collectively, the "Bonds") issued by Metro in the aggregate principal amount of \$___,000,000 pursuant to the power conferred on Metro under ORS 268.525, ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, and related provisions of the laws of the State of Oregon (collectively, the "Act"), an approving vote of a majority of the electors of Metro voting at an election duly called and held on November 4, 1986 which authorized the issuance of the Refunded Bonds being refunded and defeased out of the proceeds of the Bonds (the "Elector Authorization") and Resolution No. 92-1592 (the "Resolution") duly adopted by Metro Council at a meeting held on March 26, 1992 (the Act, the Elector Authorization and the Resolution being herein collectively called the "Authorizing Legislation"). All terms used herein and not otherwise defined herein shall have the respective meanings assigned thereto in the Resolution.

The Bonds are being issued for the purpose of refunding, defeasing and redeeming the Refunded Bonds, which Refunded Bonds constitute a part of a series of bonds initially authorized by the electors of Metro pursuant to the Elector Authorization.

The Bonds constitute general obligations of Metro secured by Metro's full faith and credit and the taxing power of Metro, all as provided in the Authorizing Legislation. In accordance with ORS 288.655(2) and 268.500 and the Elector Authorization, Metro shall levy annually a direct *ad valorem* tax on all of the taxable property within Metro in an amount which, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and all other moneys reasonably available for the payment of debt service on the Bonds, will be sufficient to pay when due the principal of and interest on the Bonds, and Metro has covenanted with the owners of the Bonds to levy such a tax annually during each year that any of the Bonds are outstanding. The *ad valorem* taxes to be levied by Metro for the purpose of paying when due the principal of and interest on the Bonds shall be levied and collected outside of, and in addition to, the taxes levied and collected by Metro within its statutory tax base, are not subject to the limitations imposed by Article XI, Section 11b of the Oregon Constitution, and shall be levied in an amount sufficient to pay the Bonds when due without regard to rate or amount.

The Bonds are subject to mandatory and optional redemption prior to maturity, any such redemption to be on such date, in such amounts and at such redemption prices as are set forth in the Resolution.

Notice of any such redemption shall be given to the registered owners of the Bonds to be redeemed in the manner required by the Resolution.

The Bonds are issuable only in the form of fully registered bonds without coupons in the denominations of \$5,000 or any integral multiple thereof not in excess of the principal amount maturing in any one year.

The current Registrar and Paying Agent for the Bonds is First Interstate Bank of Oregon, N.A., Portland, Oregon. In the Authorizing Legislation, Metro has reserved the right to designate a different Paying Agent and Registrar upon not less than 45 days' prior notice mailed to the registered owners of all outstanding Bonds.

This Bond is transferable by the Registered Owner hereof in person or by the Registered Owner's attorney duly authorized in writing only on the registration books maintained by the Registrar upon presentation and surrender of this Bond, duly endorsed for transfer, at the principal corporate trust office of the Registrar. In addition, this Bond may be exchanged for Bonds of the same maturity, interest rate, and aggregate principal amount in any authorized denominations upon presentation and surrender hereof at the principal corporate trust office of the Registrar. As a condition precedent to any such transfer or exchange, the Registered Owner shall be required to pay any applicable governmental tax or charge. The Registrar shall not be required to transfer or exchange any Bonds during the period beginning on the 15th day of the month prior to an Interest Payment Date and ending on such Interest Payment

Date. Metro and the Paying Agent and Registrar may treat the person in whose name this Bond is registered as the absolute owner hereof for all purposes, and neither Metro nor the Paying Agent and Registrar shall be affected by any notice to the contrary.

The rights of the owner of this Bond are in all respects governed by and subject to the terms and conditions set forth in the Authorizing Legislation, to which the owner, by the acceptance of this Bond, consents in all respects.

ASSIGNMENT

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

(Please insert social security or other identifying number of assignee: _____)
the within 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: _____

Signature

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

Signature Guaranteed:

(Bank, Trust Company, or Firm)

Authorized Officer

The following abbreviations, when used in the inscription on the face of the within 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
as custodian under the laws of Oregon for

MIN
(Minor's Name)

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

MARKED COPY

METROPOLITAN SERVICE DISTRICT

**RESOLUTION NO. 92-1592
OF THE COUNCIL**

A Resolution authorizing the issuance of General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, in the principal amount of not to exceed \$67,000,000 for the purpose of advance refunding and replacing the Metropolitan Service District's outstanding general obligation bonds issued in 1987 to finance the acquisition and construction of a regional convention and trade show center, and providing for related matters.

**Adopted by the Council of the
Metropolitan Service District
on March 26, 1992
Effective on March 26, 1992**

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This Table of Contents is not a part of this Resolution but is provided solely for the convenience of the reader.

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RESOLUTION NO. 92-1592

A Resolution authorizing the issuance of General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, in the principal amount of not to exceed \$67,000,000 for the purpose of advance refunding and replacing the Metropolitan Service District's outstanding general obligation bonds issued in 1987 to finance the acquisition and construction of a regional convention and trade show center, and providing for related matters.

Section A. Findings. As the preamble to this Resolution, the Council of the Metropolitan Service District, Counties of Multnomah, Clackamas and Washington, State of Oregon ("Metro") hereby recites the matters set forth below in this Section A. To the extent any of the following recitals relates to a finding or determination which must be made by the Council in connection with the subject matter of this Resolution or any aspect thereof, the Council declares that by setting forth such recital such finding or determination is thereby made by the Council. This Section A and the recitals, findings and determinations set forth herein constitute a part of this Resolution.

(1) Political Subdivision. Metro is a municipality and political subdivision organized and existing under and pursuant to the laws of the State of Oregon, particularly Chapter 268 of Oregon Revised Statutes.

(2) The 1987 Bonds. Under and pursuant to ORS 268.520, Metro was and is authorized to issue its general obligation bonds upon the approval of a majority of the electors of Metro voting on the question, subject to the limitations imposed by law. At the general election duly called and held on November 4, 1986, a majority of the electors of Metro voting on the question authorized Metro to issue its general obligation bonds in an aggregate principal amount not to exceed \$65,000,000 (the "Elector Authorization") for the purpose of financing the acquisition and construction of a regional convention and trade show center (the "Convention Center"). Pursuant to the Elector Authorization and Metro Resolution No. 87-767 enacted on June 11, 1987, Metro issued its General Obligation Convention Center Bonds, Series 1987 in an original aggregate principal amount of \$65,000,000 (the "1987 Bonds"), said Convention Center having been heretofore acquired and constructed by Metro with the exception of certain additions and improvements thereto which will be acquired and constructed in due course.

(3) Capital Construction or Improvements. The Convention Center constitutes a "capital construction or improvement" within the meaning of ORS 288.160(1) and 310.140.

(4) Outstanding 1987 Bonds. There remain outstanding 1987 Bonds in the aggregate principal amount of \$60,680,000 maturing or being subject to mandatory sinking fund redemption on December 1 of each year, 1992 through 2012 (inclusive), bearing interest at *per annum* rates ranging from 5.75% to 8.2% and subject to redemption at the option of Metro on December 1, 1997 at a redemption price equal to the principal amount of the 1987 Bonds to be redeemed plus accrued and unpaid interest thereon to the date of redemption.

(5) Payment From Property Taxes. In accordance with the Elector Authorization and as required under State law, Metro levies and collects each year an *ad valorem* tax on all taxable property subject to taxation by Metro in an amount sufficient to pay all amounts coming due on the 1987 Bonds in the year in which such tax is levied, and is required to continue levying and collecting such tax until such time as all amounts owing under the 1987 Bonds have been paid in full. Such tax is levied outside of, and in addition to, the *ad valorem* taxes levied by Metro for other voter authorized purposes, is not subject to the limitations imposed Article XI, Section 11b of the Oregon Constitution and is levied in an amount sufficient to pay the 1987 Bonds when due without regard to rate or amount.

(6) Current Market Interest Rates. The current rates of interest available in the municipal bond markets for tax-exempt bonds having maturities and credit quality substantially the same as the maturities and credit quality of the outstanding 1987 Bonds are significantly lower than the rates of interest borne by the outstanding 1987 Bonds.

(7) Savings to Taxpayers by Issuing Refunding Bonds. In light of the rates of interest currently available, the issuance and sale by Metro of advance refunding bonds for the purpose of refunding, replacing, defeasing and (subject to the limitations on redemption applicable to the 1987 Bonds) redeeming at the earliest practicable date the outstanding 1987 Bonds is in the best interests of Metro and the persons and entities owning property subject to *ad valorem* taxation by Metro. The issuance and sale of such advance refunding bonds will enable Metro to realize aggregate debt service payments on such advance refunding bonds which are significantly lower than the aggregate debt service payments now required to be made with respect to the 1987 Bonds. As a result of such lower aggregate debt service payments, Metro will be able to levy and collect *ad valorem* property taxes to pay such advance refunding bonds in an amount that is significantly less than the amount of *ad valorem* property taxes that will be required to be levied and collected to pay the debt service on the outstanding 1987 Bonds to be so refunded, thereby helping to relieve and diminish the *ad valorem* tax burden on Metro's taxpayers.

(9) Authority to Issue Advance Refunding Bonds. Pursuant and subject to the requirements of ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, and ORS 268.525, Metro is authorized and empowered, without a vote of the electors, to issue and sell advance refunding bonds for the purpose of refunding, replacing, defeasing and redeeming the outstanding 1987 Bonds as described above and as hereinafter set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT AS FOLLOWS:

Section 1. Definitions. As used in this Resolution, the following terms shall have the respective meanings set forth in this Section 1.

"Act" means ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, ORS 268.525 and related provisions of the laws of the State of Oregon affecting, governing or authorizing the issuance of advance refunding bonds for the purpose of refunding outstanding general obligation bonds.

"Authorizing Legislation" means, collectively, the Elector Authorization, the Act and this Resolution.

"Beneficial Owners" shall mean, whenever used with respect to a Bond, the person or entity in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant pursuant to the arrangements for book-entry determination of ownership applicable to the Securities Depository.

"Book-Entry System" shall mean that system whereby the clearance and settlement of securities transactions is made through electronic book-entry changes, thereby eliminating the need of physical movement of securities.

"Bonds" means Metro's General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, authorized to be issued pursuant to Section 2 of this Resolution.

"Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

"Council" means the Council of Metro acting as the duly constituted governing body of Metro in which Metro's legislative powers are vested under law.

"DTC" shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"Elector Authorization" means the approving vote of a majority of the electors of Metro voting on the question at the general election duly called and held on November 4, 1986, wherein said electors authorized Metro to issue and sell the 1987 Bonds for the purposes described in Section A of this Resolution.

"Escrow Agreement" means the agreement to be entered into by and between Metro and the Escrow Agent, which agreement is authorized by this Resolution to be prepared, executed and delivered in connection with the issuance and sale of the Bonds and the refunding and defeasance of the Refunded Bonds.

"Escrow Agent" means First Interstate Bank of Oregon, N.A., a national banking association with its principal corporate trust offices located in Portland, Oregon, acting in its capacity as escrow agent under and pursuant to the Escrow Agreement.

