

RESOLUTION NO. 214

A RESOLUTION AMENDING THE LOAN AGREEMENT BETWEEN
THE ALASKA MUNICIPAL BOND BANK AUTHORITY AND
THE CITY OF BETHEL, ALASKA

WHEREAS, the City Council, by Resolution No. 198 adopted on May 26, 1977, authorized the City Manager to enter into a loan agreement with the Alaska Municipal Bond Bank Authority (the "Authority") whereby the Authority was to purchase the City's \$795,000.00 Bethel Court Building General Obligation Bond; and

WHEREAS, the Authority wishes to insure that the City's early redemption of a portion of the principal of the Bond does not adversely affect the Authority's ability to service its own bonded indebtedness; and

WHEREAS, the Authority wishes to secure payment of the principal of the Bond by the assignment by the City of a portion of the rental receipts arising from a lease of a portion of the Bethel Court Building to the State of Alaska in the same manner as the City has earlier assigned a portion of the receipts for the payment of interest on said Bond, and

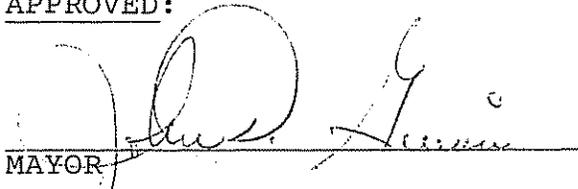
WHEREAS, the City Council finds it to be in the public interest to complete the sale of the Bond to the Authority as soon as possible.

NOW THEREFORE BE IT RESOLVED, by the Council of the City of Bethel, Alaska, that the Loan Agreement between the Alaska Municipal Bond Bank Authority and the City of Bethel, Alaska should be and the same hereby is amended to conform to the Amendment To Loan Agreement Between The Alaska Municipal Bond Bank Authority And The City Of Bethel, Alaska attached hereto as Exhibit 1 and incorporated herein by reference.

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized and directed to take such action as is necessary to carry out the resolution adopted herein.

PASSED AND APPROVED this 24th day of October, 1977.

APPROVED:


MAYOR

ATTEST:

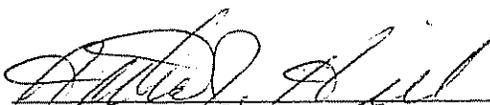

CITY CLERK

EXHIBIT 1

AMENDMENT TO LOAN AGREEMENT BETWEEN THE
ALASKA MUNICIPAL BOND BANK AUTHORITY AND
THE CITY OF BETHEL, ALASKA.

AGREEMENT, dated the ____ day of _____,
1977, between the Alaska Municipal Bond Bank Authority
(the "Authority") and the City of Bethel, Alaska (the
"Municipality").

W I T N E S S E T H:

WHEREAS, pursuant to Chapter 58, Title 44, Alaska
Statutes, as amended (hereinafter referred to as the "Act"),
the Authority and the Municipality have entered into a Loan
Agreement, dated June 1, 1977 (hereinafter called the "Loan
Agreement"), providing for a Loan by the Authority to the
Municipality in the amount of \$795,000 and providing for
obligations of the Municipality and the Authority with
respect to said Loan; and

WHEREAS, the Authority is now preparing to issue
and deliver its 1977 Series C Bonds and receive the proceeds
thereof to enable it to effectuate the Loan; and

WHEREAS, in connection with the effectuation of
the Loan it appears necessary and desirable to amend certain
provisions of the Loan Agreement.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Section 7 of the Loan Agreement is supple-
mented by adding the following thereto:

In the event the Authority Loan Obligations have been refunded, the amount which the Municipality shall be obligated to pay or the Authority shall receive under item (iii) above, when the refunding Authority Loan Obligations are to be redeemed, shall be the applicable premium, if any, on the said Authority Loan Obligations to be redeemed.

The Municipality may redeem its Municipal Bonds only with the prior consent of the Authority.

2. Section 8 of the Loan Agreement is amended to read as follows:

8. Simultaneously with the delivery of the Municipality's Bond or Bonds to the Authority, the Municipality shall furnish to the Authority evidence satisfactory to the Authority which shall set forth among other things, that said Bond or Bonds will constitute valid obligations of the Municipality as required by the Act.

3. Section 11 of the Loan Agreement is amended to read as follows:

11. (a) As long as the Loan is outstanding the Municipality shall maintain and keep in full force and effect the provisions of that certain Lease Agreement between the Municipality and the State of Alaska, dated September 28, 1976 (Lease No. 1090) (the "Lease") insofar as the same affect the obligation of the State to pay the agreed rental thereunder; shall not release or modify the obligations of the State to pay said rental and shall take all reasonable measures to enforce prompt payment of said rental.

(b) Municipality further agrees to extend the Lease for a period at least equal to the period the Loan is outstanding.

(c) The right of the Municipality to receive and collect from the State the portion of the rental equal to the pro rata monthly portion of the Municipal Bonds Interest Payments and Municipal Bonds Principal Payments as determined by the Authority, is hereby assigned to the Authority.

(d) Pursuant to such assignment, Municipality hereby irrevocably directs the State to make payment of said portion of the rental directly to First National Bank of Anchorage - Bethel Office, for the account of the Authority.

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

ALASKA MUNICIPAL BOND BANK
AUTHORITY

By _____
Chairman

ATTEST:

CITY OF BETHEL, ALASKA