"Escrow Deposit" means the cash and Government Obligations required to be deposited with the Escrow Agent under the Escrow Agreement for the purpose of refunding, replacing, defeasing and redeeming the Refunded Bonds in accordance with the refunding plan of Metro, which deposit shall:

(i) be made from a portion of the proceeds derived from the issuance and sale of the Bonds (by using such proceeds to purchase a sufficient amount of Government Obligations and, to the extent the Government Obligations so purchased are insufficient for the purposes of such deposit, by depositing a portion of such sale proceeds in cash) and from any other lawfully available funds of Metro; and

(ii) be in an amount which, together with the investment earnings derived from such deposit and any cash constituting part of such deposited, will be sufficient to pay all installments of principal, interest and redemption premiums (if any) on the Refunded Bonds when they fall due (whether by stated maturity date or call for redemption) in accordance with the refunding plan of Metro.

"Government Obligations" shall have the meaning assigned to such phrase in ORS 299.605(5).

"Interest Payment Date" means each January 1 and July 1 of each year, commencing July 1, 1992.

"1987 Bonds" means Metro's General Obligation Convention Center Bonds, Series 1987 originally issued in the aggregate principal amount of \$65,000,000 pursuant to the Elector Authorization and applicable law.

"Participant" shall mean a broker-dealer, bank or other financial institution for which DTC holds Bonds as Securities Depository.

"Paying Agent" means the paying agent for the Bonds appointed pursuant to Section 7 of this Resolution, the initial paying agent being First Interstate Bank of Oregon, N.A.

"Purchase Agreement" means the agreement between Metro and PaineWebber Incorporated pursuant to which PaineWebber Incorporated agrees to purchase the Bonds from Metro and Metro agrees to sell to the Bonds to PaineWebber Incorporated.

"Refunded Bonds" means the outstanding 1987 Bonds maturing on December 1 of each year, 1992 through 2012.

"Registrar" means the registrar for the Bonds appointed pursuant to Section 7 of this Resolution, the initial registrar being First Interstate Bank of Oregon, N.A.

"Securities Depository" shall mean, initially, The Depository Trust Company, New York, New York, and its successors and replacement securities depository appointed hereunder.

"Underwriter" means PaineWebber Incorporated as the underwriter for the Bonds pursuant to the Purchase Agreement.

Section 2. The Bonds.

(a) **Authorization.** Pursuant to and subject to the requirements of the Act, Metro shall issue the Bonds for the purpose of refunding, replacing, defeasing and redeeming the outstanding Refunded Bonds, all as provided in and subject to the limitations hereinafter set forth in this Resolution.

(b) **Date of Bonds; Designation.** The Bonds shall be dated March 15, 1992. The Bonds shall be designated "Metropolitan Service District General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A."

(c) **Aggregate Principal Amount Authorized.** The Bonds are hereby authorized to be issued in an aggregate principal amount not to exceed the sum of \$67,000,000, *provided that:*

(i) In accordance with the requirements of ORS 288.645 and 288.160(1)(b), the actual aggregate principal amount of the Bonds issued shall not be in excess of the minimum amount necessary to:

(A) make the Escrow Deposit in an amount sufficient to cause the Bonds to be deemed to replace the Refunded Bonds within the meaning of ORS 288.160(2); and

(B) to pay any amounts charged to Metro as administrative costs, expenses or fees in connection with the authorization, issuance and sale of the Bonds which are permitted to be paid from the proceeds of the Bonds; and

(ii) The actual aggregate principal amount of the Bonds issued shall not be such as to cause to be exceeded the limitations on the amount of general obligation bonds permitted to be issued by Metro as set forth in ORS 268.520, subject however to the applicable provisions of law regarding the manner in which the amount of outstanding general obligation bonds is to be calculated for purposes of such limitations.

(d) Maturity Dates, Interest Rates and Redemption Provisions. The Bonds will mature on January 1 and July 1 of each of the years determined by Metro's Executive Officer pursuant to Section 3 hereof, provided that the first such maturity date shall be January 1, 1993 and the final maturity date shall be January 1, 2013. The principal amount of the Bonds to be issued as term bonds and as serial bonds and the principal amount of such term bonds and serial bonds to mature in each year shall be established by Metro's Executive Officer, in accordance with and subject to the limitations set forth in Section 3 of this Resolution.

The Bonds shall bear interest at such rate or rates as shall be established by Metro's Executive Officer, in accordance with and subject to the limitations set forth in Section 3 of this Resolution, with all accrued interest to be due and payable semiannually on each Interest Payment Date, commencing with the first Interest Payment Date following the issuance and delivery of the Bonds.

The Bonds, if any, which are issued as term bonds (as determined by the Executive Officer pursuant to Section 3 hereof) shall be subject to mandatory redemption on January 1 and July 1 of such years and in such principal amounts as shall be determined by the Executive Officer pursuant to Section 3 hereof, any such redemption to be without premium at a price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued and unpaid interest thereon to the date fixed for redemption.

The Bonds maturing on or after ~~January 1, 2001~~ July 1, 2000 shall be subject to redemption prior to maturity at the option of Metro, in whole on any date on or after January 1, 2000 and in part on any Interest Payment Date on or after January 1, 2000, any such redemption to be without premium at a price equal to 100% of the principal amount to be redeemed, plus accrued and unpaid interest thereon to the date fixed for redemption, plus a premium (expressed as a percentage of the principal amount to be redeemed) as set forth in the following table:

Redemption Date:	Premium:
January 1, 2000 through December 31, 2000	2%
January 1, 2001 through December 31, 2001	1%
January 1, 2002 and thereafter	0%

(e) Payment of Principal and Interest. Principal of each Bond shall be paid only on or after the stated maturity date thereof or date fixed for earlier redemption thereof, and then only upon presentation and surrender of such Bond to the Paying Agent at its principal corporate trust office. Interest on each Bond shall be paid on each Interest Payment Date by check or draft drawn upon and mailed by the Paying Agent to the registered owner of such Bond at the address thereof, all as shown on the registration books maintained by the Registrar as of the 15th day of the month next preceding the Interest Payment Date.

(e) Notice of Redemption. Notice of any mandatory or optional redemption of any Bonds shall be given in writing by the Paying Agent and Registrar, in the name of Metro, by first class mail, postage prepaid, to the registered owner of each Bond called for redemption at the registered address thereof, all as shown on the registration books maintained by the Registrar as of the 5th business day next preceding the date of mailing of such notice, any such notice to be mailed not less than 30 nor more than 45 days prior to the date fixed for the redemption of the Bonds to which such notice pertains; *provided that*, so long as the Bonds remain subject to the Book-Entry System, notice of redemption shall be given at the time, to the entity and in the manner required in the letter of representation executed among Metro, the Paying Agent and DTC in connection with the issuance and sale of the Bonds, and no other notice of redemption shall be required to be given.

Each notice of redemption shall:

- (i) identify by number the Bonds (or principal portions thereof) called for redemption;
- (ii) state the redemption price of the Bonds called for redemption, which redemption price may be stated as a percentage of the principal amount thereof called for redemption plus accrued and unpaid interest thereon;
- (iii) state the date fixed for redemption;
- (iv) provide the address of the place at which the Bonds called for redemption must be presented and surrendered to the Paying Agent on or after the date fixed for redemption in order to receive payment of the redemption price thereof;
- (iv) state that from and after the date fixed for redemption, interest on the Bonds (or principal portions thereof) called for redemption shall cease to accrue and the owners of such Bonds (or portions thereof) shall thereafter only be entitled to receive the redemption price thereof upon the presentation and surrender of such Bonds to the Paying Agent;
- (v) in the case of an optional redemption, state that if, for any reason, Metro, not less than five business days prior to the redemption date specified in such notice, does not: (A) cause to be deposited with the Paying Agent funds sufficient to pay the redemption price of the Bonds or portions thereof to which such notice relates, or (B) provide the Paying Agent with reasonable assurance that such funds will be deposited with the Paying Agent not less than one business day prior to the date fixed for redemption, then and in any such event such call for redemption shall be null, void and of no force or effect and the Bonds or portions thereof so called for redemption shall continue to remain outstanding as if such notice and called had never been given or made; and
- (v) set forth such other matters or information as may be required by law or, in the judgment of Metro, be necessary or appropriate.

The Paying Agent shall give such notice of redemption as soon as practicable following the receipt of written direction from Metro to do so; *provided that* the Paying Agent shall not be required to give any such notice of redemption less than 7 business days after written notice thereof is mailed, postage prepaid, or transmitted in written form by telecopy or other electronic means of communication by Metro to the Paying Agent. The Paying Agent shall not have the right to demand, as a condition precedent to the giving of any such notice of redemption that moneys be deposited with the Paying Agent sufficient to pay the redemption price of any Bonds or portions thereof called for redemption, nor shall Metro be required to make any such deposit prior to the giving of any notice of redemption by the Paying Agent to the registered owners of the Bonds.

In the case of an optional redemption, if, for any reason, Metro, not less than five business days prior to the redemption date specified in such notice, does not: (A) cause to be deposited with the Paying Agent funds sufficient to pay the redemption price of the Bonds or portions thereof to which such notice relates, or (B) provide the Paying Agent with reasonable assurance that such funds will be deposited with the Paying Agent not less than one business day prior to the date fixed for redemption, then and in any such event such call for redemption shall be canceled and be null, void and of no force or effect and the Bonds or portions thereof so called for redemption shall continue to remain outstanding as if such notice and called had never been given or made. In any such event, the Paying Agent shall, as soon as practical, cause to be mailed, postage prepaid, to each registered owner of the Bonds or portions thereof which were so called for redemption a written notice of such cancellation.

(f) Partial Redemptions. In the case of a partial redemption and with respect to any Bonds evidenced by a single certificate in a denomination greater than \$5,000, principal portions of such Bonds may be called for redemption in amounts equal to \$5,000 or any integral multiple thereof. In case less than all of the principal portion of a Bond is so called for redemption, then upon presentation and surrender of such Bond to the Paying Agent for payment of the redemption price thereof on or after the date fixed for redemption, Metro shall execute and the Registrar shall authenticate and deliver to the registered owner thereof a new Bond of the same maturity and interest rate in a denomination equal to the unredeemed principal portion of the Bond so surrendered.

If less than all of the outstanding Bonds are to be called for redemption at the option of Metro, Metro shall have the right to specify the particular maturities to be redeemed and the principal amounts of each such maturity. If less than all of the Bonds of a particular maturity are called for redemption, the Registrar shall select, by lot or in such other manner as the Registrar deems fair, the particular Bonds or principal portions thereof to be so redeemed.

(g) Effect of Redemption. If on the date fixed for redemption of any Bonds or portions thereof Metro has deposited or caused to be deposited and set aside with the Paying Agent funds sufficient to pay the redemption price of such Bonds, then and in such event such Bonds or portions thereof shall cease to accrue interest from and after the date fixed for such redemption and shall no longer be deemed to be outstanding or entitled to the security of or any benefits provided by this Resolution or the Act, and Metro shall have no further liability for the payment thereof, and the owners thereof shall only be entitled to payment of the purchase price thereof (without right to any interest thereon from and after the date fixed for redemption) from the moneys held by the Paying Agent for such purpose upon presentation and surrender of such Bonds at the principal corporate trust office of the Paying Agent.

(h) Registered Bonds; Denominations; Form; Execution. The Bonds shall be issued only in fully registered form without coupons in denominations of Five Thousand Dollars (\$5,000) or integral multiples thereof not in excess of the principal amount maturing in any one year. The Bonds shall be issued in substantially the form attached to this Resolution as the Bond Form Appendix, but with such variations, changes, and additions as may be necessary or appropriate and not contrary to, or in violation of, the terms of this Resolution or applicable law.

The Bonds shall be signed on behalf of Metro by means of the manual or facsimile signatures of Metro's Executive Officer and the Presiding Officer of the Metro Council. The manual or facsimile signatures of such officer that appear on the Bonds shall continue to be valid for all purposes notwithstanding the fact that at the time of authentication of a particular Bond either or both officers whose signature so appears on such Bond is no longer holder the office of Executive Officer or Presiding Officer (as the case may be). Metro has not adopted a seal and therefore no seal shall be impressed or imprinted on the Bonds, but the Bonds shall nevertheless be valid and binding for all purposes when signed by the Executive Officer and Presiding Officer and authenticated by the Registrar as provided herein.

(i) Exchange and Transfer. Bonds may be exchanged for an equal principal amount of Bonds of the same maturity and interest rate but which are in different authorized denominations, and Bonds may be transferred to other owners, if the bondowner submits the following to the Registrar:

(i) 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

(ii) the Bonds to be exchanged or transferred.

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 Interest Payment Date; however, such Bonds shall be exchanged or transferred promptly following that Interest Payment Date.

For purposes of this section, Bonds shall be considered submitted to the Registrar on the date the Registrar actually receives the materials described above in this subsection 2(i).

Metro may alter these provisions regarding registration and transfer to conform to market standards by mailing notification of the altered provisions to all bondowners. 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.

Notwithstanding the foregoing provisions, while the Bonds are subject to a Book-Entry System the provisions set forth in Section 2(j) below shall govern the transfer and exchange of beneficial interests in the Bonds.

(j) Provisions for Book-Entry System. The Bonds will initially be subject to a Book-Entry System of ownership and transfer, which Book-Entry System shall continue with respect to the Bonds until such time as the same is discontinued as provided in (iii) below. The general provisions for effecting such Book-Entry System are as follows:

(i) Metro hereby designates The Depository Trust Company, New York, New York, as the initial Securities Depository hereunder.

(ii) Notwithstanding the provisions regarding exchange and transfer of Bonds set forth in this Resolution, the Bonds shall initially be evidenced by one certificate for each maturity (including one certificate for each principal amount due pursuant to a Mandatory Redemption Schedule), in an amount equal to the aggregate principal amount thereof. The Bonds so initially delivered shall be registered in the name of "Cede & Co." as nominee for The Depository Trust Company. The Bonds may not thereafter be transferred or exchanged on the registration books of Metro held by the Registrar except:

(A) to any successor Securities Depository designated pursuant to (iii) below;

(B) to any successor nominee designated by a Securities Depository; or

(C) if Metro shall, by resolution, elect to discontinue the Book-Entry System pursuant to (iii) below, Metro will cause the Registrar to authenticate and deliver replacement Bonds in fully registered form in Authorized Denominations in the names of the beneficial Owners or their nominees; thereafter the provisions of this Resolution regarding registration, transfer and exchange of Bonds shall apply.

(iii) Upon the resignation of any institution acting as Securities Depository hereunder, or if Metro determines that continuation of any institution in the role of Securities Depository is not in the best

interests of the Beneficial Owners, Metro will attempt to identify another institution qualified to act as Securities Depository hereunder or will discontinue the Book-Entry System by resolution. If Metro is unable to identify such successor Securities Depository prior to the effective date of the resignation, Metro shall discontinue the Book-Entry System, as provided in (ii)(C) above.

(iv) So long as the Book-Entry System is used for the Bonds, the Registrar will give any notice of redemption or any other notices required to be given to owners of Bonds only to the Securities Depository or its nominee registered as the owner thereof. Any failure of the Securities Depository to advise any of its Participants, or of any Participant to notify the Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of the Bonds called for redemption or of any other action premised on such notice. Neither Metro nor the Registrar is responsible or liable for the failure of the Securities Depository or any Participant thereof to make any payment or give any notice to a Beneficial Owner in respect of the Bonds or any error or delay relating thereto.

Section 3. Sale of Bonds; Approval of Purchase Agreement; Approval of Preliminary Official Statement; Authorization of and Direction to Executive Officer.

(a) **Sale of Bonds.** The Bonds shall be sold in a negotiated sale to PaineWebber Incorporated pursuant to the Purchase Agreement, *provided that* the Bonds may not be sold for an amount that is less than 98.75% of the aggregate principal amount of the Bonds to be issued plus interest accruing thereon from the date of the Bonds to the date of issuance and delivery thereof.

(b) **Approval of Purchase Agreement.** The form of Purchase Agreement presented to the Council and which has been placed on file with the Clerk of the Council is hereby approved in substantially the form submitted.

(c) **Ratification of Preliminary Official Statement Use.** The distribution by the Underwriter of the Preliminary Official Statement describing the Bonds is hereby ratified.

(d) **Authorization of and Direction to Executive Officer.** Metro's Executive Officer is hereby authorized, empowered and directed, for and on behalf of Metro, to:

(i) **Official Statement:** cause to be prepared, in accordance with the requirements of ORS 287.018, a final official statement in substantially final form describing the Bonds and setting forth such information concerning Metro and the Bonds as may be necessary or appropriate in order to disclose all material information which a prospective investor would need in order to make an informed decision with respect to an investment in the Bonds;

(ii) **Execution and Delivery of Purchase Agreement and Other Documents:** execute and deliver the Purchase Agreement and any other agreement, instrument, certificate or document incidental to the issuance, sale and delivery of the Bonds in accordance with the requirements of ORS 287.014 - ORS 287.026 and the provisions of this Resolution;

(iii) **Final Official Statement:** execute and deliver on behalf of Metro a final official statement describing the Bonds and setting forth such information concerning Metro and the Bonds as may be necessary or appropriate in order to disclose all material information which a prospective investor would need in order to make an informed decision with respect to an investment in the Bonds;

(iv) **Acceptance of Modifications and Amendments:** in her sole discretion, accept and approve any modifications or amendments to any of the instruments or documents necessary or incidental to the issuance and sale of the Bonds including the Purchase Agreement and the Escrow Agreement;

(v) **Establish Principal:** subject to the limitations set forth in Section 2(c) of this Resolution, establish the actual principal amount of the Bonds to be issued, which amount shall be sufficient to make the Escrow Deposit and pay the costs of issuance incurred in connection with the issuance and sale of the Bonds; and

(vi) **Establish Principal Maturities and Interest Rates:** establish:

(A) the principal amount of the Bonds to mature in each year, 1993 through 2013 (inclusive) and the principal amounts of the Bonds to be issued as serial bonds and as term bonds;

(B) with respect to the Bonds to be issued as term bonds, the principal amount of the term bonds of each maturity to be subject to mandatory sinking fund redemption in each year; and

(C) the rate of interest *per annum* to be applicable to the Bonds of each maturity;

provided that the aggregate amount of principal and interest due on the Bonds in any one year shall, insofar as is practical, be as substantially equal; *and provided further that*, in no event shall the true interest cost of the Bonds exceed 7.50%.

The authority of the Executive Officer to determine the terms of the Bonds as provided in subsections (v) and (vi) above shall be exercised by setting forth such terms as so determined and established in a Certificate of Metro's Executive Officer executed in connection with the sale the Bonds and, to the extent so required under applicable law, shall constitute the completion of the determination of such matters by Metro as a public body.

(e) **Direction to Redeem Refunded Bonds; Disposition of Unexpended Proceeds.** In accordance with the requirements of ORS 288.635, the Council hereby irrevocably provides that on December 1, 1997 all then outstanding Refunded Bonds shall be redeemed and the refunding plan prepared by the Executive Officer shall so provide.

The Council does further direct that any unexpended sale proceeds (including unexpended investment earnings thereon) shall be used and applied to pay any rebate owing to the United States of America in connection with the Refunded Bonds, as and when such rebate shall be due and payable, and to the extent not needed for such purpose shall be used and applied for the purpose of financing additional improvements to the Oregon Convention Center.

Section 4. Application of Bond Proceeds; Escrow Agent and Escrow Agreement.

(a) **Application of Bond Proceeds.** Proceeds of the Bonds shall be used and applied as follows:

(i) a portion of the proceeds derived from the issuance and sale of the Bonds shall be used to make the Escrow Deposit with the Escrow Agent pursuant to the Escrow Agreement;

(ii) an amount equal to the accrued interest paid by the original purchaser(s) of the Bonds shall be deposited into the Convention Center Debt Service Fund heretofore established by Metro and used to pay the interest first coming due on the Bonds; and

(iii) the balance of the proceeds derived from the issuance and sale of the Bonds shall be used and applied to pay the costs of issuing the Bonds.

(b) Escrow Agent and Escrow Agreement. First Interstate Bank of Oregon, N.A., Portland, Oregon, is hereby appointed to act as Escrow Agent with respect to the defeasance of the Refunded Bonds by means of the Escrow Deposit, and shall signify its acceptance of the duties of Escrow Agent by executing and delivering the Escrow Agreement described in this subsection.

The Executive Office and Director of Finance and Management Information are hereby directed to cause to be prepared an Escrow Agreement pursuant to which the Escrow Agent shall hold the Escrow Deposit and apply the same for the purpose of paying and redeeming the outstanding Refunding Bonds in accordance with Metro's refunding plan. Such Escrow Agreement shall contain such terms and provisions as are customary in connection with agreements entered into for similar purposes and such other provisions as, in the judgment of the Executive Office and Director of Finance and Management Information, are necessary or appropriate and not inconsistent with, or in violation of, this Resolution and applicable law. The Executive Officer or the Director of Finance and Management Information, or either of them acting individually, are each hereby authorized, empowered and directed, for and on behalf of Metro, to execute and deliver such Escrow Agreement in connection with the issuance and delivery of the Bonds.

Section 5. Security. The Bonds shall constitute general obligations of Metro secured by Metro's full faith and credit and the taxing power of Metro, all as provided in the Act and the Elector Authorization. In accordance with ORS 288.655(2) and 268.500, Metro shall levy annually a direct *ad valorem* tax upon all of the taxable property within Metro in sufficient amount, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and all other moneys reasonably available for the payment of debt service on the Bonds, to pay when due the principal of and interest on the Bonds, and Metro covenants with the holders of the Bonds to levy such a tax annually during each year that any of the Bonds are outstanding. The *ad valorem* taxes to be levied by Metro for the purpose of paying when due the principal of and interest on the Bonds shall be levied and collected outside of, and in addition to, the taxes levied and collected by Metro within its statutory tax base, are not subject to the limitations imposed by Article XI, Section 11b of the Oregon Constitution, and shall be levied in an amount sufficient to pay the Bonds when due without regard to rate or amount.

Section 6. Maintenance of Tax-Exempt Status. Metro hereby covenants and agrees that it will not take any action which would cause the interest on the Bonds to become includable for federal income tax purposes in the gross incomes of the owners thereof, and that Metro will take all reasonable actions within its control necessary in order to ensure that the interest on the Bonds remains excludable for federal income tax purposes from the gross incomes of the owners thereof. In addition, Metro further covenants and agrees that it will not make any use of the proceeds of the Bonds or the Oregon Convention Center to be refinanced with the proceeds of the Bonds which would result in the Bonds being or becoming (a) private activity bonds within the meaning of Section 141(a) of the Internal Revenue Code of 1986, as amended (the "Code") or (b) arbitrage bonds within the meaning of Code Section 148(a). Metro may, in subsequent resolutions of the Council and in the certificates executed and delivered by Metro Manager and the Finance Director of Metro in connection with the issuance and sale of the Bonds, make additional covenants to insure that interest paid on the Bonds will remain excludable for federal income tax purposes from the gross incomes of the owners of the Bonds, in which event such additional covenants shall constitute contracts with the owners of the Bonds.

Section 7. Paying Agent and Registrar; Authentication; Persons Treated as Owners; Registration and Transfer.

(a) Appointment and Duties of Paying Agent and Registrar; Successors and Replacements. First Interstate Bank of Oregon, N.A., Portland, Oregon, is hereby appointed to act as Registrar and Paying Agent with respect to the Bonds. The Paying Agent and Registrar shall perform all duties with respect to the Bonds required of it under this Resolution or customarily provided by persons acting in such capacities, including but not limited to the transmittal of payments on the Bonds the registered owners thereof, the giving of required notices of redemption, the authentication, registration and transfer of Bonds and the maintenance of registration books with respect to the ownership of the Bonds.

Metro may remove any Paying Agent and Registrar by giving written notice thereof to the Paying Agent and Registrar to be so removed, in which event a successor or replacement Paying Agent and Registrar shall be appointed for the Bonds by resolution of Metro Council; *provided that* not less than 45 days prior to the effective date of any such appointment, Metro shall cause to be mailed to the registered owner of each outstanding Bond a written notice specifying the name and address of such successor or replacement and the effective date of such appointment; *and provided further that* no removal of the Paying Agent and Registrar shall be effective until such time as a qualified successor has agreed to act as Paying Agent and Registrar.

Any Paying Agent and Registrar may resign by giving written notice thereof to Metro, in which event a successor or replacement Paying Agent and Registrar shall be appointed for the Bonds by resolution of Metro Council; *provided that* not less than 45 days prior to the effective date of any such appointment, the resigning Paying Agent and Registrar, at its own expense, shall cause to be mailed to the registered owner of each outstanding Bond a written notice specifying the name and address of such successor or replacement and the effective date of such appointment; *and provided further that* no resignation of the Paying Agent and Registrar shall be effective until such time as a qualified successor has agreed to act as Paying Agent and Registrar.

(b) Authentication. No Bond shall be entitled to any right or benefit under this Resolution or any resolutions adopted pursuant to this Resolution unless it shall have been authenticated by an authorized officer of the Registrar. 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 Resolution. The Registrar shall note the date of authentication on each Bond, which date shall be the date on which the bondowner's name is listed on the bond register.

(c) Persons Treated as Owners. The ownership of all Bonds shall be entered in the bond register maintained by the Registrar, and Metro and the Registrar may treat the person listed as owner in the bond register as the owner of the Bond for all purposes.

Section 8. Defeasance. In the event that Metro:

(i) shall cause to be irrevocably deposited with the Paying Agent or any other agent appointed for such purpose, cash or Government Obligations, or both, in an amount sufficient to pay when due the principal of, premium (if any) and interest on the Bonds; and

(ii) shall irrevocably instruct such agent in writing to apply such cash or Government Obligations to the payment when due of the principal of, premium (if any) and interest on the Bonds; and

(iii) if some or all of the Bonds are to be redeemed prior to maturity, shall irrevocably instruct the Paying Agent in writing to call the Bonds for redemption on such date or dates and in such principal amounts as Metro shall specify;

then upon such deposit the Bonds shall be deemed to have been paid in full and no longer be outstanding under this Resolution for any purpose other than the subsequent transfer and exchange of such Bonds as provided herein and the

payment when due of the principal of and interest on such Bonds out of the cash or Government Obligations so deposited, and the Bonds shall thereafter be secured solely and only by the cash or Government Obligations so deposited and the Bonds shall no longer be secured by the full faith and credit of Metro or the taxing powers of Metro.

Section 9. Additional Action. The Council may authorize by subsequent resolution any acts or other matters necessary or appropriate in connection with the issuance, sale, and delivery of the Bonds and the performance by Metro of its covenants and obligations with respect thereto.

Section 10. Additional Authorizations. Metro's Executive Officer, Deputy Executive Officer and Director of Finance and Management Information, and each of them acting individually, are hereby authorized, empowered and directed, for and on behalf of Metro, to do and perform all acts and things necessary or appropriate to issue and sell the Bonds and otherwise implement the provisions of this Resolution, including but not limited to the execution and delivery of such documents, instruments, certificates and agreements as may be necessary or appropriate.

Section 11. Effectiveness of Resolution. This Resolution shall take effect immediately upon its adoption by the Metro Council.

Adopted this 26th day of March, 1992.

*Paulette Allen,
Clerk of Council*

Certification of Resolution

The undersigned do hereby certify that we are the duly elected or appointed, qualified and acting Executive Officer, Presiding Officer of the Council and Clerk of the Council of the Metropolitan Service District, Counties of Multnomah, Clackamas and Washington, State of Oregon; that the foregoing is a true and complete copy of Resolution No. 92-1592 as adopted by the Council of said district at a regular meeting duly called and held in accordance with law on March 26, 1992; and that the following members of the Council voted in favor of said Resolution:

the following members of the Council voted against said Resolution:

and the following member of the Council abstained from voting on said Resolution:

In addition, the Executive Officer hereby certifies that the foregoing resolution has not been vetoed thereby.

In witness whereof, the undersigned have hereunto set their hands as of the dates set forth below.

Tanya Collier, Presiding Officer

Paulette Allen, Clerk of the Council

The undersigned Executive Officer hereby certifies that the foregoing Ordinance has not been vetoed.

Rena Cusma, Executive Officer

Date: _____, 1992

**Bond Form
Appendix**

**COUNTIES OF
MULTNOMAH, CLACKAMAS AND WASHINGTON
STATE OF OREGON
METROPOLITAN SERVICE DISTRICT**

**GENERAL OBLIGATION REFUNDING BOND
(Oregon Convention Center), 1992 Series A**

ORIGINAL ISSUE DATE	INTEREST RATE	MATURITY DATE	CUSIP
March 15, 1992			

REGISTERED OWNER:

PRINCIPAL AMOUNT:

THE METROPOLITAN SERVICE DISTRICT OF THE COUNTIES OF MULTNOMAH, CLACKAMAS AND WASHINGTON, STATE OF OREGON, a municipality, political subdivision and political body corporate and politic duly created and existing under the laws of the State of Oregon ("Metro"), for value received, hereby promises to pay to the Registered Owner specified above on the Maturity Date specified above the Principal Amount specified above, and to pay interest on said Principal Amount at the Interest Rate per annum specified above from the later of the Original Issue Date specified above or the last Interest Payment Date (as herein defined) through which interest has been paid, with all accrued interest to be due and payable semiannually on January 1 and July 1 of each year, commencing July 1, 1992 (each an "Interest Payment Date"). Interest on this Bond shall be paid on each Interest Payment Date by check or draft drawn upon and mailed by Metro's paying agent and registrar (the "Paying Agent" or "Registrar") to the Registered Owner of this Bond at the address thereof, all as shown on the registration books maintained by the Paying Agent as of the 15th day of the month next preceding the Interest Payment Date (the "Record Date"). The Principal Amount of this Bond together with any interest due hereon at maturity shall be paid to the Registered Owner only upon presentation and surrender of this Bond at the principal corporate trust of the Paying Agent on or after the applicable Maturity Date. The principal of and interest on this Bond shall be payable in lawful money of the United States of America which, at the respective date of payment thereof, is legal tender for the payment of public and private debts. Interest on this Bond shall be calculated on the basis of a 360-day year of twelve 30-day months.

ADDITIONAL PROVISIONS OF THIS BOND APPEAR ON THE REVERSE SIDE; THESE PROVISIONS HAVE THE SAME EFFECT AS IF THEY WERE PRINTED ABOVE.

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 and the series of Bonds of which this is one 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 that this Bond and the series of Bonds of which this is one do not exceed any Constitutional or statutory debt limitation applicable to Metro.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Authorizing Legislation (as herein defined) unless and until the certificate of authentication hereon shall have been duly executed by an authorized officer of the Registrar.

IN WITNESS WHEREOF, the Council of the Metropolitan Service District, has caused this Bond to be signed by the facsimile signature of its Executive Officer and attested by the facsimile signature of the Presiding Officer of the Council, all as of the Original Issue Date set forth above.

Rena Cusma, Executive Officer

[SEAL]

ATTEST:

Tanya Collier, Presiding Officer

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Metropolitan Service District General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, issued pursuant to the Authorizing Legislation described herein.

Date of Authentication: _____

First Interstate Bank of Oregon, N.A.

By: _____
Authorized Officer

[Form of Reverse Side of Bond]

This Bond is one of a series of bonds (collectively, the "Bonds") issued by Metro in the aggregate principal amount of \$___,000,000 pursuant to the power conferred on Metro under ORS 268.525, ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, and related provisions of the laws of the State of Oregon (collectively, the "Act"), an approving vote of a majority of the electors of Metro voting at an election duly called and held on November 4, 1986 which authorized the issuance of the Refunded Bonds being refunded and defeased out of the proceeds of the Bonds (the "Elector Authorization") and Resolution No. 92-1592 (the "Resolution") duly adopted by Metro Council at a meeting held on March 26, 1992 (the Act, the Elector Authorization and the Resolution being herein collectively called the "Authorizing Legislation"). All terms used herein and not otherwise defined herein shall have the respective meanings assigned thereto in the Resolution.

The Bonds are being issued for the purpose of refunding, defeasing and redeeming the Refunded Bonds, which Refunded Bonds constitute a part of a series of bonds initially authorized by the electors of Metro pursuant to the Elector Authorization.

The Bonds constitute general obligations of Metro secured by Metro's full faith and credit and the taxing power of Metro, all as provided in the Authorizing Legislation. In accordance with ORS 288.655(2) and 268.500 and the Elector Authorization, Metro shall levy annually a direct *ad valorem* tax on all of the taxable property within Metro in an amount which, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and all other moneys reasonably available for the payment of debt service on the Bonds, will be sufficient to pay when due the principal of and interest on the Bonds, and Metro has covenanted with the owners of the Bonds to levy such a tax annually during each year that any of the Bonds are outstanding. The *ad valorem* taxes to be levied by Metro for the purpose of paying when due the principal of and interest on the Bonds shall be levied and collected outside of, and in addition to, the taxes levied and collected by Metro within its statutory tax base, are not subject to the limitations imposed by Article XI, Section 11b of the Oregon Constitution, and shall be levied in an amount sufficient to pay the Bonds when due without regard to rate or amount.

The Bonds are subject to mandatory and optional redemption prior to maturity, any such redemption to be on such date, in such amounts and at such redemption prices as are set forth in the Resolution.

Notice of any such redemption shall be given to the registered owners of the Bonds to be redeemed in the manner required by the Resolution.

The Bonds are issuable only in the form of fully registered bonds without coupons in the denominations of \$5,000 or any integral multiple thereof not in excess of the principal amount maturing in any one year.

The current Registrar and Paying Agent for the Bonds is First Interstate Bank of Oregon, N.A., Portland, Oregon. In the Authorizing Legislation, Metro has reserved the right to designate a different Paying Agent and Registrar upon not less than 45 days' prior notice mailed to the registered owners of all outstanding Bonds.

This Bond is transferable by the Registered Owner hereof in person or by the Registered Owner's attorney duly authorized in writing only on the registration books maintained by the Registrar upon presentation and surrender of this Bond, duly endorsed for transfer, at the principal corporate trust office of the Registrar. In addition, this Bond may be exchanged for Bonds of the same maturity, interest rate, and aggregate principal amount in any authorized denominations upon presentation and surrender hereof at the principal corporate trust office of the Registrar. As a condition precedent to any such transfer or exchange, the Registered Owner shall be required to pay any applicable governmental tax or charge. The Registrar shall not be required to transfer or exchange any Bonds during the period beginning on the 15th day of the month prior to an Interest Payment Date and ending on such Interest Payment

Date. Metro and the Paying Agent and Registrar may treat the person in whose name this Bond is registered as the absolute owner hereof for all purposes, and neither Metro nor the Paying Agent and Registrar shall be affected by any notice to the contrary.

The rights of the owner of this Bond are in all respects governed by and subject to the terms and conditions set forth in the Authorizing Legislation, to which the owner, by the acceptance of this Bond, consents in all respects.

ASSIGNMENT

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

(Please insert social security or other identifying number of assignee: _____)
the within 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: _____

Signature

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

Signature Guaranteed:

(Bank, Trust Company, or Firm)

Authorized Officer

The following abbreviations, when used in the inscription on the face of the within 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
as custodian under the laws of Oregon for
_____ MIN
(Minor's Name)

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

METROPOLITAN SERVICE DISTRICT

**RESOLUTION NO. 92-1592
OF THE COUNCIL**

A Resolution authorizing the issuance of General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, in the principal amount of not to exceed \$67,000,000 for the purpose of advance refunding and replacing the Metropolitan Service District's outstanding general obligation bonds issued in 1987 to finance the acquisition and construction of a regional convention and trade show center, and providing for related matters.

**Adopted by the Council of the
Metropolitan Service District
on March 26, 1992
Effective on March 26, 1992**

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RESOLUTION NO. 92-1592

A Resolution authorizing the issuance of General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, in the principal amount of not to exceed \$67,000,000 for the purpose of advance refunding and replacing the Metropolitan Service District's outstanding general obligation bonds issued in 1987 to finance the acquisition and construction of a regional convention and trade show center, and providing for related matters.

Section A. Findings. As the preamble to this Resolution, the Council of the Metropolitan Service District, Counties of Multnomah, Clackamas and Washington, State of Oregon ("Metro") hereby recites the matters set forth below in this Section A. To the extent any of the following recitals relates to a finding or determination which must be made by the Council in connection with the subject matter of this Resolution or any aspect thereof, the Council declares that by setting forth such recital such finding or determination is thereby made by the Council. This Section A and the recitals, findings and determinations set forth herein constitute a part of this Resolution.

(1) Political Subdivision. Metro is a municipality and political subdivision organized and existing under and pursuant to the laws of the State of Oregon, particularly Chapter 268 of Oregon Revised Statutes.

(2) The 1987 Bonds. Under and pursuant to ORS 268.520, Metro was and is authorized to issue its general obligation bonds upon the approval of a majority of the electors of Metro voting on the question, subject to the limitations imposed by law. At the general election duly called and held on November 4, 1986, a majority of the electors of Metro voting on the question authorized Metro to issue its general obligation bonds in an aggregate principal amount not to exceed \$65,000,000 (the "Elector Authorization") for the purpose of financing the acquisition and construction of a regional convention and trade show center (the "Convention Center"). Pursuant to the Elector Authorization and Metro Resolution No. 87-767 enacted on June 11, 1987, Metro issued its General Obligation Convention Center Bonds, Series 1987 in an original aggregate principal amount of \$65,000,000 (the "1987 Bonds"), said Convention Center having been heretofore acquired and constructed by Metro with the exception of certain additions and improvements thereto which will be acquired and constructed in due course.

(3) Capital Construction or Improvements. The Convention Center constitutes a "capital construction or improvement" within the meaning of ORS 288.160(1) and 310.140.

(4) Outstanding 1987 Bonds. There remain outstanding 1987 Bonds in the aggregate principal amount of \$60,680,000 maturing or being subject to mandatory sinking fund redemption on December 1 of each year, 1992 through 2012 (inclusive), bearing interest at *per annum* rates ranging from 5.75% to 8.2% and subject to redemption at the option of Metro on December 1, 1997 at a redemption price equal to the principal amount of the 1987 Bonds to be redeemed plus accrued and unpaid interest thereon to the date of redemption.

(5) Payment From Property Taxes. In accordance with the Elector Authorization and as required under State law, Metro levies and collects each year an *ad valorem* tax on all taxable property subject to taxation by Metro in an amount sufficient to pay all amounts coming due on the 1987 Bonds in the year in which such tax is levied, and is required to continue levying and collecting such tax until such time as all amounts owing under the 1987 Bonds have been paid in full. Such tax is levied outside of, and in addition to, the *ad valorem* taxes levied by Metro for other voter authorized purposes, is not subject to the limitations imposed Article XI, Section 11b of the Oregon Constitution and is levied in an amount sufficient to pay the 1987 Bonds when due without regard to rate or amount.

(6) Current Market Interest Rates. The current rates of interest available in the municipal bond markets for tax-exempt bonds having maturities and credit quality substantially the same as the maturities and credit quality of the outstanding 1987 Bonds are significantly lower than the rates of interest borne by the outstanding 1987 Bonds.

(7) Savings to Taxpayers by Issuing Refunding Bonds. In light of the rates of interest currently available, the issuance and sale by Metro of advance refunding bonds for the purpose of refunding, replacing, defeasing and (subject to the limitations on redemption applicable to the 1987 Bonds) redeeming at the earliest practicable date the outstanding 1987 Bonds is in the best interests of Metro and the persons and entities owning property subject to *ad valorem* taxation by Metro. The issuance and sale of such advance refunding bonds will enable Metro to realize aggregate debt service payments on such advance refunding bonds which are significantly lower than the aggregate debt service payments now required to be made with respect to the 1987 Bonds. As a result of such lower aggregate debt service payments, Metro will be able to levy and collect *ad valorem* property taxes to pay such advance refunding bonds in an amount that is significantly less than the amount of *ad valorem* property taxes that will be required to be levied and collected to pay the debt service on the outstanding 1987 Bonds to be so refunded, thereby helping to relieve and diminish the *ad valorem* tax burden on Metro's taxpayers.

(9) Authority to Issue Advance Refunding Bonds. Pursuant and subject to the requirements of ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, and ORS 268.525, Metro is authorized and empowered, without a vote of the electors, to issue and sell advance refunding bonds for the purpose of refunding, replacing, defeasing and redeeming the outstanding 1987 Bonds as described above and as hereinafter set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT AS FOLLOWS:

Section 1. Definitions. As used in this Resolution, the following terms shall have the respective meanings set forth in this Section 1.

"Act" means ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, ORS 268.525 and related provisions of the laws of the State of Oregon affecting, governing or authorizing the issuance of advance refunding bonds for the purpose of refunding outstanding general obligation bonds.

"Authorizing Legislation" means, collectively, the Elector Authorization, the Act and this Resolution.

"Beneficial Owners" shall mean, whenever used with respect to a Bond, the person or entity in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant pursuant to the arrangements for book-entry determination of ownership applicable to the Securities Depository.

"Book-Entry System" shall mean that system whereby the clearance and settlement of securities transactions is made through electronic book-entry changes, thereby eliminating the need of physical movement of securities.

"Bonds" means Metro's General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, authorized to be issued pursuant to Section 2 of this Resolution.

"Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

"Council" means the Council of Metro acting as the duly constituted governing body of Metro in which Metro's legislative powers are vested under law.

"DTC" shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"Elector Authorization" means the approving vote of a majority of the electors of Metro voting on the question at the general election duly called and held on November 4, 1986, wherein said electors authorized Metro to issue and sell the 1987 Bonds for the purposes described in Section A of this Resolution.

"Escrow Agreement" means the agreement to be entered into by and between Metro and the Escrow Agent, which agreement is authorized by this Resolution to be prepared, executed and delivered in connection with the issuance and sale of the Bonds and the refunding and defeasance of the Refunded Bonds.

"Escrow Agent" means First Interstate Bank of Oregon, N.A., a national banking association with its principal corporate trust offices located in Portland, Oregon, acting in its capacity as escrow agent under and pursuant to the Escrow Agreement.

"Escrow Deposit" means the cash and Government Obligations required to be deposited with the Escrow Agent under the Escrow Agreement for the purpose of refunding, replacing, defeasing and redeeming the Refunded Bonds in accordance with the refunding plan of Metro, which deposit shall:

(i) be made from a portion of the proceeds derived from the issuance and sale of the Bonds (by using such proceeds to purchase a sufficient amount of Government Obligations and, to the extent the Government Obligations so purchased are insufficient for the purposes of such deposit, by depositing a portion of such sale proceeds in cash) and from any other lawfully available funds of Metro; and

(ii) be in an amount which, together with the investment earnings derived from such deposit and any cash constituting part of such deposited, will be sufficient to pay all installments of principal, interest and redemption premiums (if any) on the Refunded Bonds when they fall due (whether by stated maturity date or call for redemption) in accordance with the refunding plan of Metro.

"Government Obligations" shall have the meaning assigned to such phrase in ORS 299.605(5).

"Interest Payment Date" means each January 1 and July 1 of each year, commencing July 1, 1992.

"1987 Bonds" means Metro's General Obligation Convention Center Bonds, Series 1987 originally issued in the aggregate principal amount of \$65,000,000 pursuant to the Elector Authorization and applicable law.

"Participant" shall mean a broker-dealer, bank or other financial institution for which DTC holds Bonds as Securities Depository.

"Paying Agent" means the paying agent for the Bonds appointed pursuant to Section 7 of this Resolution, the initial paying agent being First Interstate Bank of Oregon, N.A.

"Purchase Agreement" means the agreement between Metro and PaineWebber Incorporated pursuant to which PaineWebber Incorporated agrees to purchase the Bonds from Metro and Metro agrees to sell to the Bonds to PaineWebber Incorporated.

"Refunded Bonds" means the outstanding 1987 Bonds maturing on December 1 of each year, 1992 through 2012.

"Registrar" means the registrar for the Bonds appointed pursuant to Section 7 of this Resolution, the initial registrar being First Interstate Bank of Oregon, N.A.

"Securities Depository" shall mean, initially, The Depository Trust Company, New York, New York, and its successors and replacement securities depository appointed hereunder.

"Underwriter" means PaineWebber Incorporated as the underwriter for the Bonds pursuant to the Purchase Agreement.

Section 2. The Bonds.

(a) Authorization. Pursuant to and subject to the requirements of the Act, Metro shall issue the Bonds for the purpose of refunding, replacing, defeasing and redeeming the outstanding Refunded Bonds, all as provided in and subject to the limitations hereinafter set forth in this Resolution.

(b) Date of Bonds; Designation. The Bonds shall be dated March 15, 1992. The Bonds shall be designated "Metropolitan Service District General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A."

(c) Aggregate Principal Amount Authorized. The Bonds are hereby authorized to be issued in an aggregate principal amount not to exceed the sum of \$67,000,000, *provided that:*

(i) In accordance with the requirements of ORS 288.645 and 288.160(1)(b), the actual aggregate principal amount of the Bonds issued shall not be in excess of the minimum amount necessary to:

(A) make the Escrow Deposit in an amount sufficient to cause the Bonds to be deemed to replace the Refunded Bonds within the meaning of ORS 288.160(2); and

(B) to pay any amounts charged to Metro as administrative costs, expenses or fees in connection with the authorization, issuance and sale of the Bonds which are permitted to be paid from the proceeds of the Bonds; and

(ii) The actual aggregate principal amount of the Bonds issued shall not be such as to cause to be exceeded the limitations on the amount of general obligation bonds permitted to be issued by Metro as set forth in ORS 268.520, subject however to the applicable provisions of law regarding the manner in which the amount of outstanding general obligation bonds is to be calculated for purposes of such limitations.

(d) Maturity Dates, Interest Rates and Redemption Provisions. The Bonds will mature on January 1 of each of the years determined by Metro's Executive Officer pursuant to Section 3 hereof, provided that the first such maturity date shall be January 1, 1993 and the final maturity date shall be January 1, 2013. The principal amount of the Bonds to be issued as term bonds and as serial bonds and the principal amount of such term bonds and serial bonds to mature in each year shall be established by Metro's Executive Officer, in accordance with and subject to the limitations set forth in Section 3 of this Resolution.

The Bonds shall bear interest at such rate or rates as shall be established by Metro's Executive Officer, in accordance with and subject to the limitations set forth in Section 3 of this Resolution, with all accrued interest to be due and payable semiannually on each Interest Payment Date, commencing with the first Interest Payment Date following the issuance and delivery of the Bonds.

The Bonds, if any, which are issued as term bonds (as determined by the Executive Officer pursuant to Section 3 hereof) shall be subject to mandatory redemption on January 1 of such years and in such principal amounts as shall be determined by the Executive Officer pursuant to Section 3 hereof, any such redemption to be without premium at a price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued and unpaid interest thereon to the date fixed for redemption.

The Bonds maturing on or after January 1, 2001 shall be subject to redemption prior to maturity at the option of Metro, in whole on any date on or after January 1, 2000 and in part on any Interest Payment Date on or after January 1, 2000, any such redemption to be without premium at a price equal to 100% of the principal amount to be redeemed, plus accrued and unpaid interest thereon to the date fixed for redemption, plus a premium (expressed as a percentage of the principal amount to be redeemed) as set forth in the following table:

Redemption Date:	Premium:
January 1, 2000 through December 31, 2000	2%
January 1, 2001 through December 31, 2001	1%
January 1, 2002 and thereafter	0%

(e) Payment of Principal and Interest. Principal of each Bond shall be paid only on or after the stated maturity date thereof or date fixed for earlier redemption thereof, and then only upon presentation and surrender of such Bond to the Paying Agent at its principal corporate trust office. Interest on each Bond shall be paid on each Interest Payment Date by check or draft drawn upon and mailed by the Paying Agent to the registered owner of such Bond at the address thereof, all as shown on the registration books maintained by the Registrar as of the 15th day of the month next preceding the Interest Payment Date.

(e) Notice of Redemption. Notice of any mandatory or optional redemption of any Bonds shall be given in writing by the Paying Agent and Registrar, in the name of Metro, by first class mail, postage prepaid, to the registered owner of each Bond called for redemption at the registered address thereof, all as shown on the registration books maintained by the Registrar as of the 5th business day next preceding the date of mailing of such notice, any such notice to be mailed not less than 30 nor more than 45 days prior to the date fixed for the redemption of the Bonds to which such notice pertains; *provided that*, so long as the Bonds remain subject to the Book-Entry System, notice of redemption shall be given at the time, to the entity and in the manner required in the letter of representation executed among Metro, the Paying Agent and DTC in connection with the issuance and sale of the Bonds, and no other notice of redemption shall be required to be given.

Each notice of redemption shall:

- (i) identify by number the Bonds (or principal portions thereof) called for redemption;
- (ii) state the redemption price of the Bonds called for redemption, which redemption price may be stated as a percentage of the principal amount thereof called for redemption plus accrued and unpaid interest thereon;
- (iii) state the date fixed for redemption;
- (iv) provide the address of the place at which the Bonds called for redemption must be presented and surrendered to the Paying Agent on or after the date fixed for redemption in order to receive payment of the redemption price thereof;
- (iv) state that from and after the date fixed for redemption, interest on the Bonds (or principal portions thereof) called for redemption shall cease to accrue and the owners of such Bonds or portions thereof shall thereafter only be entitled to receive the redemption price thereof upon the presentation and surrender of such Bonds to the Paying Agent;
- (v) in the case of an optional redemption, state that if, for any reason, Metro, not less than five business days prior to the redemption date specified in such notice, does not: (A) cause to be deposited with the Paying Agent funds sufficient to pay the redemption price of the Bonds or portions thereof to which such notice relates, or (B) provide the Paying Agent with reasonable assurance that such funds will be deposited with the Paying Agent not less than one business day prior to the date fixed for redemption, then and in any such event such call for redemption shall be null, void and of no force or effect and the Bonds or portions thereof so called for redemption shall continue to remain outstanding as if such notice and called had never been given or made; and
- (v) set forth such other matters or information as may be required by law or, in the judgment of Metro, be necessary or appropriate.

The Paying Agent shall give such notice of redemption as soon as practicable following the receipt of written direction from Metro to do so; *provided that* the Paying Agent shall not be required to give any such notice of redemption less than 7 business days after written notice thereof is mailed, postage prepaid, or transmitted in written form by telecopy or other electronic means of communication by Metro to the Paying Agent. The Paying Agent shall not have the right to demand, as a condition precedent to the giving of any such notice of redemption that moneys be deposited with the Paying Agent sufficient to pay the redemption price of any Bonds or portions thereof called for redemption, nor shall Metro be required to make any such deposit prior to the giving of any notice of redemption by the Paying Agent to the registered owners of the Bonds.

In the case of an optional redemption, if, for any reason, Metro, not less than five business days prior to the redemption date specified in such notice, does not: (A) cause to be deposited with the Paying Agent funds sufficient to pay the redemption price of the Bonds or portions thereof to which such notice relates, or (B) provide the Paying Agent with reasonable assurance that such funds will be deposited with the Paying Agent not less than one business day prior to the date fixed for redemption, then and in any such event such call for redemption shall be canceled and be null, void and of no force or effect and the Bonds or portions thereof so called for redemption shall continue to remain outstanding as if such notice and called had never been given or made. In any such event, the Paying Agent shall, as soon as practical, cause to be mailed, postage prepaid, to each registered owner of the Bonds or portions thereof which were so called for redemption a written notice of such cancellation.

(f) Partial Redemptions. In the case of a partial redemption and with respect to any Bonds evidenced by a single certificate in a denomination greater than \$5,000, principal portions of such Bonds may be called for redemption in amounts equal to \$5,000 or any integral multiple thereof. In case less than all of the principal portion of a Bond is so called for redemption, then upon presentation and surrender of such Bond to the Paying Agent for payment of the redemption price thereof on or after the date fixed for redemption, Metro shall execute and the Registrar shall authenticate and deliver to the registered owner thereof a new Bond of the same maturity and interest rate in a denomination equal to the unredeemed principal portion of the Bond so surrendered.

If less than all of the outstanding Bonds are to be called for redemption at the option of Metro, Metro shall have the right to specify the particular maturities to be redeemed and the principal amounts of each such maturity. If less than all of the Bonds of a particular maturity are called for redemption, the Registrar shall select, by lot or in such other manner as the Registrar deems fair, the particular Bonds or principal portions thereof to be so redeemed.

(g) Effect of Redemption. If on the date fixed for redemption of any Bonds or portions thereof Metro has deposited or caused to be deposited and set aside with the Paying Agent funds sufficient to pay the redemption price of such Bonds, then and in such event such Bonds or portions thereof shall cease to accrue interest from and after the date fixed for such redemption and shall no longer be deemed to be outstanding or entitled to the security of or any benefits provided by this Resolution or the Act, and Metro shall have no further liability for the payment thereof, and the owners thereof shall only be entitled to payment of the purchase price thereof (without right to any interest thereon from and after the date fixed for redemption) from the moneys held by the Paying Agent for such purpose upon presentation and surrender of such Bonds at the principal corporate trust office of the Paying Agent.

(h) Registered Bonds; Denominations; Form; Execution. The Bonds shall be issued only in fully registered form without coupons in denominations of Five Thousand Dollars (\$5,000) or integral multiples thereof not in excess of the principal amount maturing in any one year. The Bonds shall be issued in substantially the form attached to this Resolution as the Bond Form Appendix, but with such variations, changes, and additions as may be necessary or appropriate and not contrary to, or in violation of, the terms of this Resolution or applicable law.

The Bonds shall be signed on behalf of Metro by means of the manual or facsimile signatures of Metro's Executive Officer and the Presiding Officer of the Metro Council. The manual or facsimile signatures of such officer that appear on the Bonds shall continue to be valid for all purposes notwithstanding the fact that at the time of authentication of a particular Bond either or both officers whose signature so appears on such Bond is no longer holder the office of Executive Officer or Presiding Officer (as the case may be). Metro has not adopted a seal and therefore no seal shall be impressed or imprinted on the Bonds, but the Bonds shall nevertheless be valid and binding for all purposes when signed by the Executive Officer and Presiding Officer and authenticated by the Registrar as provided herein.

(i) Exchange and Transfer. Bonds may be exchanged for an equal principal amount of Bonds of the same maturity and interest rate but which are in different authorized denominations, and Bonds may be transferred to other owners, if the bondowner submits the following to the Registrar:

- (i) 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
- (ii) the Bonds to be exchanged or transferred.

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 Interest Payment Date; however, such Bonds shall be exchanged or transferred promptly following that Interest Payment Date.

For purposes of this section, Bonds shall be considered submitted to the Registrar on the date the Registrar actually receives the materials described above in this subsection 2(i).

Metro may alter these provisions regarding registration and transfer to conform to market standards by mailing notification of the altered provisions to all bondowners. 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.

Notwithstanding the foregoing provisions, while the Bonds are subject to a Book-Entry System the provisions set forth in Section 2(j) below shall govern the transfer and exchange of beneficial interests in the Bonds.

(j) Provisions for Book-Entry System. The Bonds will initially be subject to a Book-Entry System of ownership and transfer, which Book-Entry System shall continue with respect to the Bonds until such time as the same is discontinued as provided in (iii) below. The general provisions for effecting such Book-Entry System are as follows:

(i) Metro hereby designates The Depository Trust Company, New York, New York, as the initial Securities Depository hereunder.

(ii) Notwithstanding the provisions regarding exchange and transfer of Bonds under the Master Ordinance, the Bonds shall initially be evidenced by one certificate for each maturity (including one certificate for each principal amount due pursuant to a Mandatory Redemption Schedule), in an amount equal to the aggregate principal amount thereof. The Bonds so initially delivered shall be registered in the name of "Cede & Co." as nominee for The Depository Trust Company. The Bonds may not thereafter be transferred or exchanged on the registration books of the Metro held by the Trustee as Bond Registrar except:

(A) to any successor Securities Depository designated pursuant to (iii) below;

(B) to any successor nominee designated by a Securities Depository; or

(C) if the Metro shall, by resolution, elect to discontinue the Book-Entry System pursuant to (iii) below, the Metro will cause the Trustee to authenticate and deliver replacement Bonds in fully registered form in Authorized Denominations in the names of the beneficial Owners or their nominees; thereafter the provisions of the Master Ordinance regarding registration, transfer and exchange of Bonds shall apply.

(iii) Upon the resignation of any institution acting as Securities Depository hereunder, or if the Metro determines that continuation of any institution in the role of Securities Depository is not in the best interests of the Beneficial Owners, the Metro will attempt to identify another institution qualified to act as Securities Depository hereunder or will discontinue the Book-Entry System by resolution. If the Metro is unable to identify such successor Securities Depository prior to the effective date of the resignation, the Metro shall discontinue the Book-Entry System, as provided in (ii)(C) above.

(iv) So long as the Book-Entry System is used for the Bonds, the Trustee will give any notice of redemption or any other notices required to be given to Owners of Bonds only to the Securities Depository or its nominee registered as the Owner thereof. Any failure of the Securities Depository to advise any of its Participants, or of any Participant to notify the Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of the Bonds called for redemption or of any other action premised on such notice. Neither the Metro nor the Trustee is responsible or liable for the failure of the Securities Depository or any Participant thereof to make any payment or give any notice to a Beneficial Owner in respect of the Bonds or any error or delay relating thereto.

Section 3. Sale of Bonds; Approval of Purchase Agreement; Approval of Preliminary Official Statement; Authorization of and Direction to Executive Officer.

(a) **Sale of Bonds.** The Bonds shall be sold in a negotiated sale to PaineWebber Incorporated pursuant to the Purchase Agreement, *provided that* the Bonds may not be sold for an amount that is less than 98.75% of the aggregate principal amount of the Bonds to be issued plus interest accruing thereon from the date of the Bonds to the date of issuance and delivery thereof.

(b) **Approval of Purchase Agreement.** The form of Purchase Agreement presented to the Council and which has been placed on file with the Clerk of the Council is hereby approved in substantially the form submitted.

(c) **Ratification of Preliminary Official Statement Use.** The distribution by the Underwriter of the Preliminary Official Statement describing the Bonds is hereby ratified.

(d) **Authorization of and Direction to Executive Officer.** Metro's Executive Officer is hereby authorized, empowered and directed, for and on behalf of Metro, to:

(i) **Official Statement:** cause to be prepared, in accordance with the requirements of ORS 287.018, a final official statement in substantially final form describing the Bonds and setting forth such information concerning Metro and the Bonds as may be necessary or appropriate in order to disclose all material information which a prospective investor would need in order to make an informed decision with respect to an investment in the Bonds;

(ii) **Execution and Delivery of Purchase Agreement and Other Documents:** execute and deliver the Purchase Agreement and any other agreement, instrument, certificate or document incidental to the issuance, sale and delivery of the Bonds in accordance with the requirements of ORS 287.014 - ORS 287.026 and the provisions of this Resolution;

(iii) **Final Official Statement:** execute and deliver on behalf of Metro a final official statement describing the Bonds and setting forth such information concerning Metro and the Bonds as may be necessary or appropriate in order to disclose all material information which a prospective investor would need in order to make an informed decision with respect to an investment in the Bonds;

(iv) **Acceptance of Modifications and Amendments:** in her sole discretion, accept and approve any modifications or amendments to any of the instruments or documents necessary or incidental to the issuance and sale of the Bonds including the Purchase Agreement and the Escrow Agreement;

(v) **Establish Principal:** subject to the limitations set forth in Section 2(c) of this Resolution, establish the actual principal amount of the Bonds to be issued, which amount shall be sufficient to make the Escrow Deposit and pay the costs of issuance incurred in connection with the issuance and sale of the Bonds; and

(vi) **Establish Principal Maturities and Interest Rates:** establish:

(A) the principal amount of the Bonds to mature in each year, 1992 through 2012 (inclusive) and the principal amounts of the Bonds to be issued as serial bonds and as term bonds;

(B) with respect to the Bonds to be issued as term bonds, the principal amount of the term bonds of each maturity to be subject to mandatory sinking fund redemption in each year; and

(C) the rate of interest *per annum* to be applicable to the Bonds of each maturity;

provided that the aggregate amount of principal and interest due on the Bonds in any one year shall, insofar as is practical, be as substantially equal; *and provided further that*, in no event shall the true interest cost of the Bonds exceed 7.50%.

The authority of the Executive Officer to determine the terms of the Bonds as provided in subsections (v) and (vi) above shall be exercised by setting forth such terms as so determined and established in a Certificate of Metro's Executive Officer executed in connection with the sale the Bonds and, to the extent so required under applicable law, shall constitute the completion of the determination of such matters by Metro as a public body.

(e) **Direction to Redeem Refunded Bonds.** In accordance with the requirements of ORS 288.635, the Council hereby irrevocably provides that on December 1, 1997 all then outstanding Refunded Bonds shall be redeemed and the refunding plan prepared by the Executive Officer shall so provide.

Section 4. Application of Bond Proceeds; Escrow Agent and Escrow Agreement.

(a) **Application of Bond Proceeds.** Proceeds of the Bonds shall be used and applied as follows:

(i) a portion of the proceeds derived from the issuance and sale of the Bonds shall be used to make the Escrow Deposit with the Escrow Agent pursuant to the Escrow Agreement;

(ii) an amount equal to the accrued interest paid by the original purchaser(s) of the Bonds shall be deposited into the Convention Center Debt Service Fund heretofore established by Metro and used to pay the interest first coming due on the Bonds; and

(iii) the balance of the proceeds derived from the issuance and sale of the Bonds shall be used and applied to pay the costs of issuing the Bonds.

(b) **Escrow Agent and Escrow Agreement.** First Interstate Bank of Oregon, N.A., Portland, Oregon, is hereby appointed to act as Escrow Agent with respect to the defeasance of the Refunded Bonds by means

of the Escrow Deposit, and shall signify its acceptance of the duties of Escrow Agent by executing and delivering the Escrow Agreement described in this subsection.

Metro Attorney and Metro Manager are hereby directed to cause to be prepared an Escrow Agreement pursuant to which the Escrow Agent shall hold the Escrow Deposit and apply the same for the purpose of paying and redeeming the outstanding Refunding Bonds in accordance with Metro's refunding plan. Such Escrow Agreement shall contain such terms and provisions as are customary in connection with agreements entered into for similar purposes and such other provisions as, in the judgment of Metro Manager and Metro Attorney, are necessary or appropriate and not inconsistent with, or in violation of, this Resolution and applicable law. Metro Manager is hereby authorized, empowered and directed, for and on behalf of Metro, to execute and deliver such Escrow Agreement in connection with the issuance and delivery of the Bonds.

Section 5. Security. The Bonds shall constitute general obligations of Metro secured by Metro's full faith and credit and the taxing power of Metro, all as provided in the Act and the Elector Authorization. In accordance with ORS 288.655(2) and 268.500, Metro shall levy annually a direct *ad valorem* tax upon all of the taxable property within Metro in sufficient amount, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and all other moneys reasonably available for the payment of debt service on the Bonds, to pay when due the principal of and interest on the Bonds, and Metro covenants with the holders of the Bonds to levy such a tax annually during each year that any of the Bonds are outstanding. The *ad valorem* taxes to be levied by Metro for the purpose of paying when due the principal of and interest on the Bonds shall be levied and collected outside of, and in addition to, the taxes levied and collected by Metro within its statutory tax base, are not subject to the limitations imposed by Article XI, Section 11b of the Oregon Constitution, and shall be levied in an amount sufficient to pay the Bonds when due without regard to rate or amount.

Section 6. Maintenance of Tax-Exempt Status. Metro hereby covenants and agrees that it will not take any action which would cause the interest on the Bonds to become includable for federal income tax purposes in the gross incomes of the owners thereof, and that Metro will take all reasonable actions within its control necessary in order to ensure that the interest on the Bonds remains excludable for federal income tax purposes from the gross incomes of the owners thereof. In addition, Metro further covenants and agrees that it will not make any use of the proceeds of the Bonds or the Library Improvements to be refinanced with the proceeds of the Bonds which would result in the Bonds being or becoming (a) private activity bonds within the meaning of Section 141(a) of the Internal Revenue Code of 1986, as amended (the "Code") or (b) arbitrage bonds within the meaning of Code Section 148(a). Metro may, in subsequent resolutions of the Council and in the certificates executed and delivered by Metro Manager and the Finance Director of Metro in connection with the issuance and sale of the Bonds, make additional covenants to insure that interest paid on the Bonds will remain excludable for federal income tax purposes from the gross incomes of the owners of the Bonds, in which event such additional covenants shall constitute contracts with the owners of the Bonds.

Section 7. Paying Agent and Registrar; Authentication; Persons Treated as Owners; Registration and Transfer.

(a) **Appointment and Duties of Paying Agent and Registrar; Successors and Replacements.** First Interstate Bank of Oregon, N.A., Portland, Oregon, is hereby appointed to act as Registrar and Paying Agent with respect to the Bonds. The Paying Agent and Registrar shall perform all duties with respect to the Bonds required of it under this Resolution or customarily provided by persons acting in such capacities, including but not limited to the transmittal of payments on the Bonds the registered owners thereof, the giving of required notices of redemption, the authentication, registration and transfer of Bonds and the maintenance of registration books with respect to the ownership of the Bonds.

Metro may remove any Paying Agent and Registrar by giving written notice thereof to the Paying Agent and Registrar to be so removed, in which event a successor or replacement Paying Agent and Registrar shall be appointed for the Bonds by resolution of Metro Council; *provided that* not less than 45 days prior to the effective date of any such appointment, Metro shall cause to be mailed to the registered owner of each outstanding Bond a written notice specifying the name and address of such successor or replacement and the effective date of such appointment; *and provided further that* no removal of the Paying Agent and Registrar shall be effective until such time as a qualified successor has agreed to act as Paying Agent and Registrar.

Any Paying Agent and Registrar may resign by giving written notice thereof to Metro, in which event a successor or replacement Paying Agent and Registrar shall be appointed for the Bonds by resolution of Metro Council; *provided that* not less than 45 days prior to the effective date of any such appointment, the resigning Paying Agent and Registrar, at its own expense, shall cause to be mailed to the registered owner of each outstanding Bond a written notice specifying the name and address of such successor or replacement and the effective date of such appointment; *and provided further that* no resignation of the Paying Agent and Registrar shall be effective until such time as a qualified successor has agreed to act as Paying Agent and Registrar.

(b) Authentication. No Bond shall be entitled to any right or benefit under this Resolution or any resolutions adopted pursuant to this Resolution unless it shall have been authenticated by an authorized officer of the Registrar. 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 Resolution. The Registrar shall note the date of authentication on each Bond, which date shall be the date on which the bondowner's name is listed on the bond register.

(c) Persons Treated as Owners. The ownership of all Bonds shall be entered in the bond register maintained by the Registrar, and Metro and the Registrar may treat the person listed as owner in the bond register as the owner of the Bond for all purposes.

Section 8. Defeasance. In the event that Metro:

(i) shall cause to be irrevocably deposited with the Paying Agent or any other agent appointed for such purpose, cash or Government Obligations, or both, in an amount sufficient to pay when due the principal of, premium (if any) and interest on the Bonds; and

(ii) shall irrevocably instruct such agent in writing to apply such cash or Government Obligations to the payment when due of the principal of, premium (if any) and interest on the Bonds; and

(iii) if some or all of the Bonds are to be redeemed prior to maturity, shall irrevocably instruct the Paying Agent in writing to call the Bonds for redemption on such date or dates and in such principal amounts as Metro shall specify;

then upon such deposit the Bonds shall be deemed to have been paid in full and no longer be outstanding under this Resolution for any purpose other than the subsequent transfer and exchange of such Bonds as provided herein and the payment when due of the principal of and interest on such Bonds out of the cash or Government Obligations so deposited, and the Bonds shall thereafter be secured solely and only by the cash or Government Obligations so deposited and the Bonds shall no longer be secured by the full faith and credit of Metro or the taxing powers of Metro.

Section 9. Additional Action. The Council may authorize by subsequent resolution any acts or other matters necessary or appropriate in connection with the issuance, sale, and delivery of the Bonds and the performance by Metro of its covenants and obligations with respect thereto.

Section 10. Additional Authorizations. Metro's Executive Officer, Deputy Executive Officer and Director of Finance and Management Information, and each of them acting individually, are hereby authorized, empowered and directed, for and on behalf of Metro, to do and perform all acts and things necessary or appropriate to issue and sell the Bonds and otherwise implement the provisions of this Resolution, including but not limited to the execution and delivery of such documents, instruments, certificates and agreements as may be necessary or appropriate.

Section 11. Effectiveness of Resolution. This Resolution shall take effect immediately upon its adoption by the Metro Council.

Adopted this _____ day of March, 1992.

*Paulette Allen,
Clerk of Council*

Certification of Resolution

The undersigned do hereby certify that we are the duly elected or appointed, qualified and acting Executive Officer, Presiding Officer of the Council and Clerk of the Council of the Metropolitan Service District, Counties of Multnomah, Clackamas and Washington, State of Oregon; that the foregoing is a true and complete copy of Resolution No. 92-1592 as adopted by the Council of said district at a regular meeting duly called and held in accordance with law on March 26, 1992; and that the following members of the Council voted in favor of said Resolution:

the following members of the Council voted against said Resolution:

and the following member of the Council abstained from voting on said Resolution:

In addition, the Executive Officer hereby certifies that the foregoing resolution has not been vetoed thereby.

In witness whereof, the undersigned have hereunto set their hands as of the dates set forth below.

Tanya Collier, Presiding Officer

Paulette Allen, Clerk of the Council

The undersigned Executive Officer hereby certifies that the foregoing Ordinance has not been vetoed.

Rena Cusma, Executive Officer

Date: _____, 1992

**Bond Form
Appendix**

**COUNTIES OF
MULTNOMAH, CLACKAMAS AND WASHINGTON
STATE OF OREGON
METROPOLITAN SERVICE DISTRICT**

**GENERAL OBLIGATION REFUNDING BOND
(Oregon Convention Center), 1992 Series A**

ORIGINAL ISSUE DATE	INTEREST RATE	MATURITY DATE	CUSIP
March 15, 1992			

REGISTERED OWNER:

PRINCIPAL AMOUNT:

THE METROPOLITAN SERVICE DISTRICT OF THE COUNTIES OF MULTNOMAH, CLACKAMAS AND WASHINGTON, STATE OF OREGON, a municipality, political subdivision and political body corporate and politic duly created and existing under the laws of the State of Oregon ("Metro"), for value received, hereby promises to pay to the Registered Owner specified above on the Maturity Date specified above the Principal Amount specified above, and to pay interest on said Principal Amount at the Interest Rate per annum specified above from the later of the Original Issue Date specified above or the last Interest Payment Date (as herein defined) through which interest has been paid, with all accrued interest to be due and payable semiannually on January 1 and July 1 of each year, commencing July 1, 1992 (each an "Interest Payment Date"). Interest on this Bond shall be paid on each Interest Payment Date by check or draft drawn upon and mailed by Metro's paying agent and registrar (the "Paying Agent" or "Registrar") to the Registered Owner of this Bond at the address thereof, all as shown on the registration books maintained by the Paying Agent as of the 15th day of the month next preceding the Interest Payment Date (the "Record Date"). The Principal Amount of this Bond together with any interest due hereon at maturity shall be paid to the Registered Owner only upon presentation and surrender of this Bond at the principal corporate trust of the Paying Agent on or after the applicable Maturity Date. The principal of and interest on this Bond shall be payable in lawful money of the United States of America which, at the respective date of payment thereof, is legal tender for the payment of public and private debts. Interest on this Bond shall be calculated on the basis of a 360-day year of twelve 30-day months.

ADDITIONAL PROVISIONS OF THIS BOND APPEAR ON THE REVERSE SIDE; THESE PROVISIONS HAVE THE SAME EFFECT AS IF THEY WERE PRINTED ABOVE.

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 and the series of Bonds of which this is one 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 that this Bond and the series of Bonds of which this is one do not exceed any Constitutional or statutory debt limitation applicable to Metro.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Authorizing Legislation (as herein defined) unless and until the certificate of authentication hereon shall have been duly executed by an authorized officer of the Registrar.

IN WITNESS WHEREOF, the Council of the Metropolitan Service District, has caused this Bond to be signed by the facsimile signature of its Executive Officer and attested by the facsimile signature of the Presiding Officer of the Council, all as of the Original Issue Date set forth above.

Rena Cusma, Executive Officer

[SEAL]

ATTEST:

Tanya Collier, Presiding Officer

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Metropolitan Service District General Obligation Refunding Bonds (Oregon Convention Center), 1992 Series A, issued pursuant to the Authorizing Legislation described herein.

Date of Authentication: _____

First Interstate Bank of Oregon, N.A.

By: _____
Authorized Officer

[Form of Reverse Side of Bond]

This Bond is one of a series of bonds (collectively, the "Bonds") issued by Metro in the aggregate principal amount of \$__,000,000 pursuant to the power conferred on Metro under ORS 268.525, ORS 288.605 to 288.695 (inclusive) and ORS 288.160(1)(b), as amended, and related provisions of the laws of the State of Oregon (collectively, the "Act"), an approving vote of a majority of the electors of Metro voting at an election duly called and held on November 4, 1986 which authorized the issuance of the Refunded Bonds being refunded and defeased out of the proceeds of the Bonds (the "Elector Authorization") and Resolution No. 92-1592(the "Resolution") duly adopted by Metro Council at a meeting held on February 18, 1992 (the Act, the Elector Authorization and the Resolution being herein collectively called the "Authorizing Legislation"). All terms used herein and not otherwise defined herein shall have the respective meanings assigned thereto in the Resolution.

The Bonds are being issued for the purpose of refunding, defeasing and redeeming the Refunded Bonds, which Refunded Bonds constitute a part of a series of bonds initially authorized by the electors of Metro pursuant to the Elector Authorization.

The Bonds constitute general obligations of Metro secured by Metro's full faith and credit and the taxing power of Metro, all as provided in the Authorizing Legislation. In accordance with ORS 288.655(2) and 268.500 and the Elector Authorization, Metro shall levy annually a direct *ad valorem* tax on all of the taxable property within Metro in an amount which, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes and all other moneys reasonably available for the payment of debt service on the Bonds, will be sufficient to pay when due the principal of and interest on the Bonds, and Metro has covenanted with the owners of the Bonds to levy such a tax annually during each year that any of the Bonds are outstanding. The *ad valorem* taxes to be levied by Metro for the purpose of paying when due the principal of and interest on the Bonds shall be levied and collected outside of, and in addition to, the taxes levied and collected by Metro within its statutory tax base, are not subject to the limitations imposed by Article XI, Section 11b of the Oregon Constitution, and shall be levied in an amount sufficient to pay the Bonds when due without regard to rate or amount.

The Bonds are subject to mandatory and optional redemption prior to maturity, any such redemption to be on such date, in such amounts and at such redemption prices as are set forth in the Resolution.

Notice of any such redemption shall be given to the registered owners of the Bonds to be redeemed in the manner required by the Resolution.

The Bonds are issuable only in the form of fully registered bonds without coupons in the denominations of \$5,000 or any integral multiple thereof not in excess of the principal amount maturing in any one year.

The current Registrar and Paying Agent for the Bonds is First Interstate Bank of Oregon, N.A., Portland, Oregon. In the Authorizing Legislation, Metro has reserved the right to designate a different Paying Agent and Registrar upon not less than 45 days' prior notice mailed to the registered owners of all outstanding Bonds.

This Bond is transferable by the Registered Owner hereof in person or by the Registered Owner's attorney duly authorized in writing only on the registration books maintained by the Registrar upon presentation and surrender of this Bond, duly endorsed for transfer, at the principal corporate trust office of the Registrar. In addition, this Bond may be exchanged for Bonds of the same maturity, interest rate, and aggregate principal amount in any authorized denominations upon presentation and surrender hereof at the principal corporate trust office of the Registrar. As a condition precedent to any such transfer or exchange, the Registered Owner shall be required to pay any applicable governmental tax or charge. The Registrar shall not be required to transfer or exchange any Bonds during the period beginning on the 15th day of the month prior to an Interest Payment Date and ending on such Interest Payment

Date. Metro and the Paying Agent and Registrar may treat the person in whose name this Bond is registered as the absolute owner hereof for all purposes, and neither Metro nor the Paying Agent and Registrar shall be affected by any notice to the contrary.

The rights of the owner of this Bond are in all respects governed by and subject to the terms and conditions set forth in the Authorizing Legislation, to which the owner, by the acceptance of this Bond, consents in all respects.

ASSIGNMENT

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

(Please insert social security or other identifying number of assignee: _____)
the within 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: _____

Signature

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

Signature Guaranteed:

(Bank, Trust Company, or Firm)

Authorized Officer

The following abbreviations, when used in the inscription on the face of the within 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
as custodian under the laws of Oregon for
_____ MIN
(Minor's Name)

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